

California State University, Bakersfield
**Auxiliary for Sponsored Programs
Administration**



**ACTION PLAN IMPLEMENTATION UPDATE
For A-133 Single Audit Year Ended June 30, 2011**

Submitted to:
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CSUB Action Plan Implementation Update for U.S. D.O.E.

INTRODUCTION

This report is a progress update on the implementation of the California State University, Bakersfield (CSUB) Auxiliary for Sponsored Programs Administration (SPA) Action Plan submitted as Management Responses with the A-133 Audited Financial Report Year Ended June 30, 2011. The audit report by the Accountancy Corporation Daniells, Phillips, Vaughan, and Bock was dated September 29, 2011 and indicated three programmatic findings for United States Department of Education (DOE) grants.

In this report, the three Audit Findings and the CSUB SPA Management Responses (Action Plans) are reprinted and a progress update on the implementation of each is provided. CSUB SPA is confident that all of these Action Plans are complete and have addressed the concerns indicated in the findings.

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PROGRESS REPORT

Action Plan implementation updates are provided below in a box after the re-print of each of the three findings from the California State University, Bakersfield (CSUB) Auxiliary for Sponsored Programs Administration (SPA) Audited Financial Report for Year Ended June 30, 2011.

**FA-11-01 Higher Education – Institutional Aid U.S. Department of Education
CFDA #84.031S. Federal award # P031S090014**

Both tables reported under the caption of "Purchase of library books, periodicals, and other educational materials, including telecommunications program materials" under Section 3 - Process Measures for "Achieving Academic Excelencia at CSUB as an Hispanic-Serving University: Building a Foundation of Excellence and Clear Pathway to Degree Completion for all Students" of the Title V-A Annual Performance Report were not supported by the underlying documentation. The guidance per the grant agreement states that the Grantee must provide adequate source documentation for federal and non-federal funds used under grant projects. The above finding stems from a lack of review at the program level to ensure the amounts reported in the Annual Performance Report agree with the underlying documentation. Program management should develop and implement procedures whereby all source documentation used to compile the Annual Performance Report is maintained by the Program Director to ensure that the documentation used to compile the report is complete and accurate.

Management Response:

Management has developed a system in which all source documents for the purchase of books follow a strict procedure. When books are purchased and approved by the Grant Director all paperwork must be generated by the grant assistant. The grant assistant will then place a copy in the grant office files as well as providing a copy of all paperwork to the Grant Director. The grant director will then keep a specific file with documentation supporting the purchase of books. Also, donated books will no longer be reported based on the fact that documentation of purchase cannot be made.

IMPLEMENTATION

In order to address this issue, the duty of ordering books, processing the paperwork, and maintaining the order information is no longer the job of the Program Administrative Assistant. Beginning on October 1, 2012, the Program Grant Coordinator/Budget Analyst, with the approval of the Program Director, was assigned complete charge of processing orders and maintaining the proper documentation to assure that the number of books reported is complete and accurate. This Action Plan is fully implemented.

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FA-11-02 *Higher Education – Institutional Aid* U.S. Department of Education CFDA #84.031M. Federal award # P031M090005

The underlying documentation for three of the seven tables tested under Section 2 of the Title V-B Annual Performance Report did not agree to the reports filed:

- Section 2: Degrees and Certificates Awarded including Low Income Students reported the total number of Doctorial [sic] Degrees Awarded by Race and Ethnicity including Low Income Students as one student; however, this report should have reported zero students.
- Section 2: Doctorial [sic] Degrees Awarded by Race, Ethnicity, and Discipline reported a total number of one student who received a doctorial [sic] degree; however the number reported should have been zero.
- Section 2: Degree and Certificates Awarded including Low Income Students reported the total number of First Professional Degrees Awarded by Race and Ethnicity including Low Income Students as one student; however, the number reported should have been zero.

The guidance per the grant agreement states that the Grantee must provide adequate source documentation for federal and non-federal funds used under grant projects. The above finding stems from a lack of review at the program level to ensure the amounts reported in the Annual Performance Report agree with the underlying documentation. Program management should develop and implement procedures whereby all source documentation used to compile the Annual Performance Report is maintained by the Program Director to ensure that the documentation used to compile the report is complete and accurate.

Management Response:

The grantee will implement a more thorough review protocol for the tables reporting demographic data about degree and certificate recipients to eliminate similar errors in future reports.

IMPLEMENTATION

After further investigation, it was discovered that the reporting errors were a result of a “glitch” in the online DOE reporting system. CSUB was informed of this in an email from the IS Technical Support Team overseeing the DOE reporting system on January 20, 2012 (see Appendix A). Tables in Section 2 of the Annual Performance Report (APR) require that total numbers of doctoral and professional degrees be posted, but the system does not allow zero as a response, thus, the number “1” must be entered in order to submit the report. The reporting system was not changed, so this inconsistency will recur in the APR for 11/12. Since this is a system problem in the online reporting website, no corrective action for this finding is required of CSUB as the grantee; nevertheless, Management has enhanced the process for reviewing the report data for accuracy and completeness before submission. This Action Plan is fully implemented.

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**FA-11-03 *Teachers Quality Enhancement Grants for State and Partnerships*
U.S. Department of Education CFDA #84.336S. Federal award #
U336S090162-10**

One of the fourteen tables selected to test per the Annual Performance Report did not agree with the underlying data used to complete the table. Table 5.b - Performance Measures (2.1.b.) reported a raw number of 23; however, the underlying documentation in table 5.1 listed 25. The Grantee is required to provide adequate source documentation for federal and non-federal funds used under grant projects. The finding stems from a lack of review at the program level to ensure that the amounts reported in the Annual Performance Report agree with the underlying documentation. Management should develop and implement a policy whereby all numbers within the report are agreed to the supporting documentation prior to the report being filed.

Management Response:

The PLC's required to be listed in table 5.1 were mistakenly interpreted by management to include programs designed but not yet operational. The discrepancy of 23 vs. 25 represents two programs that were designed but not yet operational during the fiscal year.

IMPLEMENTATION

To remedy this finding on the next APR, a common set of forms were developed on September 23, 2011 that will be used by all grant partners to record data using the same criteria. Data reporting and the development of the form have been discussed at monthly meetings of the grant's leadership partners, and a pre-APR meeting will be held in mid-June 2012 to ensure that all partners have a common understanding of the prompts and the recording form. Once all data have been received from each partner, the data and narratives will be systematically combined into the official APR reporting document and double checked for accuracy and consistency between the Report Data Form, the Report Narrative Form, and supporting evidence. All supporting documents are being collected in a binder and will be available for the auditor and any future questions regarding data reported on future APRs. This Action Plan is fully implemented.

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SUMMARY

California State University, Bakersfield Auxiliary for Sponsored Programs Administration constantly strives to improve systems, policies, and procedures to ensure proper program and fiscal administration of grant-related activities in compliance with sponsor guidelines and regulations and generally accepted accounting principles. We are confident that implementation of the Action Plans outlined above adequately addresses the findings listed in the Audited Financial Statement for the Year Ended June 30, 2011. This is the first and final Action Plan Update Report.

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Appendix A

Copy of Email from IS Tech Support for the Title V-B Annual Performance Report

