

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?
- b. Are specific Recovery Act fund objectives and requirements incorporated into agency policies?
- c. Does my organization have staff adequately trained to effectively implement Recovery Act requirements?
- d. Has my organization provided new requirements, conditions, and guidance to the recipients regarding Recovery Act?
- e. Does my organization have reporting mechanisms in place to collect the required data from recipients to meet Recovery Act transparency requirements?
- f. Is there an agency-wide methodology for measuring performance? What are the key performance metrics?
- g. Are there any process metrics, or are the metrics primarily outcome-oriented?
- 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?
- i. Has my organization established a governance body to oversee / manage the overall implementation of Recovery Act?

Management Response and Action Plan:

- a. Yes. The programs under the Recovery Act for Shelton State Community College (SSCC) follow existing procedures to comply with provisions of the Act by following the guidance given by the Department of Postsecondary, State of Alabama Governor's Office, and the American Recovery and Reinvestment Act of 2009.
- b. Yes. Specific Recovery Act objectives and requirements are incorporated into SSCC policies to have assigned staff for payment documentation, reporting, review and accountability.
- c. Yes. SSCC has staff adequately trained to effectively implement Recovery Act requirements by managing and monitoring the grants received by the College.

- d. Yes. While SSCC has no sub-recipients, the College is following the guidances from the Department of Postsecondary Education.

- e. Yes. SSCC discloses all transactions online at <http://www.sheltonstate.edu/content.aspx?PageID=1682> . All reports will be prepared by the Compliance Officer and submitted to the Department of Postsecondary Education in a timely manner.

- f. NA. SSCC is not receiving competitive grants.

- g. Yes. The metrics are primarily outcome-oriented to keep faculty and staff.

- h. Yes. SSCC is subject to Alabama State Law governing audits of financial and legal compliance.

- i. Yes. The State of Alabama Board of Education governs SSCC through the oversight of the Department of Postsecondary Education.

2. **REPORTING**

- a. Is the necessary reporting under Recovery Act in place?
- b. Has your organization implemented communication vehicles to ensure Recovery Act data is promptly reported on the agency's website?
- c. Are reports published under Recovery Act reviewed and approved?
- d. Are reports issued accurate and have the data fields required under Recovery Act?
- e. Do reports tell agency management what is happening on a timely basis?
- f. Are issues identified through established reports addressed on a timely basis?
- g. Are reports issued on the effectiveness of risk management strategies and tactics timely?
- h. Are risk management strategies and tactics properly monitored?

Management Response and Action Plan:

- a. Yes. SSCC established policies and procedures to comply with reporting requirements of the Act. Personnel have been assigned to comply with monthly State reporting, monthly website reporting, and quarterly website data reporting. Separate restricted fund accounts will be established.

- b. Yes. SSCC posts information on the college's website (<http://www.sheltonstate.edu/content.aspx?PageID=1682>) as reports are submitted to the recipient agency, based on established deadlines.
- c. Yes. Prior to submission the President's Office, Business Services and appropriate support staff review the information for submission. Reports are reviewed and approved by the Department of Postsecondary, other State offices, and through the Federal website reporting system.
- d. Yes. SSCC established policies and procedures to ensure reports are accurate and data fields are complete and report accurately to the State of Alabama and the Federal standardized reporting formats.
- e. Yes. SSCC management reviews reports for current information on a timely basis and has been given deadlines of when to report by the Department of Postsecondary.
- f. Yes. Policies and procedures are established to address on a timely basis issues identified through established reports. Reports are reviewed and verified by the Compliance Officer each month before submittal.
- g. Yes. SSCC reports the effectiveness of risk management strategies and tactics timely per the reviews of the internal auditors of the Department of Postsecondary.
- h. Yes. Risk management strategies and tactics are properly monitored with internal control policies and procedures, as well as the reviews of the staff of the Department of Postsecondary.

