

Appendix F

Institution Management Response

Indicate whether the answer is yes or no to the proposed questions and provide a detailed response to your answer.

1. OVERARCHING/PERFORMANCE

a. Are the programs under Recovery Act for my organization following the existing procedures or new procedures? *Yes. Lurleen B. Wallace Community College (LBW) will follow existing federal grant procedures and new procedures established under the guidance of the Alabama Department of Postsecondary Education, the State of Alabama Governor's Office, and the American Recovery and Reinvestment Act of 2009.*

b. Are specific Recovery Act fund objectives and requirements incorporated into agency policies? *Yes. Objectives and requirements are incorporated into policies and staff has been assigned responsibilities for payment documentation, reporting, review and accountability of grant funds.*

c. Does my organization have staff adequately trained to effectively implement Recovery Act requirements? *Yes. The LBW Compliance Officer, Secondary Compliance Officer, and the LBW Web Coordinator attended a training session on August 4, 2009, presented by the Alabama Department of Postsecondary Education. LBW staff is experienced and trained in the management of federal/state grants received by the College.*

d. Has my organization provided new requirements, conditions, and guidance to the recipients regarding Recovery Act? *N/A. There are no sub-recipients of LBW.*

e. Does my organization have reporting mechanisms in place to collect the required data from recipients to meet Recovery Act transparency requirements? *N/A. There are no sub-recipients of LBW.*

f. Is there an agency-wide methodology for measuring performance? What are the key performance metrics? *Not applicable for State Stabilization Funds. Performance will be based on what the Recovery grant requirements may be for any competitive grant received.*

g. Are there any process metrics, or are the metrics primarily outcome-oriented? *Yes. Outcome oriented to maintain faculty positions needed by LBW.*

h. Does my organization have a corrective action plan process in place to promptly resolve the audit findings identified that may impact the ability to successfully implement Recovery Act? *LBW's 2007-2008 audit performed by the State of Alabama Examiners has been completed and an unqualified opinion has been issued for both the financial statement and federal awards. LBW qualified as a low-risk auditee and the audit did not disclose any findings or questionable cost. Should any findings be made in future years, LBW will provide a response as to what corrective action has been made and/or will be made to provide solution to any audit findings.*

i. Has my organization established a governance body to oversee / manage the overall implementation of Recovery Act? *Yes. The LBW Business Office will oversee/manage the overall implementation of the Recovery Act through governance by the Alabama Department of Postsecondary Education, the Alabama Department of Finance authority, and the State of Alabama Governor's Office.*

Management Response and Action Plan:

2. REPORTING

a. Is the necessary reporting under Recovery Act in place? *Yes. LBW has assigned personnel responsibilities and has in place a separate restricted fund accounting/budget center. LBW will provide monthly updates to the Alabama Department of Postsecondary Education by the third day of the month. Once the report is approved, it will be placed on the ARRA section of LBW's website for public review. Quarterly reports will be made by the 10th of the month following the quarter. A copy of this quarterly report will be submitted to the Alabama Department of Postsecondary Education for review. A link to FederalReporting.gov to access the report will be placed on LBW's ARRA website for public review.*

b. Has your organization implemented communication vehicles to ensure Recovery Act data is promptly reported on the agency's website? *Yes. LBW's Secondary Compliance Officer is responsible for compiling the data needed to report to the agency's website and presenting this material to the Primary Compliance Officer for review. Once this documentation has been reviewed and approved as accurate, it will be reported on the agency's website no later than the 3th day of the month. The first LBW website reporting was implemented on August 10, 2009.*

c. Are reports published under Recovery Act reviewed and approved? *Yes. Each report will be compiled by the Secondary Compliance Office and reviewed by the Primary Compliance Officer prior to submission. Reporting is reviewed and approved monthly by the Alabama Department of Postsecondary Education and reported quarterly through the federal website reporting system.*

d. Are reports issued accurate and have the data fields required under Recovery Act? *Yes. LBW's self-balancing general ledger account reporting will reconcile and report accurately to the Alabama Department of Postsecondary Education and the State of Alabama through the Federal standardized reporting formats.*

e. Do reports tell agency management what is happening on a timely basis? *Yes. Reports are completed monthly to the Alabama Department of Postsecondary Education by the 3rd calendar day of the month following the reporting month. Reporting is completed quarterly to the federal government via FederalReporting.gov by the 10th calendar of the month following the reporting quarter.*

f. Are issues identified through established reports addressed on a timely basis? *Yes. Reports are reviewed and verified by the Secondary Compliance Officer and the Primary Compliance Officer each month prior to submission.*

g. Are reports issued on the effectiveness of risk management strategies and tactics timely? *Yes. The reports are completed and submitted to the Alabama Department of Postsecondary Education for review by the internal auditors.*

h. Are risk management strategies and tactics properly monitored? *Yes. LBW's use of the stabilization funds is monitored by the Alabama Department of Postsecondary Education who issues reports to the Governor's Department of Finance.*

