

GPSS Fiscal Oversight CAP

Task Name/Goal	Task Subheader	Responsible Person/ Office	Measurable Objective(s)	Validation by USDOE/Date & Method of Validation	Underlying Problems	GPSS Action Taken for Resolution	Completion Date / Percentage of Completion	Documents/ References	Status/Updates	Comments/Acknowledgement by USDOE
GOAL: Implementation of GPSS Financial Management Improvement System (FMIS)	GPSS requires an assessment and evaluation of its Financial Management Systems to include recommendations and training of its personnel.	Deputy Superintendent of Finance & Administrative Services, Chief Auditor, Federal Programs Administrator, & FSAIS Administrator	Management Internal Control Program (MIC Program) implementation	USDOE validation pending	Several single audit reports indicate recurring audit findings associated with the absence of specific internal controls within GPSS, which impact financial management within the organization. Implementation of the GPSS-FMIP has been slow and hampered by the lack of financial resources.	To improve GPSS' financial and internal controls, two contracts have been issued and a Manager's Internal Control Plan is being implemented. GPSS has entered into contracts with the following consultants to improve its Financial Management Systems and operations: A) MGA Consultant Services is to provide an assessment of GPSS' financial procedures, make recommendations on current financial SOPs, and provide training to staff (refer to Scope of Services & Timelines) B) Evergreen Solutions is to conduct a Curriculum and Management Audit (refer to Scope of Services & Timelines). Recommendations of consultants are to be implemented upon approval by Superintendent. C) In addition, GPSS is to implement the Board approved Management Internal Control Program (MIC Program) (August 2008). The Internal Audit Section will begin the implementation of the MIC Program to all Divisions/Sections/Schools.	a) Implemented and effectuated. MGA Consulting Services is currently reviewing GPSS' processes and will provide recommendations by December 2008. b) See attached provided scope of services broken down with specified dates of completion. (Evergreen) c) Testing to be conducted by Internal Audit throughout the year.	A) MGA Consulting Services: Contract, Scope of Services & Timelines B) Evergreen Solutions: Contract, Scope of Services & Timelines C) Manager's Internal Control Program	MGA Consulting entered into an agreement with GPSS on Nov. 5, 2007. Scope of Service: 1.) Evaluate the development and processes of GPSS Financial Management System, including the General Ledger and Financial Statements 2.) Update GPSS General Ledger Financial Management System Policies and Procedures. 3.) Develop and provide in hard copy and electronic version an updated comprehensive Financial Management System policy and procedure manual with respect to the General Ledger. 4.) Provide formal training to all vested parties, including Financial Affairs, FSAIS and other GPSS staff on the new policies and procedures. 5.) Provide advisory and technical consultative services to Financial Affairs, FSAIS and other relevant GPSS staff in the implementation of the newly revised Financial Management System policy and procedures manual. 6.) Conduct a post-implementation review, including a report that documents project findings and corrective action taken, in order to ensure the successful implementation of the new policies and procedures by the staff of GPSS Financial Affairs. b) Evergreen contract (See attached Scope of Services). c) MIC Program implementation to be piloted. Time-line to be developed by the Chief Auditor. Personnel is the first section to be assessed.	
I. Strengthen Audit Process within GPSS	Management Improvement Control Program (MIC Program)	Federal Programs Administrator, Chief Auditor & Deputy Superintendent of Finance & Administrative Services,	1.) Compliance with Standard Operating Procedures addressing and strengthening the GPSS Audit Processes. Via Quarterly on-site monitoring 2) Management Improvement Control Program (MIC Program) Implementation.	GPSS SOPs #06-003 and 06-004 have been submitted to USDOE and will be validated by the GPSS Internal Audit Section on an annual basis	For fiscal years 1998, 1999, and 2000, auditors declared the Guam DOE records 'unauditable' and recommended that financial statements for FY 2001 be reconstructed. Specifically, GPSS lacked an audit trail for funds disbursed to schools and flow-through entities, including the purpose for which federal funds were to be used; bank statements were not reconciled over the entire four years; balance sheets for funds were inaccurate; year-end balances did not roll over from year to year; interfund cash account balances did not reconcile; and transactions were not recorded.	A.) GPSS implemented several Standard Operating Procedures to address strengthening the overall audit processes within the organization. These Standard Operating Procedures have either been created or have been products of amendments made to our existing procedures to: (1) strengthen the integrity of the processes they contain, (2) clarify their intentions, goals and objectives in order to successfully provide training that is clear and consistent throughout the organization. B.) Monitoring by State Program Officers utilizing monitoring instruments that have been developed to ensure that these Standard Operating Procedures are in compliance. GPSS will continue to conduct site visits based on the scheduled provided earlier to US DOE throughout the year and reported quarterly, annually and updated in the CCAP reports. 2) Management Internal Control Program (MIC Program) implementation.	A.) Standard Operating Procedures (SOP's) implemented October 2007. B.) Monitoring Instruments for these Standard Operating Procedures (SOP's) have been created and - implemented 1) Monitoring by State Program Officers throughout the year and reported quarterly through reports submitted to US DOE and assessing corrective action cited in those reports and conduct follow-ups and provide up-dates on those actions. 2) Through the implementation of the MIC Program, the Chief Auditor will conduct audits and provide reports to the Superintendent of any deficiencies or corrective actions.	1) Quarterly monitoring reporting and annual reports. 2) MIC forms from the Chief Auditor to begin with Personnel Services	Internal Audit to pilot the MIC Program to Divisions/Sections at	
I. Strengthen Audit Process within GPSS	A. Analyze current internal audit resolution process.	FP Administrator, Chief Auditor, Deputy Superintendent of Finance & Administrative Services,	1.) Ensure compliance with Standard Operating Procedures addressing the handling of audits through review and on-site quarterly monitoring reports and validation. 2) Implementation of the Management Internal Control Program (MIC Program)	USDOE validation pending		A.) As a result of the findings within the CAP, GPSS has been proactive in creating or amending existing procedures to ensure that the processes are working to prevent repeat audit findings. B.) GPSS will be looking at the internal audit resolution process with the organization to ensure that we are able to promptly address and prevent audit findings against the department. C.) Federal Programs Division (State Agency staff) and Internal Auditors have been conducting training to Program Managers and staff on Internal Control procedures to prevent repeat audit findings. Training will continue annually thereafter. D.) Monitoring of internal control procedures will be conducted by State Program Officers.	A.) Mechanisms for ensuring and monitoring have been effectuated since December 2007. B) Daily review and monitoring of submitted request for funding to enforce compliance. C) Continue site visits and monitor both the programmatic and fiscal components of the programs.	Functional Chart Internal Auditor Office Function of Internal Audit Staff Standard Operating Procedure (SOP) for the Handling of Audits	Federal Programs State Officers conducted several site visits to monitor and report on their findings.	

