



***Program Compliance Office
California Student Opportunity & Access Program
Review Report***

2000/01 Award Year

SUCCESS
Program Review ID#60200200004
1140 Pitt School Road, Suite B
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Program Review Dates: 10/21/2002 to 11/5/2002

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REVIEW REPORT

SUMMARY

We reviewed the SUCCESS Consortium's administration of the California Student Aid Commission (Commission) California Student Opportunity & Access Program (Cal-SOAP) for the 2000-01 award year.

The consortium records disclosed the following:

- Consortium board not acting as a governing board
- Equipment not properly identified as property of the State of California
- Continuing non-compliance with quarterly and annual reporting requirements
- Inadequate controls to safeguard computerized program information
- Actual In-Kind Match amounts not supported by documentation
- Incomplete fiscal agent procedures
- No written agreement between the Consortium and the Fiscal Agent

BACKGROUND

Through compliance reviews, the administration of the Cal-SOAP program is evaluated to ensure program integrity with applicable laws, policies, contracts and consortium agreements.

The following information, obtained from the consortium and Commission database, is provided as background on the consortium:

A. Consortium

- Type of Organization: Private, Non-profit
- Project Director: Deborah Daniels-Smith
- Board Chairperson: Bonnie Okamura
- Fiscal Agent: Solano Community College
- Membership (2000-01)
 - Napa Unified School District
 - Solano Unified School District
 - Yolo County Unified School District
 - Benicia Unified School District
 - Dixon Unified School District
 - Esparto Unified School District
 - Fairfield-Suisun Unified School District
 - Napa Valley Unified School District
 - River Delta Joint Unified School District
 - Travis Unified School District
 - Vacaville Unified School District
 - Vallejo City Unified School District
 - Winters Joint Unified School District
 - California Maritime Academy
 - CSU Sacramento
 - Napa Valley College
 - Saint Mary's College
 - Solano Community College
 - University of California at Davis
 - University of the Pacific

REVIEW REPORT (continued)

BACKGROUND (continued)

Woodland Community College
Solano Valley Alumnae chapter of Delta
Sigma' Sorority, Inc.
Vacaville Healthy Start Program
Omega PSI Fraternity, (Theta Pi Chapter),
City of Fairfield Community Services Division-
The Place 2B after 3
Vallejo Continentals of Omega Boys and Girls

B. Consortium Persons Contacted

- Deborah Daniels-Smith Project Director
- Lana Rasberry Associate Executive Director
- Anita Hayes Executive Organizational Coordinator
- Larry Hansen Director of Fiscal Services Solano Community College

C. Project Information

- Date of Prior Commission Program Review: None
- Satellite office: Solano Community College
- Size of Student population in the service area: 73,000
- Number of Students Served
 - General: 4,400
 - Intensive: 400
- Cal-SOAP Activity: Individual or Small Group Advisement
Career Workshops
Advisement by Mail
Into the Future
Campus Explorations
College Express
Advisement Workshops
College: Making it Happen
Latino Youth Educational Conference
Fannie Lou Hammer/Frederick Douglass:
21st Century African Student Leadership
Conference
SUCCESS Academic Achievers Awards
Dinner
Parent Financial Aid Workshops

REVIEW REPORT

BACKGROUND (continued)

WACAC Regional College Fair's
Career Referrals
Vallejo YES Institute
College Referrals
UC PREP
Student Employee Advisory Training
Cal-SOAP Statewide Student Training
Individual or Small Group Training
Academic Skill Building Workshops
Young Achievers' Summer Institute
Student Employee Academic Facilitation
Training

OBJECTIVES, SCOPE AND METHODOLOGY

The purpose of our review is to provide the Commission with assurance that the consortium adequately administered the Cal-SOAP program and that they are in compliance with applicable laws, policies, contracts and consortium agreements.

The review focused on, but was not limited to, the following areas:

- A. General Eligibility
- B. Program Eligibility
- C. Completion of Reports
- D. File Maintenance and Records Retention
- E. Review of Administrative and Accounting Controls

The specific objectives of the review were to determine that:

- Administration systems have adequate controls to ensure that Cal-SOAP funds received by the consortium are secure.
- Administration systems have adequate controls to ensure that Cal-SOAP payments are accurate, legal and proper.
- Accounting requirements are being followed.

The procedures performed in conducting this review included:

- Evaluation of the current administrative procedures through interviews and reviews of records, forms and procedures.
- Evaluation of the current payment procedures through interviews and reviews of records, forms and procedures.
- Reviewing of the records and payment transactions from a sample of Cal-SOAP student tutors within the review period.
- Reviewing of the records and payment transactions from a sample of Cal-SOAP expenditures within the review period. The program review sample was selected from the total population.

REVIEW REPORT (continued)

**OBJECTIVES,
SCOPE AND
METHODOLOGY**
(continued)

The review scope was limited to planning and performing procedures to obtain reasonable assurance that Cal-SOAP funds were administered according to the applicable laws, policies, contracts and consortium agreements. Accordingly, transactions were examined on a test basis to determine whether Cal-SOAP funds were expended in an eligible manner. The consortium's management controls were considered only to the extent necessary to plan the review.

This report is written using the exception-reporting format, which excludes the positive aspects of the consortium's administration of the Cal-SOAP program.

CONCLUSION

In conclusion, except for the issues described in the Findings and Required Actions section of this report, the consortium administered the Commission Cal-SOAP program in accordance with the applicable laws, policies, contracts and consortium agreements as they pertain to the Commission's Cal-SOAP program.

**VIEWS OF
RESPONSIBLE
OFFICIALS**

The review was discussed with agency representatives in an exit conference held on October 25, 2002.

October 25, 2002

Charles Wood, Manager
Program Compliance Office

FINDINGS AND REQUIRED ACTIONS

A. GENERAL ELIGIBILITY:

FINDING 1: Consortium Board Not Acting as a Governing Board

The SUCCESS Cal-SOAP governing board did not have final decision-making power.

DISCUSSION:

As directed in California Education Code 69561 (f), the governing board of each project shall establish management policy, provide direction to the project, set budgetary priorities, and assume responsibility for securing the matching funds. Additionally, the Commission expects projects to maintain basic fiscal and managerial controls to ensure proper expenditure of funds (i.e. all major expenditures approved through the Board). The Consortium is also expected to operate within regularly adopted by-laws that define the operation of the Consortium.

State law further states each project shall be operated through a consortium that involves at least one secondary school district office, at least one four-year college or university, at least one community college, and at least one of the following agencies: a non-profit educational, counseling, or community agency, or a private, accredited vocational or technical school. Furthermore the governing board of each project must be comprised of at least one representative from each participating Consortium institution.

SUCCESS Consortium Board By-Laws, Article III, Section 2, state that, "each member institution shall be entitled to one vote and may cast that vote on each matter submitted to a vote by the Consortium". However, the SUCCESS, Inc. Board by-laws indicate that it has the formal governing decision. The SUCCESS, Inc. by-Laws state, "All Cal-SOAP Advisory Board Actions are subject to review and approval of the corporation' Board of Director." Therefore, the SUCCESS Consortium governing board appears to be acting as an advisory board that does not have final approval for fiscal and managerial decisions.

Moreover, the SUCCESS, Inc. board does not have the membership as required by the CEC, in that, not all Consortium member institutions are involved in the decision-making process.

REFERENCES:

Cal-SOAP Program Operations Handbook, 12/6/96, Chapter 2, page 9
Cal-SOAP Program Operations Handbook, 10/01, Section 2, page 1
California Education Code, 69591(f) and (h)
South Coast Consortium of Schools and Colleges Bylaws, 11/1/01, Section 7.01 and 7.02

FINDINGS AND REQUIRED ACTIONS (continued)

REQUIRED ACTION:

The SUCCESS Consortium By-laws must be updated to include final approval for fiscal and managerial decisions of the Cal-SOAP governing board and must include a representative from each participating institution in order to meet the Cal-SOAP governing board requirements.

INSTITUTION RESPONSE:

First, The SUCCESS Consortium Board has been established with by laws since 1979. Those by laws show its constitution and functions. They provide for at least one member from each participating institution is included on the SUCCESS Consortium Board. (See Attachment A for a copy and Attachment B for a listing of those Representatives in 2000-01).

Second, The SUCCESS Consortium Board, as required by law and policy, does the following: establishes management policy, provides direction to the project, sets budgetary priorities, and assumes responsibility for securing the matching funds. Additionally, maintains basic fiscal and managerial controls to ensure proper expenditure of funds (i.e. all major expenditures approved through the Board). These functions also were included in the SUCCESS Incorporated of Solano County's (SUCCESS INC.) by laws when it was incorporated in 1997.

Third, SUCCESS's understanding of this Compliance Review finding is that the above was deemed insufficient to show that the Consortium Board is the Consortium's governing Board because SUCCESS INC.'s by laws stated "All Cal-SOAP Advisory Board actions are subject to review and approval of the corporation's Board of Directors."

Therefore, on December 5, 2002 the SUCCESS Consortium Board's Executive Committee and the SUCCESS INC. Board held a combined meeting to discuss this issue. At that time, the INC. Board voted to amend its by-laws. It deleted the wording in question "All Cal- SOAP Advisory Board Actions are subject to review and approval of the corporation's Board of Directors." (see Attachment C for the revised page of the INC.'s by laws.)

AUDITOR REPLY:

The consortium's action is deemed acceptable and no further action is required.

FINDINGS AND REQUIRED ACTIONS (continued)

A. GENERAL
ELIGIBILITY:

FINDING 2: Equipment Not Properly Identified as Property of the State of California

A review of Cal-SOAP equipment revealed that most of the equipment has not been identified as property of the State of California.

DISCUSSION:

According to the Cal-SOAP Agreement, equipment items (major and minor) purchased using state funds shall be identified with an appropriate identification tag and the brand name, cost, date of purchase, identification/serial number, etc., shall be listed on an Equipment Inventory Report.

Per a discussion with the Project Director, not all Cal-SOAP property (i.e. tables, chairs, photocopy machines, computers, etc.) has been identified appropriately. Unidentified equipment may not be properly inventoried and tracked as State of California property.

REFERENCES:

Cal-SOAP Agreement (G-00-003), Section 7, Page 4

REQUIRED ACTION:

The Consortium needs to identify all property purchased with Cal-SOAP funds as property of the State of California. The consortium must request State of California identification tags from the Commission and affix these tags on the identified equipment.

INSTITUTION RESPONSE:

SUCCESS has completed an inventory of all of its items of equipment. This inventory is been forwarded to CSAC so the state can provide the appropriate tags.

NOTE: SUCCESS recognizes the importance of following the state's system, as attested to by our action above. However, the Consortium's major equipment always has been identified and tagged through Solano Community College's system. Hence, any purchased with state funds were always easily identifiable based on the SCC tag number and/or the PO used to purchase it. Smaller items are/were traceable through the PO's used to purchase them.

AUDITOR REPLY:

Although the inventory has been forwarded to CSAC for the appropriate state ID tags, the Outreach and Training Division has informed the Program Compliance

FINDINGS AND REQUIRED ACTIONS (continued)

Office that this process has not been completed because they are waiting for a response from the consortium. It is imperative that this process be completed in order to be in compliance with program requirements.

C. COMPLETION OF REPORTS: **FINDING: Continuing Non-compliance with Quarterly and Annual Reporting Requirements**

A review of the Cal-SOAP records revealed that the reimbursement requests and year-end reports were not submitted to the Commission as required.

DISCUSSION:

The Cal-SOAP agreement states the grantee will submit Reimbursement Requests either monthly or quarterly, in arrears, unless special arrangements are approved. All Reimbursement Requests shall be prepared and submitted in accordance with authorized expenditures for actual expenses incurred.

Moreover, a year-end report must be submitted in a brief but comprehensive review of the project's activities and accomplishments for the year. It should represent a very brief recap of the year's activities and statistics, focusing on changes during the year, and must include the College-Going Rates. A year-end report packet consisting of the Matching Resource Summary, Expenditure Report, College Going Rates, and Final Activity Reports should accompany the narrative.

Failure to submit reports by the deadline without an approved extension due to extenuating circumstances is non-compliance with program requirements.

For the 2000-01 fiscal year, the Consortium did not submit their original first quarter (July-September 2000), second quarter (October-December 2000), third quarter (January-March 2001), and fourth quarter (April-June 2001) reimbursement requests until April 29, 2002 which is 10 months after the end of the contract period (6/30/01). The fifth quarter (July-September 2001) reimbursement request was not submitted until September 6, 2002 that was 12 months after the contract period (9/30/01). It appears that the reimbursement requests were submitted late due to misunderstanding between the Cal-SOAP Consortium and the fiscal agent.

Further research with the Commission's Outreach and Training Division on the reporting practices of SUCCESS revealed that Consortium has a history of not submitting its reports timely and continues to be in non-compliance for fiscal year 2001-02 as illustrated on the next page.