Management Response and Action Plan:

1. HUMAN CAPITAL

- a. Has my organization identified qualified personnel to oversee the Recovery Act funds? *Yes. Dr. Herbert H.J. Riedel, President of LBW has appointed Linda Hartin, Chief Financial Officer as the Primary Compliance Officer and Cynthia Donaldson, Assistant Chief Financial Officer as the Secondary Compliance Officer. Mrs. Donaldson is responsible for the accounting of multiple state and federal grant awards and is very familiar with the OMB guidelines and requirements.*
- b. Does my organization have sufficient level of personnel to manage the Recovery Act programs (for instance, Grant, Contracting, Financial Management, or IT personnel, etc.)? *Yes. Linda Hartin, Chief Financial Officer, Cynthia Donaldson, Assistant Chief Financial Officer, and Lisa Patterson, Web Manager.*
- c. Are they empowered to make decisions and administer the Recovery Act programs? *Yes. Authority directed by the College President.*
- d. Are program officials trained in the performance management requirements? *Yes. Both Linda Hartin and Cynthia Donaldson have numerous years experience in handling state and federal grant funding and regulations/requirements of OMB guidelines.*
- e. Has my organization considered using alternative hiring methods allowed under the Recovery Act? *None needed. Duties can be easily absorbed in current organizational duties and organizational structure.*

Management Response and Action Plan:

1. ACQUISITION

- a. Do new Requests for Proposals issued under Recovery Act initiatives contain the necessary language to satisfy the requirements of the Recovery Act? *N/A. 100% of funds are to be used for salaries and benefits.*
- b. Are Contracts awarded in a prompt, fair, and reasonable manner? *N/A*
- c. Do new contracts awarded using Recovery Act funds have the specific terms and clauses required? *N/A*
- d. Are contracts awarded using Recovery Act funds transparent to the public? Are the public benefits of the funds used under these contracts reported clearly, accurately, and in a timely manner? *Yes. Monthly reporting is required and updated on LBW's website and the information will be available through recovery.gov.*
- e. Are funds used for authorized purposes and the potential for fraud, waste, error, and abuse minimized and/or mitigated? *Yes. The LBW website has a place to report stimulus fraud.*
- f. Do projects funded under Recovery Act avoid unnecessary delays and cost overruns? *N/A*
- g. Are there any performance issues identified with regards to (potential) contractor? Are there follow up actions to address the performance issues? *N/A*

Management Response and Action Plan:

LBW plans to use 100% of its State Stabilization Award for employee salaries and benefits.

1. FINANCIAL

- a. Has my organization established separate Treasury Account Fund Symbols to ensure Recovery Act funds are clearly distinguishable? *Yes. LBW currently has restricted fund accounts that are identified individually by program codes which will provide for the accurate segregation of funds.*
- b. Are there controls in place to ensure that Recovery Act funds are not commingled with other agency funds? *Yes. LBW currently has restricted fund accounts that are individually identifiable by program codes which will provide for the accurate segregation of funds.*
- c. Are existing internal controls sufficient to mitigate the risks of fraud, waste, and abuse? *Yes. LBW has internal controls in place to ensure separation of duties for all College accounting areas/funds. (Example: separate staff issue personnel contracts, pay contracts, orders grant funds, and reconciles bank statements.)*

Management Response and Action Plan:

1. SYSTEM

- a. Are financial and operational systems configured to manage and control recovery funds? *Yes. Administrative software allows separate budget and financial reporting of grant funds.*
- b. Can financial and operational systems support the increase in volume of contracts, grants and loans etc.? *Yes. LBW's grant award can be easily managed by utilizing current College personnel and LBW's financial and operational system currently in place.*
- c. Are the appropriate data elements identified that must be captured, classified and aggregated for analysis and reporting to meet Recovery Act requirements? *Yes. Employee salaries and benefits to be paid from state stabilization funds have been identified. Beginning October 1, 2009, the identified employees will be paid from designated restricted funds accounts which will provide reporting elements that can be easily captured, classified and reviewed for reporting purposes and requirements. Employees paid from stabilization funds will be required to document time and effort.*

Management Response and Corrective Action Plan: