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December 20, 2010

Tarrant County College District
1500 Houston Street, DT - DMOC Room 2120A
Fort Worth, TX 76102

ATTN: Ms. Nancy Chang, Associate Vice Chancellor for Finance

SUBJ: On-site Monitoring 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. 3625
(b) USDE Prime Award No. S397A090044

Dear Ms. Chang,

The Texas Higher Education Coordinating Board (THECB) has engaged the firm of Clifton Gunderson LLP to conduct on-site monitoring of the above referenced (a) grant subaward. Clifton Gunderson has completed the site visit and reported to the THECB all observations based on an agreed-upon set of procedures, both of which have been incorporated into the monitoring report.

You will find attached for your review the final report of that monitoring effort, with the following test results requiring Tarrant CCD's management response:

Step 3.a: Fiscal policies and procedures do not directly address the requirements of the federal Cash Management Improvement Act (CMIA).

Step 3.d: Tarrant CCD did not have written procedures to ensure compliance with the period of availability of federal funds requirements.

Step 3.e.i: Tarrant CCD does not have specific written procedures to ensure that reconciliations of financial status reports to supporting documentation take place.

Step 7: Tarrant CCD over-reported the number of hours worked that were reflected in performance reports to the THECB, however, appropriate corrections to THECB record have been made and no further action is necessary.

Your written response is requested within fifteen (15) business days of receipt of this letter to (a) confirm receipt of the THECB's monitoring report, and (b) provide management's response relevant to the above on-site monitoring observations.

In addition, please be advised that in the interest of increased transparency under ARRA, the U.S. Department of Education has requested that the THECB post all monitoring reports and management responses to its ARRA grants program website.

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

Tarrant County College District

MAY OWEN CENTER
1500 Houston Street • Fort Worth, Texas 76102-6524 • Office 817-515-8223

January 13, 2011

Dan Griffiths
Director, ARRA Grants Program
Texas Higher Education Coordinating Board
P. O. Box 12788
Austin, Texas 78711

Re: Response to On-Site Monitoring 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. 3625
(b) USDE Prime Award No. S397A090044

Dear Mr. Griffiths:

In response to your correspondence of 12/20/2010, I want to confirm receipt of the THECB's monitoring report as indicated in my 12/21/2010 email to you, and provide the following responses to the observations made during the October 2010 on-site monitoring visit:

Step 3.a: Fiscal policies and procedures do not directly address the requirements of the federal Cash Management Improvement Act (CMIA).

TCCD Management Response:

The Tarrant County College District (TCCD) contracts with the Policy Services Division of the Texas Association of School Boards (TASB) for the guidance and maintenance of the *TCCD Policy and Procedures Manual*. The manual is provided on-line through TCCD's website that accesses the Texas Association of School Boards Web portal, and is made available for TCC employees and the general public.

The TASB conducts an annual review of TCC's manual to incorporate any changes made by state or federal legislation, or the Texas Higher Education Coordinating Board. Any changes in local policies are submitted to TASB for legal review and inclusion to the on-line manual.

TCCD staff will follow-up with TASB consultants to ensure policies and procedures clearly reflect compliance with the federal Cash Management Improvement Act (CMIA) and reconciliation of financial status reports.

Step 3.d: Tarrant CCD did not have written procedures to ensure compliance with the period of availability of federal funds requirements.

TCCD Management Response:

TCCD does have a written procedures manual which includes procedures to ensure compliance with the period of availability of federal funds requirements. This manual is not online, however, but we are currently in the process of updating the online policies and procedures.

Step3.e.i: Tarrant CCD does not have specific written procedures to ensure that reconciliations of financial status reports to supporting documentation take place.

TCCD Management Response:

TCCD does have a written procedures manual which includes procedures to ensure that reconciliations of financial status reports to supporting documentation take place. This manual is not online, however, but we are currently in the process of updating the online policies and procedures.

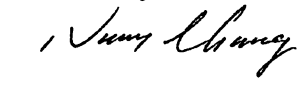
Step 7: Tarrant CCD over-reported the number of hours worked that were reflected in performance reports to the THECB, however, appropriate corrections to THECB record have been made and no further action is necessary.

TCCD Management Response:

Staff concurs with the reported observation. Upon internal review, appropriate corrections were made prior to monitoring visit.

Thank you for your assistance with this matter. We welcome any opportunity to improve our efforts that will ultimately impact the services we deliver to our partners. Should you need additional information, feel free to contact me.

Sincerely,



Nancy H. Chang
Associate Vice Chancellor for Finance

Cc: Rosalinda Reyes, Grants Accountant
Dionne Jones, Coordinator