FINDINGS AND REQUIRED ACTIONS (continued)

Fiscal Year	Quarterly Reports Submitted Date(s)	Year-End Report
1997-98	7/22/98 and 12/30/98	None
1998-99	November 1999 and April 13, 2001	Submitted
1999-00	July 10, 2000, January 11, 2002 and April 29, 2002	Only received College Going Rates
2001-02	8/22/02 and 9/27/02	N/A – at time of review

REFERENCES:

Cal-SOAP Agreement (G-00-011), Section 6.D, page 3
Cal-SOAP Operations Handbook, Section 5
Cal-SOAP Operations Handbook, Appendix B, Calendar

REQUIRED ACTION:

The consortium must provide written procedures and internal control measures that will be implemented to ensure that the institution submits its Cal-SOAP reports with complete and accurate data as required by the Cal-SOAP Agreement. The procedures must include time frames, staff titles, and specific areas of responsibilities as it relates to the Cal-SOAP reporting requirements.

It is recommended that the Project Director should work with Fiscal Agent on a monthly basis to ensure the Cal-SOAP quarterly and year-end reports meet Commission reporting deadlines.

INSTITUTION RESPONSE:

The SUCCESS Consortium has worked with the fiscal services office of Solano Community College, the Consortium's fiscal agent, to develop the required time frames, staff titles, and specific areas of responsibility as they relate to Cal-SOAP reporting requirements. (See Attachment D for the Procedure).

NOTE: SUCCESS records do not concur in all cases with those provided to the compliance unit by the outreach unit. Furthermore, the Consortium believes the inclusion of information from years other than 2000-2001 was inappropriate. 2000-2001 is the only year we were informed would be reviewed. Had we known other years would be included, we might have had an opportunity to provide data that expand on or present a different record regarding some of what is included in this section. This is particularly so regarding the "alleged lack of prior communication when there was a need to modify submission dates for reports." It seems significant that during the period listed in this section, CSAC staff responsible for communication with SUCCESS has changed at least six times.

AUDITOR REPLY:

The consortium's action is deemed acceptable and no further action is required.

FINDINGS AND REQUIRED ACTIONS (continued)

**D. FILE
MAINTENANCE
AND RECORD
RETENTION:**

FINDING: Inadequate Controls to Safeguard Computerized Program Information

The consortium was not able to retrieve information that was stored on its office computer during the on-site visit.

DISCUSSION:

Retention of required documentation was examined during the Commission's compliance review of the consortium. Records are required to be retained relative to the Cal-SOAP program by the Consortium for three (3) years following the last reimbursement.

The computer system used by SUCCESS had crashed and the consortium was not able to retrieve the quarterly Cal-SOAP meeting minutes or the tracking of students who had been mentored in the program.

For the 2000-01 award year, the consortium only provided minutes for an October 2000 Cal-SOAP meeting and an October 2000 combined meeting of SUCCESS Consortium Board's Executive Committee and SUCCESS, Inc. Board meeting.

REFERENCES:

Institutional Agreement, Article II.E
Information Security and Confidentiality Agreement
Commission Special Alert, GSA 2000-01, 1/19/00

REQUIRED ACTION:

No liability resulted from the above finding. The Consortium is required to submit written procedures for its electronic data processes that will be implemented to safeguard vital Cal-SOAP information. These processes should include, but is not limited to, system documentation, data file storage, access restriction, virus protection, and disaster back-up and recovery.

INSTITUTION RESPONSE:

Through an on-going effort, SUCCESS has developed with our consultant, the procedures regarding controls for computerized program information. (See Attachment E for these procedures.)

AUDITOR REPLY:

The consortium's action is deemed acceptable and no further action is required.

FINDINGS AND REQUIRED ACTIONS (continued)

E. ADMINISTRATIVE AND ACCOUNTING CONTROLS: **FINDING 1: Actual In-Kind Match Amounts Not Supported by Documentation**

A review of Consortium’s Summary of Projected Institutional Matching Contributions for the 2000-01 award year revealed that the proposed in-kind match contributions did not have adequate documentation.

DISCUSSION:

State law requires a matching contribution of local resources for each Cal-SOAP project at a 1:1 ratio. The goal, however, is for the projects to exceed the 1:1 ratio and attain a 1:1.5 ratio. Each consortium, through its Director, is expected to systematically account for the receipt and expenditure of matching funds provided by supporting institutions. The expenditure of matching funds constitutes an integral part of each project’s operation and its fiscal reporting to the Commission. “In-kind” funds, which are not included in a project’s expenditure budget, are to be accounted for in a reasonable manner and reported to the Commission.

