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November 3, 2010

The University of Texas at El Paso
500 W. University, Admin. Bldg.
El Paso, TX 79902

ATTN: Mr. Anthony Turrietta, Director Contracts & Grants Accounting

SUBJ: Desk Review Report for American Recovery and Reinvestment Act (ARRA), State Fiscal Stabilization (SFSF), Government Services Fund, Subrecipient award

REF: (a) THECB ARRA Notice of Grant Award No. 3651
(b) USDE Award No. S397A090044

Dear Mr. Turrietta,

The Texas Higher Education Coordinating Board (THECB) has conducted a desk review of the referenced (a) subaward, and you will find attached for your review and comment the final report of that monitoring effort, with no areas of testing requiring follow-up from your institution.

Your response via email is requested within ten (10) business days of receipt of this letter to:

(a) confirm receipt of the THECB's desk review monitoring report; and,
(b) provide any additional comments relevant to the monitoring activities.

The THECB sincerely appreciates the opportunity to work with your staff in this endeavor and the commitment your institution has made to ensure this ARRA project met its requirements of accountability and transparency. If you have any questions or need additional information, please do not hesitate to contact me directly at the numbers listed below

Sincerely,

Dan Griffiths
Director, ARRA Grants Program
(TEL) 512.427.6118
(EML) dan.griffiths@thecb.state.tx.us

ATTCH

Texas Higher Education Coordinating Board
ARRA Grant Program
Desk Review Evaluation

Subrecipient:	The University of Texas at El Paso
NOGA:	3651
Amount of Award:	$2,681,876
Period of Performance:	10/01/2009 -08/31/2011
EIN:	37247247242
DUNS:	132051285

N	1. **Does the subrecipient have an A-133 Audit on file that is free of any significant deficiencies?** Search the Federal Audit Clearinghouse to determine availability of latest information for community colleges at http://harvester.census.gov/sac/, or the SAO Federal Portion of the Statewide Single Audit Report for universities and state agencies at http://www.sao.state.tx.us/Reports/report.cfm/report/10-339. Review Data Collection Form (OMB No. 0348-0057) Parts II (Financial) and III (Federal Programs) for risk assessment, deficiencies, or material weaknesses.
Y	2. **If "No" to #1, is there a Management Response and/or a Corrective Action Plan on file?**
N/A	3. **Are all equipment purchases over $5,000 accounted for on subrecipient's inventory list?** Check that equipment items purchased with ARRA funds are documented on the institution's inventory list and designated as ARRA purchases. Test all equipment items, up to ten items. If more than ten items have been purchased, test the ten most expensive. Test 50% of all subrecipient reports, up to five reports.
Y	4. **Is the subrecipient's reported jobs data free of errors?** Reconcile jobs data (retained and/or created as required) submitted to date with subrecipient time sheets or effort reports that verify accuracy of "actual hours worked" information. Test 50% of all subrecipient reports, up to five reports.
Y	5. **Is the subrecipient following their approved budget plan?** Compare actual expenditures to the approved budget; determine if 10% of the total project expenditures are over/under budget and if a budget modification is required.
Y	6. **Has the subrecipient been consistent with submitting quality supporting data with their reimbursement requests?** This refers to quality of data, need for repeated requests for clarification, and time needed for subrecipient to respond to requests for additional data.

Texas Higher Education Coordinating Board
ARRA Grant Program
Desk Review Evaluation

NOGA# **3651**

Question	Subject	Answer	Weight	Data Input	Risk
1	A-133	Y	0	N	50
		N	50		
2	CAP	Y	0	Y	0
		N	50		
3	Equipment	Y	0	N/A	0
		N	50		
4	Jobs	Y	0	Y	0
		N	50		
5	Budget	Y	0	Y	0
		N	50		
6	Source	Y	0	Y	0
		N	50		
				TOTAL	**50**

Higher points = greater risk
Maximum points = 300
Requires further monitoring (high risk @ 60%) = 200-300 range

Texas Higher Education Coordinating Board
ARRA Grants Program
Desk Review Details and Approvals

Date of Review	Initial THECB Reviewer
9/24/2010	Johnnie Johnson
Item #	**Comments/Observations**
1	A review of the A-133 filing certification indicated significant deficiencies. A copy of The State of Texas filing certification is on file.
2	Copies of findings from the federal portion of the State wide audit, Management Responses and Corrective Action Plans are on file.
3	The entire amount of the ARRA award was budgeted toward Personnel/Salaries. Therefore, no capital equipment reimbursement requests were received from the subrecipient.
4	The entire amount of the award was requested in two reimbursement requests and hours were reported on the May 2010 progress report. Supporting documentation submitted was reviewed and the documentation validated time and effort and matched the hours reported. An Excel worksheet verifying actual hours reported and the supporting documentation are on file.
5	Based on the budget information in the ARRA Financial Tracker, the approved budget plan was followed and the project expenditures were not over or under the 10% requirement. There was no indication of a budget modification required.
6	E-mails were sent to the subrecipient during the close-out-process which requested draw down of the final $30.00 remaining in the grant award. Responses from the subrecipient were received timely. The award was closed July 30, 2010.
Date Review Completed	**THECB Reviewer Signature**
10/18/10	Johnnie Johnson
Date Closed	**THECB Approval Signature**
10/25/10	[illegible] 10/26/10