1. HUMAN CAPITAL

- a. Has my organization identified qualified personnel to oversee the Recovery Act funds?
- 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.)?
- c. Are they empowered to make decisions and administer the Recovery Act programs?
- d. Are program officials trained in the performance management requirements?
- e. Has my organization considered using alternative hiring methods allowed under the Recovery Act?

Management Response and Action Plan:

- a. Yes. The President’s Office, Business Services and appropriate support staff are qualified to oversee Recovery Act Funds. The following individuals have been designated by the College for review and approval of reports and information regarding Recovery Act Funds:

Mark A. Heinrich, Ph. D., President

Steve Fair, Dean of Administrative Services

DeLane Bailey, Associate Dean of Business Services

Ann Bracknell, Senior Accountant

- b. Yes. SSCC has a sufficient level of personnel within the Business Services Office to manage Recovery Act Programs.
- c. Yes. Personnel assigned to Act performance and reporting are empowered to make decisions within the internal control policy and procedure framework, with authority directed by the College President.
- d. Yes. Program officials participate in adequate, on-going training in the performance of management requirements. The Compliance Officer also oversees all college restricted funds, including all federal grants.
- e. Yes. SSCC has considered the alternative hiring methods allowed under the Act within the limits and requirements of Alabama State Law. However, none are needed. Duties will be absorbed into current structure.

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?
- 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?

Management Response and Action Plan:

- a. No. SSCC will apply Act funds only internally to save jobs and delay increases in tuition and fees.
- b. No. SSCC will not award contracts with Act funds.
- c. No. SSCC will not award contracts with Act funds.
- d. Yes. SSCC complies with reporting requirements by posting Act information on the college's website (<http://www.sheltonstate.edu/content.aspx?PageID=1682>).
- e. Yes. Business administrators are qualified to understand and apply Act regulations and requirements. Also, the college's website (<http://www.sheltonstate.edu/content.aspx?PageID=1682>) has a link to report this information.
- f. No. SSCC will apply Act funds only internally.
- g. No. SSCC will not award contracts with Act funds.

1. FINANCIAL

- a. Has my organization established separate Treasury Account Fund Symbols to ensure Recovery Act funds are clearly distinguishable?
- b. Are there controls in place to ensure that Recovery Act funds are not commingled with other agency funds?
- c. Are existing internal controls sufficient to mitigate the risks of fraud, waste, and abuse?

Management Response and Action Plan:

- a. Yes. SSCC applies generally accepted governmental accounting standards to all transactions. Act funds are clearly distinguishable in a sub fund of self-balancing

accounts in the restricted funds category.

- b. Yes. Act funds are accounted for separately and distinctly from all other institutional funds in the restricted funds category with separate location codes.
- c. Yes. SSCC is audited annually by the State of Alabama Department of Examiners of Public Accounts. The Examiners test each year as a part of their audit internal controls. SSCC Business Services administrators are qualified to assess internal control compliance and respond accordingly to any deficiencies.

1. SYSTEM

- a. Are financial and operational systems configured to manage and control recovery funds?
- b. Can financial and operational systems support the increase in volume of contracts, grants and loans etc.?
- c. Are the appropriate data elements identified that must be captured, classified and aggregated for analysis and reporting to meet Recovery Act requirements?

Management Response and Corrective Action Plan:

- a. Yes. SSCC applies generally accepted governmental accounting standards to all transactions. Act funds are clearly distinguishable in a sub fund of self-balancing accounts. Act funds are accounted for separately and distinctly from all other institutional funds. SSCC is audited annually by the State of Alabama Department of Examiners of Public Accounts. The Examiners test each year as a part of their audit internal controls. SSCC administrators are qualified to assess internal control compliance and respond accordingly to any deficiencies.
- b. Yes. Since Act funds will be used to save positions, existing operations and functions are sufficient to support Act objectives.
- c. Yes. Appropriate data elements are captured, classified, and aggregated for Act reporting.