

Appendix F

August 28, 2009

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; THE COLLEGE WILL FOLLOW THE GUIDANCE AS REQUIRED BY OMB, THE EXECUTIVE OFFICE OF ALABAMA, AND THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009.**

b. Are specific Recovery Act fund objectives and requirements incorporated into agency policies? **YES; THE COLLEGE HAS ASSIGNED STAFF FOR PAYMENT DOCUMENTATION, REPORTING, REVIEW AND ACCOUNTABILITY OF RECOVERY ACT FUNDS.**

c. Does my organization have staff adequately trained to effectively implement Recovery Act requirements? **YES; PRIMARY COMPLIANCE OFFICER IS DEAN OF FINANCE; SECONDARY COMPLIANCE OFFICER IS DIRECTOR OF FEDERAL TITLE III PROGRAMS; WEBSITE COORDINATOR IS DIRECTOR OF COMPUTER SERVICES.**

d. Has my organization provided new requirements, conditions, and guidance to the recipients regarding Recovery Act? **NOT APPLICABLE; THE COLLEGE IS THE RECIPIENT AND WILL NOT HAVE ANY SUB-RECIPIENTS.**

e. Does my organization have reporting mechanisms in place to collect the required data from recipients to meet Recovery Act transparency requirements? **NOT APPLICABLE; SEE d. ABOVE.**

f. Is there an agency-wide methodology for measuring performance? What are the key performance metrics? **YES; DPE WILL PROVIDE GUIDANCE ON STABILIZATION FUNDS PERFORMANCE. THE COLLEGE IS USING RECOVERY ACT FUNDS FOR PERSONEL COSTS. THE COLLEGE HAS NOT RECEIVED ANY COMPETITIVE GRANTS.**

g. Are there any process metrics, or are the metrics primarily outcome-oriented? **YES; JOB POSITIONS WERE IDENTIFIED THAT WOULD HAVE BEEN AT RISK FOR NON-RENEWAL OR ELIMINATION. THE OUTCOME IS TO RETAIN EXISTING FACULTY AND STAFF.**

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? **NOT APPLICABLE; FISCAL YEAR 2007-2008 AUDIT IS IN PROGRESS AND HAS NOT BEEN PUBLISHED AS**

OF AUGUST 28, 2009.

i. Has my organization established a governance body to oversee / manage the overall implementation of Recovery Act? **YES; THE COLLEGE BUSINESS OFFICE, DPE, STATE FINANCE AND GOVERNOR'S OFFICES.**

2. REPORTING

- a. Is the necessary reporting under Recovery Act in place? **YES; MONTHLY UPDATE FORM ELECTRONICALLY AND ON WEBSITE; QUARTERLY REPORTING ON WWW.FEDERALREPORTING.GOV; MONTHLY REQUEST FOR FUNDS FROM DPE; THE COLLEGE HAS ASSIGNED SEPARATE RESTRICTED FUND ACCOUNTING/BUDGET CENTER ACCOUNT CODES.**
- b. Has your organization implemented communication vehicles to ensure Recovery Act data is promptly reported on the agency's website? **YES; BASED ON DPE'S DIRECTION, WEBSITE REPORTING WAS EFFECTIVE AUGUST 10, 2009 AND WILL BE UPDATED BY THE THIRD OF EACH MONTH.**
- c. Are reports published under Recovery Act reviewed and approved? **YES; ALL REQUIRED REPORTS WILL BE REVIEWED BY DIRECTOR OF ACCOUNTING AND SECONDARY COMPLIANCE OFFICER, AND APPROVED BY PRIMARY COMPLIANCE OFFICER. REPORTS ARE ALSO REVIEWED BY DPE, OTHER STATE OFFICES, AND THROUGH THE FEDERAL WEBSITE REPORTING SYSTEM.**
- d. Are reports issued accurate and have the data fields required under Recovery Act? **YES; ALL REQUIRED REPORTS SUBMITTED ARE SUPPLIED BY DPE BASED UPON RECOVERY ACT GUIDANCE. THE COLLEGE'S GENERAL LEDGER REPORTING WILL BE RECONCILED AND REPORTED ACCURATELY TO DPE AND THE FEDERAL GOVERNMENT.**
- e. Do reports tell agency management what is happening on a timely basis? **YES; ALL REQUIRED REPORTS SUBMITTED ARE SUPPLIED BY DPE BASED UPON RECOVERY ACT GUIDANCE.**
- f. Are issues identified through established reports addressed on a timely basis? **YES; REPORTS ARE REVIEWED AND VERIFIED BY THE PRIMARY COMPLIANCE OFFICER EACH MONTH BEFORE SUBMISSION.**
- g. Are reports issued on the effectiveness of risk management strategies and tactics timely? **YES; DPE AND INTERNAL AUDIT DIVISION WILL REPORT ANY ISSUES IDENTIFIED DURING THEIR REVIEW OF RECOVERY ACT COMPLIANCE.**
- h. Are risk management strategies and tactics properly monitored? **YES; WITH ASSISTANCE OF DPE FISCAL DIVISION DIRECTOR**

1. **HUMAN CAPITAL**

- a. Has my organization identified qualified personnel to oversee the Recovery Act funds? **YES; PRIMARY COMPLIANCE OFFICER IS DEAN OF FINANCE, Brenda Taylor; SECONDARY COMPLIANCE OFFICER IS DIRECTOR OF FEDERAL TITLE III PROGRAMS, Dr. Reginald Crenshaw; WEBSITE COORDINATOR IS DIRECTOR OF COMPUTER SERVICES, Marty Forsyth.**
- 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; THE COLLEGE CURRENTLY MANAGES AND PROCESSES OTHER FEDERAL GRANTS. ARRA FUNDS WILL BE PROCESSED USING EXISTING INTERNAL CONTROL SYSTEMS APPLICABLE TO THE COLLEGE'S FEDERAL GRANTS.**
- c. Are they empowered to make decisions and administer the Recovery Act programs? **YES; THE COLLEGE CURRENTLY MANAGES AND PROCESSES OTHER FEDERAL GRANTS. ALL PROGRAM OFFICIALS HAVE BEEN AUTHORIZED BY THE COLLEGE'S PRESIDENT.**
- d. Are program officials trained in the performance management requirements? **YES; THE COMPLIANCE OFFICERS CURRENTLY MANAGE AND PROCESS OTHER FEDERAL GRANTS. THE PRIMARY COMPLIANCE OFFICER AND PRESIDENT ATTENDED MANDATORY TRAINING. OTHER OFFICERS HAVE REVIEWED TRAINING MATERIAL AND FEDERAL OMB GUIDANCE.**
- e. Has my organization considered using alternative hiring methods allowed under the Recovery Act? **NO; NOT CONSIDERED TO BE NECESSARY; THE COLLEGE CAN EASILY INCORPORATE RECOVERY ACT FUNDS IN THE CURRENT ORGANIZATIONAL DUTIES AND STRUCTURE.**

1. **ACQUISITION - NOT APPLICABLE; ARRA FUNDS TO BE USED ONLY FOR PERSONNEL COSTS**

- a. Do new Requests for Proposals issued under Recovery Act initiatives contain the necessary language to satisfy the requirements of the Recovery Act?
- b. Are Contracts awarded in a prompt, fair, and reasonable manner?
- c. Do new contracts awarded using Recovery Act funds have the specific terms and clauses required?
- 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?
- e. Are funds used for authorized purposes and the potential for fraud, waste, error, and abuse minimized and/or mitigated?
- f. Do projects funded under Recovery Act avoid unnecessary delays and cost overruns?
- g. Are there any performance issues identified with regards to (potential) contractor? Are there follow up actions to address the performance issues?