The SUCCESS 2000-01 Cal-SOAP Program Budget Proposal pledged an in-kind match amount of \$235,237. However, a review of the In-Kind Form B’s (listed below) uncovered that there was only \$124,905.32 in in-kind matching contributions.

MATCH ENTITY	GROUPS	IN-KIND MATCH FORM B
Cont. of Omega B&G Club	Cont. of Omega B&G Club	\$6,137.84
Delta Sigma Theta	Delta Sigma Theta	\$4,540.16
C.A. Jacobs	Dixon USD	\$2,030.00
Dixon High School	Dixon USD	\$3,570.00
Fairfield High School	Fair/Suisun USD	\$4,391.34
Suisun Elementary	Fair/Suisun USD	\$4,634.55
Crystal Middle School	Fair/Suisun USD	\$6,092.50
Fairfield Library	Fairfield Library	\$50.18
Holiday Inn	Holiday Inn	\$170.00
Kaiser	Kaiser	\$208.80
Donaldson Way	Napa USD	\$1,000.00
NVC-Goldenwest HS Tour	NVC	\$1,410.00
NVC-Liberty HS Tour	NVC	\$2,040.00
NVC	NVC	\$4,325.00
Rio Vista High School	River Delta	\$2,755.00
Saint Mary’s	Saint Mary’s	\$3,143.17
Solano Community College	Solano Community College	\$7,673.27
Solano Co. Office of Educ.	Solano Co. Office of Educ.	\$445.84
Sylvan Learning Center	Sylvan Learning Center	\$44,600.00

FINDINGS AND REQUIRED ACTIONS (continued)

UC Davis	UC Davis	\$4,848.29
UOP-Campus Visits	UOP	\$4,501.99
UOP	UOP	\$9,080.00
Vaca Healthy Start Prog- Markham	Vaca Healthy Start Prog- Markham	\$1,832.64
Markham Elementary	Vacaville USD	\$1,987.25
CCCJOUSD	Vallejo USD	\$40.00
Vallejo High School	Vallejo USD	<u>\$3,397.50</u>
Total In-Kind Match		\$124,905.32

The Actual In-Kind Match is \$110,331.68 less than that reported in the Budget Proposal (\$235,237 minus \$124,905.32).

Moreover, we conducted five site visits to examine member institution's detailed documentation of in-kind match. Two of the five sites did not have detailed back-up match documentation. In our discussions about in-kind match with these sites the actual in-kind match may be higher than the budget amounts that were reported to the Commission.

Currently, supporting institutions are dividing their budgeted in-kind amounts, reported on a Form A by 4 to calculate the quarterly actual amounts reported on Form B. The members did not realize in what detail they needed to provide and document actual amounts. Because actual amounts are not being reported, the Consortium does not know the actual in-kind ratio and may be receiving more than the required 1:1 ratio. When the Consortium is not able to accurately determine the in-kind amounts, it is not maximizing the matching funds of their supporting institutions (progressing to reach the 1:1.5 ratio) and not accurately reporting the amount of those matching funds to the Commission.

REFERENCES:

Cal-SOAP Program Operations Handbook, 12/6/96, Chapter 4, Page 22 & 24
California Education Code 69564

REQUIRED ACTION:

The consortium and its supporting institutions must create a method of **tracking** and **documenting** actual in-kind match amounts to ensure that the required 1:1 match is met. If this required 1:1 match is not met the consortium would not be eligible for its total. The actual match amounts are subsequently reported to the Commission. If it appears reasonable, the institutions may use a time study where all in-kind costs are tracked for a reasonable period or periods of time and extrapolated over the year to determine their actual in-kind match for the award year.

FINDINGS AND REQUIRED ACTIONS (continued)

INSTITUTION RESPONSE:

SUCCESS has had a process in place for tracking and documenting actual in-kind contributions at least since 1983.

The Consortium has had an operations manual that includes a discussion of this procedure and an explanation of how to complete the form used to document in-kind since 1984. (See Attachment F for a copy of this section of the SUCCESS operations handbook known as **SUCCESS BASICS: for Administrators and Site Coordinators**.) It has provided annual orientations for new site/board representatives which include reviewing this process since approximately 1988. Therefore, the Consortium has focused its response on the issue of better implementation of the existing policy: ensuring that all representatives attend the training provided in how to implement the policy and providing additional follow-up with members to ensure they complete the documentation accurately and submit the documentation forms: Form B's, in a timely manner to the Consortium so we have them on file in the office.

