

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 - Reid State Technical College follows the guidance given by the Department of Postsecondary Education, State of Alabama Governor's Office and the American Recovery & Reinvestment Act of 2009.

b. Are specific Recovery Act fund objectives and requirements incorporated into agency policies? Yes - Reid State Technical College has assigned staff for payment documentation, reporting, review and accountability.

c. Does my organization have staff adequately trained to effectively implement Recovery Act requirements? Yes - Reid State Technical College has trained and experienced staff in place to manage and monitor the grants received by the College. Reid State Technical College's Business Manager, Comptroller and Director of Computing Services have attended training by the Alabama Department of Postsecondary Education.

d. Has my organization provided new requirements, conditions, and guidance to the recipients regarding Recovery Act? Not Applicable. Reid State Technical College is a sub-recipient and will not provide funds to other 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. Reid State Technical College will not provide funds to sub-recipients.

f. Is there an agency-wide methodology for measuring performance? What are the key performance metrics? Yes – Reid State Technical College will do performance reports and/or evaluations on all employees.

g. Are there any process metrics, or are the metrics primarily outcome-oriented? Yes - Outcome oriented to retain required faculty and staff to ensure that the College will operate at required level.

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? Reid State Technical College did not have any findings or questioned cost on the current audit report. However, if the College did receive a report with noted deficiencies a Corrective Action Plan would be established and put in place to ensure that the College complies with all policies and procedures as required.

i. Has my organization established a governance body to oversee / manage the overall implementation of Recovery Act? Yes – Reid State Technical College is under the guidance of the Alabama Department of Postsecondary Education, the State of Alabama Department of Finance and serves to be audited by the State of Alabama Department of Examiners of Public Accounts as well as the Internal Audit Division of the Department of Postsecondary Education.

Management Response and Action Plan:

2. REPORTING

- a. Is the necessary reporting under Recovery Act in place? Yes – Reid State Technical College has personnel assigned and has in place separate a restricted fund accounting/budget center, monthly State reporting, monthly web site reporting, and quarterly web site date reporting.
- b. Has your organization implemented communication vehicles to ensure Recovery Act data is promptly reported on the agency's website? Yes – Reid State Technical College implemented communication vehicles to ensure Recovery Act data is reported promptly on the agency’s website per direction of the Department of Postsecondary Education. Web site reporting was implemented 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 – Reports published under Recovery Act are reviewed and approved by the Department of Postsecondary Education, 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 – Reid State Technical College’s general ledger reporting will reconcile and report accurately to the State of Alabama and the Federal standardized reporting formats.
- e. Do reports tell agency management what is happening on a timely basis? Yes – Reid State Technical College will follow the guidance of the Department of Postsecondary Education and comply with the reporting requirements.
- f. Are issues identified through established reports addressed on a timely basis? Yes – Reports are reviewed and verified by Reid State’s Compliance Officer each month prior to submittal.
- g. Are reports issued on the effectiveness of risk management strategies and tactics timely? Yes – Per the reviews of the internal auditors of Department of Postsecondary Education.
- h. Are risk management strategies and tactics properly monitored? Yes – Per the reviews of the staff of the Department of Postsecondary Education.

Management Response and Action Plan:

1. HUMAN CAPITAL

- a. Has my organization identified qualified personnel to oversee the Recovery Act funds? Yes – Dr. Douglas M. Littles, President of Reid State Technical College, has appointed David J. Rhodes, Business Manager as Compliance Officer. Mr. Rhodes is responsible for insuring that all funds of the College are expended appropriately to include the ARRA funding award for State Stabilization Funds. Mr. Rhodes will review all reports for accuracy and authorize submittal of monthly and quarterly reports. Ms. Joyce Sells, Comptroller, has been appointed as Secondary Compliance Officer. Ms. Sells is responsible for the accounting for all the Colleges State and Federal Grants. She is familiar with OMB guidelines, guidelines/policies as prescribed by the Department of Postsecondary Education and is efficient in fund accounting.
- 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 following personnel are responsible for managing the Recovery Act programs: David J. Rhodes, Business Manager, Joyce P. Sells, Comptroller, Sandra Smith, Fiscal Office Accountant and Percy Parker, Director of Computing Services.

c. Are they empowered to make decisions and administer the Recovery Act programs? Yes – Authority is directed by Dr. Douglas Littles, President of Reid State Technical College.

d. Are program officials trained in the performance management requirements? Yes – Both David J. Rhodes and Joyce P. Sells have experience in handling federal grant funding under OMB guidelines and are trained in performance management requirements.

e. Has my organization considered using alternative hiring methods allowed under the Recovery Act? No – None are 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? Not Applicable, 100% for salaries.

b. Are Contracts awarded in a prompt, fair, and reasonable manner? Not Applicable.

c. Do new contracts awarded using Recovery Act funds have the specific terms and clauses required? Not Applicable.

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? Not Applicable.

e. Are funds used for authorized purposes and the potential for fraud, waste, error, and abuse minimized and/or mitigated? Not Applicable.

f. Do projects funded under Recovery Act avoid unnecessary delays and cost overruns? Not Applicable.

g. Are there any performance issues identified with regards to (potential) contractor? Are there follow up actions to address the performance issues? Not Applicable.

Management Response and Action Plan:

Reid State Technical College does not plan to use and State Stabilization Funds for the purpose of acquisition of goods, contracted personnel, or services other than providing instructional and staff personnel which are required in order for the College to continue to operate at the current level.

1. FINANCIAL

- a. Has my organization established separate Treasury Account Fund Symbols to ensure Recovery Act funds are clearly distinguishable? Yes – Reid State Technical College currently has a restricted program fund budget as well as a separate restricted fund bank account that will allow for the segregation of accounting for this grant award.
- b. Are there controls in place to ensure that Recovery Act funds are not commingled with other agency funds? Yes – See Above.
- c. Are existing internal controls sufficient to mitigate the risks of fraud, waste, and abuse? Yes – Reid State Technical College has separation of duties in place to ensure proper control of funds, e.g., separate staff issue personnel contracts, pay contracts, order grant money, and reconcile bank statements.

Management Response and Action Plan:

1. SYSTEM

- a. Are financial and operational systems configured to manage and control recovery funds? Yes – Reid State’s administrative software allows separate budget and financial reporting of this grant.
- b. Can financial and operational systems support the increase in volume of contracts, grants and loans etc.? Yes – Reid State Technical College can manage the additional grants received by the use of current personnel and administrative systems.
- c. Are the appropriate data elements identified that must be captured, classified and aggregated for analysis and reporting to meet Recovery Act requirements? Yes – Reid State will meet the required data elements reporting by identifying the appropriate personnel cost to be supported by the ARRA State Stabilization funds and reclassifying these personal cost to the restricted fund general ledger for the 09-10 fiscal year. Personnel to be supported by this award will be required to complete time and effort reports monthly.

Management Response and Corrective Action Plan: