From: Villarreal, Art
Sent: Thursday, June 30, 2011 7:30 AM
To: Oujesky, Missy
Cc: Cantrell, Andra; ARRAoffice; Johnson, Johnnie
Subject: RE: Response to letter dated 06/09/2011 - THECB ARRA Grants Program :: On-site monitoring report Weatherford College
Attachments: 2011 06 29 WC response.docx.pdf; THECB CoverLetter Weatherford College 4.29.11.pdf; Weatherford College Final Report 4-15-2011.pdf

We have reviewed the response to our on-site monitoring report, found your response(s) to be acceptable and complete. The THECB ARRA Grants Program appreciates the efforts of your staff to work with the monitoring team in accomplishing this important task.

Thank you.

Art

Arturo Villarreal, Jr.
Manager, ARRA Grants Program
Texas Higher Education Coordinating Board
1200 E. Anderson Lane, Austin, TX 78752
TEL: 512.427.6144
FAX: 512.427.6127
EML: art.villarreal@thecb.state.tx.us
URL: http://www.thecb.state.tx.us/ARRA

Texas Higher Education Coordinating Board

From: Oujesky, Missy [mailto:moujesky@wc.edu]
Sent: Wednesday, June 29, 2011 4:28 PM
To: Villarreal, Art
Cc: Cantrell, Andra
Subject: Response to letter dated 06/09/2011

Mr. Villarreal,

On behalf of Andra Cantrell, please see the attached response to your letter dated June 9, 2011. In addition, the original has been sent today by way of overnight mail.

Missy Oujesky, M.B.A.
Budget Management Coordinator
Weatherford College
(817) 598-8810
Weatherford College is closed on Fridays in the Summer from May 16th thru August 22nd.

TEXAS HIGHER EDUCATION
COORDINATING BOARD

P.O. Box 12788 Austin, Texas 78711

Fred W. Heldenfels IV
CHAIR

Harold W. Hahn
VICE CHAIR

Joe B. Hinton
SECRETARY OF THE BOARD

Eric Rohne
STUDENT REPRESENTATIVE

Durga D. Agrawal
Dennis D. Golden
Lyn Bracewell Phillips
A.W. "Whit" Riter, III

Raymund A. Paredes
COMMISSIONER
OF HIGHER EDUCATION

512/ 427-6101
Fax 512/ 427-6127

Web site:
http://www.thecb.state.tx.us

June 09, 2011

Weatherford College
225 College Park Drive
Weatherford, TX 76086

ATTN: Andra Cantrell, Vice President, Financial & Administrative Affairs

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. 3591
(b) USDE Prime Award No. S397A090044

Dear Ms. Cantrell,

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 Weatherford College management response:

Step 3.a: Written procedures for financial and grant management processes were not available, and therefore do not directly address the requirements of the federal Cash Management Improvement Act (CMIA).

Step 3.c: Written policies and procedures did not refer to or incorporate the THECB's ARRA grant guidance regarding reimbursement of ARRA grant funds.

Step 3.d: Written policies and procedures addressed the period of availability but procedures did not specify how compliance would be achieved. (This may be remedied by updating your existing procedures.)

Step 5.a.ii-iii: Weatherford College maintains a Procurement Manual to ensure activities or costs are allowable per OMB Circular A-21 but procedures do not specify how compliance will be achieved. (This may be remedied by updating your existing grants, contracts, or procurement manual(s).)

Step 5.a.iv: Weatherford College does not have written procedures to ensure purchases comply with procurement standards for suspension and debarment. (This has been a consistent audit finding for other higher education institutions recently found in the Statewide Single Audit for 2010.)

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,

Art Villarreal
Manager, ARRA Grants Program
(TEL) 512.427.6144
(EML) art.villarreal@thecb.state.tx.us

ATTCH

WEATHERFORD COLLEGE

Established 1869

June 29, 2011

Texas Higher Education Coordinating Board
P.O. box 12788
Austin, TX 78711
Attn: Art Villarreal
Manager, ARRA Grants Program

RE: Response to letter of June 9, 2011 concerning:
(a) THECB ARRA Notice of Grant Award No. 3591
(b) USDE Prime Award No. S397A090044

Dear Mr. Villarreal,

We are in receipt of your letter dated June 9, 2011, which also included the THECB's monitoring report. In your letter you asked for management's response to five items. Below is our response to those items as you requested:

Step 3.a: Written procedures for financial and grant management processes were not available, and therefore do not directly address the requirements of the federal Cash Management Improvement Act (CMIA).

- Written procedures for financial and grant management processes <u>were</u> available but did not directly address the requirements of the federal Cash Management Improvement Act (CMIA). We will update policies and procedures with the following language to directly address the requirements of CMIA.

  Refer to 31CFR Part 205 of the Federal Register, "Rules and Procedures for Efficient Federal - State Funds Transfers; Final Rule", for requirements of the federal Cash Management Improvement Act (CMIA).

Step 3.c: Written policies and procedures did not refer to or incorporate the THECB's ARRA grant guidance regarding reimbursement of ARRA grant funds.

- Policies and procedures will be updated to include a reference to the THECB's ARRA grant guidance regarding reimbursement of ARRA grant funds.

Step 3.d: Written policies and procedures addressed the period of availability but procedures did not specify how compliance would be achieved.

- Weatherford College generally draws federal funds for financial aid after the disbursements have been made to the students, so at no time does the college hold federal funds excessively. As far as ARRA funding, the funds were reimbursed to Weatherford

225 College Park Drive Weatherford, Texas 76086
(817) 594-5471 (800) 287-5471 Fax (817) 598-6210 www.wc.edu

College in a single disbursement, following the completion of expenditures as defined by the Grant. Written procedures will be developed to ensure compliance with the period of availability of federal funds.

Step 5.a.ii-iii: Weatherford College maintains a Procurement Manual to ensure activities or costs are allowable per OMB Circular A-21 but procedures do not specify how compliance will be achieved.

- Written procedures will be developed to ensure that all activities and costs are allowable per OMB Circular A-21 and how compliance will be achieved.

Step 5.a.iv: Weatherford College does not have written procedures to ensure purchases comply with procurement standards for suspension and debarment.

- Written procedures will be developed to ensure that all purchases comply with procurement standards for suspension and debarment.

As always, Weatherford College and the administration welcome input and guidance for improvement on all financial activities. Transparency is our goal as increased emphasis is placed on all public funds. In an effort to anticipate future requirements, we will take all recommendations provided by your office into account as future updates to our policies and procedures are made.

If you have further questions, please do not hesitate to contact me.

Sincerely,

Andra R. Cantrell

Andra R. Cantrell
Vice President of Financial & Administrative Affairs
225 College Park Drive
Weatherford, TX 76086
(v) 817-598-6260
Email: acantrell@wc.edu