



Summary Schedule of Prior Audit Findings
June 30, 2007

The following is an update of prior audit findings and is prepared in accordance with Office of Management and Budget Circular A-133, Section .315(b).

Prior Audit Finding 2006-1

Department of Education (DOE), Student Financial Assistance (SFA) Programs Cluster, Federal Family Education Loans (FFEL) (CFDA #84.032) and Federal Pell Grant Program (CFDA #84.063)

Summary of prior audit finding – According to the Code of Federal Regulations (CFR), Title 34, Section 668-22, when a recipient of Title IV grant or loan assistance withdraws from an institution during a payment period in which the recipient began attendance, the institution must determine the amount of Title IV assistance earned by the student as of the student's withdrawal date. If the total amount of Title IV assistance earned by the student is less than the amount that was disbursed to the student or on his or her behalf as of the date of the institution's determination that the student withdrew, the difference must be returned to the Title IV programs.

According to the CFR, Title 34, Section 668-173, returns of Title IV funds are required to be deposited or transferred into the SFA account or electronic fund transfers initiated to the Department of Education or the appropriate FFEL lender as soon as possible, but no later than thirty days after the date the institution determines the student withdrew.

For the program year 2005-2006, the University of Alaska Anchorage failed to identify withdrawn Title IV recipients in a timely manner.

Status – Corrective action has been taken and this matter has been fully resolved. Corrective action included the following steps:

- For program year 2005-2006, the University of Alaska Anchorage modified the procedure for applying for student withdrawal in person to include a web-based process. Students using the web-based withdrawal process were not captured in the data utilized to determine which students had withdrawn from the institution. Once the university determined the 38 students were missing in the refund calculation, the procedure was changed and the refunds for the missing students were made.
- For program year 2006-2007, a new report was designed to include both populations of students that withdraw in person and online. A review of the Fall 2006 and Spring 2007 semesters indicates no student's returns were processed in excess of 30 days.

- A workflow process was developed that can be launched from an automated scheduler to identify withdrawn students. This is effective for the Fall 2007 semester. This process will run weekly and identify aid applicants with zero credits.

Prior Audit Finding 2006–2

Department of Education, Institutional Aid (CFDA #84.031)

Summary of prior audit finding – According to the Code of Federal Regulations (CFR), Title 29, Section 5-5, non-federal entities shall include in their construction contracts subject to the Davis-Bacon Act a requirement that the contractor or subcontractor comply with the requirements of the Davis-Bacon Act and the Department of Labor regulations. This includes a requirement for the contractor or subcontractor to submit to the non-federal entity weekly, for each week in which any contract work is performed a copy of the payroll and a statement of compliance (certified payrolls). For grant awards #P031N000007, #P031N000004, #P031N050007, and #P031N050005-05, the University did not enforce the receipt of all required weekly certified payrolls.

Status – Corrective action has been taken and this matter has been fully resolved. Corrective action included the following steps:

- The *University of Alaska Fairbanks / Division of Design and Construction Periodic Estimate For Partial Payment* was revised to include a signatory certification by the contractor that the contractor has “complied with all of the labor provisions of said contract, including submittal of certified payrolls with a Statement of Compliance to the owner for work performed during the time period in the payment request.”
- The contractor will not be paid until certified payrolls are received.
- The University of Alaska Fairbanks has incorporated in the *Practices and Procedures Subject: Construction Management* manual the following procedures:
 - Project managers will verify weekly receipt of certified payrolls to insure payrolls comply with wage rates as stated in the General Conditions of the project contract.
 - A log is maintained documenting the university’s efforts to obtain certified payrolls.
 - Certified payrolls will be archived with completed projects.

Prior Audit Finding 2004–1

Department of Education, TRIO Cluster, TRIO-Talent Search Program, CFDA #84.044, Program Year 2002 - 2003

Summary of prior audit finding – According to the Code of Federal Regulations, Title 34, Sections 643-10 and 643-7, at least two-thirds of the individuals served by a talent search project must be low-income individuals who are potential first generation college students. For the program year 2002-2003, 12.2 percent of the University of Alaska Fairbanks (Bristol Bay region) Talent Search Program participants were low-income individuals who were potential first-generation college students.

Status – The 2002-2003 program year was the first year of the University of Alaska Fairbanks (Bristol Bay Region) Talent Search Program, and the program faced significant cultural challenges in rural Alaska. There has been a continued hesitance by participants and families to provide needed financial information, thereby delaying verification of participant eligibility. As trust for the program has increased in the region, progress continues. The program served 52 percent low-income and potential first-generation college students in program year 2003-2004, 60 percent in program year 2004-2005, and 56 percent in program year 2005-2006. Overall, this program has progressed in the number of students served. In program year 2004-2005, 186 of 312 program participants met the requirement for low-income and potential first-generation college students. In program year 2005-2006, 221 of 396 program participants met the requirement for low-income and potential first-generation college students. Increased participation among program participants resulted from partnering with personnel from the four school districts served, by working with native Alaskan village councils, and by creating opportunities that appeal to the target group. The grant ended in August 2007.

Contact Person - Janice Coker, Financial Accounting Manager
(907) 450-8063