To ensure this policy is implemented more thoroughly the Consortium has taken three steps:

1. At its September 25th, 2002 meeting the Consortium Board modified its by laws to **create a finance committee and the Office of Treasurer**. The Committee and the Treasurer among its other responsibilities will contact other Board members and/or their representatives to reinforce the importance of and the expectation of their meeting and documenting their matching contributions. (See Attachment A - Article IV, Sections 1 and 3 for these amendments.)
2. The Consortium's Director has assigned responsibility to the Executive Associate Director for monitoring and following up on the completion and submission of the Form B's by Consortium representatives. This includes meeting with them to walk them through their initial submission, if necessary, encouraging their attendance at the annual orientations when the Director walks representatives through this process and contacting, as often as necessary those who have not submitted form when expected.
3. The Consortium is asking all members beginning this fall to complete a time study that will provide them with a basis for their in-kind documentation henceforth. Each member is being asked to conduct this for at least one month, however, the duration beyond that is being left up to each member. Those who find their involvement has peaks and valleys throughout the year may choose to conduct a more long-range one to ensure what they use as a basis for future extrapolation incorporates the varies seasons of their work with SUCCESS. The Board also is asking each entity to submit documentation to the SUCCESS office, like district rates for rental of space to

FINDINGS AND REQUIRED ACTIONS (continued)

outside groups, salary scales, etc. to assist the staff in knowing what values are appropriate to place on various services that may be provided throughout the year that may not have originally been projected.

AUDITOR REPLY:

The consortium's action is deemed acceptable and no further action is required.

**E. ADMINISTRATIVE
AND
ACCOUNTING
CONTROLS:****FINDING 2: Incomplete Fiscal Agent Procedures**

A review the fiscal agent's policies and procedures it was determined that there was not adequate detail of the fiscal functions.

DISCUSSION:

In order to measure performance of the consortium it is necessary to analyze the adequacy and enforcement of established internal controls (procedures) for safeguarding the operational and fiscal integrity of the Cal-SOAP program. A compliance review includes evaluating the consortium's controls (procedures) and written policies.

In reviewing the fiscal agent's policies and procedures there was not adequate detail of the fiscal operations (payment of invoices, etc) as they pertain to the Cal-SOAP program.

REFERENCES:

Cal-SOAP Program Operations Handbook, 12/96, Sections 4, pages 24 to 25
Cal-SOAP Program Operations Handbook, 12/96, Sections 5, pages 32 to 36
Cal-SOAP Program Operations Handbook, 10/01, Sections 6, pages 9 to 13

REQUIRED ACTION:

The SUCCESS Project Director and/or the Fiscal Agent must develop written policies and procedures in order to safeguard the operational and fiscal integrity of the Cal-SOAP program. Please submit the policy and procedures in the response.

INSTITUTION RESPONSE:

To expend funds the SUCCESS Consortium follows Solano Community College's policies and procedures. Therefore, in consultation with SUC-CESS, the College's Fiscal Services Office submits the following policy and procedures in response: (see Attachment G)

AUDITOR REPLY:

The consortium's action is deemed acceptable and no further action is required.

OBSERVATION AND RECOMMENDATION

OBSERVATION AND
RECOMMENDATION:

OBSERVATION: **No Written Agreement Between the Consortium and the Fiscal Agent**

Solano Community College has been performing the duties of Fiscal Agent with negative consequences. Without a written agreement detailing the duties and responsibilities of the Fiscal Agent, there have been misunderstandings of the Fiscal Agent's role in the administration of the Cal-SOAP project. In the year we reviewed there appeared to be a question concerning who's responsibility it was to prepare the reports that the Commission required of the Consortium.

RECOMMENDATION:

It is recommended that the Consortium and the Fiscal Agent should negotiate a written agreement to define the duties and responsibilities of the Fiscal Agent and the Consortium.

INSTITUTION RESPONSE:

The Consortium and the fiscal agent agree that a written agreement should be negotiated. The Consortium has submitted a proposal for consideration to Solano Community College. The College is currently taking it under consideration.

AUDITOR REPLY:

The consortium's action is deemed acceptable and no further action is required.

ATTACHMENT A – CONSORTIUM’S RESPONSE