1. FINANCIAL

- a. Has my organization established separate Treasury Account Fund Symbols to ensure Recovery Act funds are clearly distinguishable? **YES; THE COLLEGE'S ACCOUNTING CODE UNIQUELY DISTINGUISHES ARRA FUNDS FROM UNRESTRICTED FUNDS AND ALL OTHER RESTRICTED GRANT FUNDS. THE FUNDS WILL BE TRANSMITTED TO THE COLLEGE SEPARATELY FROM ANY OTHER FUNDS.**
- b. Are there controls in place to ensure that Recovery Act funds are not commingled with other agency funds? **YES; THE COLLEGE'S ACCOUNTING CODE UNIQUELY DISTINGUISHES ARRA FUNDS FROM UNRESTRICTED FUNDS AND ALL OTHER RESTRICTED GRANT FUNDS.**
- c. Are existing internal controls sufficient to mitigate the risks of fraud, waste, and abuse? **YES; THE COLLEGE SEPARATES DUTIES TO ENSURE PROPER INTERNAL CONTROLS OVER FEDERAL FUNDS. THE COLLEGE'S BUSINESS OFFICE ALSO OPERATES UNDER A STATEMENT OF ETHICAL BEHAVIOR AS INCLUDED IN THE BUSINESS OFFICE POLICIES AND PROCEDURES MANUAL:**

Statement of Ethical Behavior

The Business Office of Bishop State Community College complies with all applicable laws and regulations of the State of Alabama and the federal government. This includes, but is not limited to, the Alabama Competitive Bid laws, and laws and regulations governing ethical behavior of public officials and employees.

Business Office employees are expected to exhibit exceptional personal honesty, integrity, and the utmost professional competency when dealing with co-workers, other College employees, students and their families, other officials, and community citizens.

OTHER PAYROLL INTERNAL CONTROLS INCLUDE:

Salary Amounts

The Director of Human Resources (DHR) is responsible for determining and entering all salary rates into the Personnel system. The DHR determines the hire and service dates for all employees that are used to calculate the leave accrual increments.

All salary adjustments or presidentially approved new hire appointments are calculated and approved by the DHR, then forwarded to the Dean of Finance (DOF) for approval.

Deductions

The PA maintains signed authorization forms for all payroll deductions.

Timesheets

The Payroll Accountant (PA) in the Business Office is responsible for entering all employees' approved

timesheet hours and for processing payroll disbursements to employees and payroll payable vendors.

The PA receives hourly timesheets and other personnel action forms from the departments and the DHR. The timesheet information is recalculated for clerical accuracy and entered into the payroll system.

The College complies with the applicable provision of the Fair Labor Standards Act.

Disbursement

Generally payroll checks are issued on the last working day of the month.

The PA prints a working payroll register and the Director of Accounting (DOA) reviews, comparing the time sheets and information entered and other salary amounts, then initials, and dates the report. The PA then proceeds with printing payroll checks.

Computer Services receives the direct deposit report and submits the transactions to the bank. An *Approved for Processing* report is printed. Computer Services initials and dates the report. The approved report is filed in Computer Services and Payroll. PA verifies total submitted and initials report.

1. SYSTEM

- a. Are financial and operational systems configured to manage and control recovery funds? **YES; THE COLLEGE CURRENTLY MANAGES AND PROCESSES OTHER FEDERAL GRANTS. THE CURRENT ADMINISTRATIVE SOFTWARE SYSTEM SEPARATELY IDENTIFIES RESTRICTED GRANTS FOR BUDGET AND FINANCIAL REPORTING PURPOSES.**
- b. Can financial and operational systems support the increase in volume of contracts, grants and loans etc.? **YES; THE COLLEGE CURRENTLY MANAGES AND PROCESSES OTHER FEDERAL GRANTS.**
- c. Are the appropriate data elements identified that must be captured, classified and aggregated for analysis and reporting to meet Recovery Act requirements? **YES; THE COLLEGE PRESIDENT AND DIRECTOR OF HUMAN RESOURCES IDENTIFIED THE JOBS THAT WOULD HAVE BEEN REDUCED OR ELIMINATED WITHOUT ARRA FUNDING. SEE 5 c. ABOVE FOR DESCRIPTION OF PROCEDURES FOR CLASSIFYING AND AGGREGATING PAYROLL COSTS.**