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I. Strengthen Audit Process within GPSS	B. Implementation of Internal Controls and new audit resolution processes.	FP Administrator, Chief Auditor, Deputy Superintendent of Finance & Administrative Services,	1.) Implementation of Internal Control Procedures for Standard Operating Procedures and the mechanisms to monitor the effectiveness of these procedures through Internal Audit validation quarterly. 2) Management Internal Control Program (MIC Program) implementation.	USDOE validation pending		Alongside the newly created or amended Standard Operating Procedures (SOP's) are their corresponding internal controls which each respective entity has created which contain detailed, step-by-step processes to lead to the desired outcome while maintaining compliance to federal rules and regulations. Training conducted by State staff to Program Managers has been on-going and will be conducted annually thereafter. Training to all Program Mgrs. & Staff on Fiscal requirements was held in August 2007 on: Delineation between State Agency versus LEA's responsibilities, Procurement regulations, Travel Authorization's, Time Distribution reporting, Fixed Asset, Personnel Action/Recruitment requirements. - Training to all Program Mgrs. & Staff on Programmatic requirements will be held throughout the month of October 2007. Fiscal Training to all Program Managers and Project Directors on the implementation of Internal Controls in the areas of time distribution reporting; procurement; travel; and personnel recruitment was conducted on August 20-22, 2007. Additional training to necessary personnel within the GPSS on the newly developed Standard Operating Procedures has also been scheduled to take place within 45 days of each effectuated SOP. The exercise of ensuring procedures and internal controls are in place, and providing the necessary training to key personnel within the GPSS enables us to further close the gap between compliance and non-compliance of federal rules and regulations.	By January 2008, 100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors (see Monitoring/Review Schedule)	<ul style="list-style-type: none"> <li>Functional Chart Internal Auditor Office</li> <li>Function of Internal Audit Staff</li> <li>Standard Operating Procedures a.) Matching Level of Effort and Earmarking Requirements b.) DE-1/Personnel Action Procedure c.) Sole Source Procurement d.) Time distribution Report (TDR) Procedure e.) Requisition/Purchase Order Procedure f.) Deappropriation of Unexpended Federal Grant Awards Subsequent to the Period of Availability g.) Travel Request and Authorization Procedure h.) Procurement Records i.) Bank Reconciliation j.) Elapsed Time Between Receipt of Cash and Disbursements for Federal Grants k.) Liquidation of Federal Grant Awards With the Period of Availability or Within (90) days after the Period of Availability. l.) Records Room - Fiscal Monitoring Checklists for Standard Operating Procedures have been created for: a.) Fixed Assets b.) Liquidation and Period of Availability c.) Records Room and Procurement Records d.) Time Distribution Report (TDR) e.) Sole Source f.) Travel Authorization</li> <li>Training documentation (Attendance sheets, etc.)</li> <li>a) SOP Training b) Grants Management Training c) DEED Trainings d) Summer School Trainings e) Time &amp; Effort Certification Trainings f) Fixed Assets Management Training</li> </ul>	As a result of the CCAP, various trainings have been provided to applicable GPSS personnel to prevent repeat audit findings. In addition, Federal Programs Division (State Agency Staff) continue to monitor internal control procedures to ensure compliance. FPD staff continue to review and monitor program actions including but not limited to such things as requisitions and provides technical assistance to program personnel to ensure compliance with programmatic and regulatory requirements with the usage of federal dollars.	
I. Strengthen Audit Process within GPSS	C. Functioning internal auditors within GPSS --	FP Administrator, Personnel Administrator, Superintendent, Chief Auditor, Deputy Superintendent of Finance & Administrative Services,	1.) Establishment of Internal Auditor Office within GPSS along with Internal-Auditor-In-Charge and staff in place. 2) Mananagement Internal Control Program (MIC Program) implementation.	USDOE validation pending		Internal Auditor Office has been established within GPSS. Current Internal Audit Section includes: 1 - Internal Auditor-In-Charge and 2 Internal Auditors. Recruitment of Chief Internal Auditor and an additional Internal Auditor to commence FY '08.	100% completed on designating an Internal-Auditor-In-Charge. Chief Auditor hired August 22, 2008.	<ul style="list-style-type: none"> <li>Functional Chart Internal Auditor Office</li> <li>Function of Internal Audit Staff</li> <li>Documentation of Assignment of Internal Auditor-in-Charge</li> <li>Introduction of the Management Internal Control Program (MIC Program) by the Chief Auditor.</li> </ul>	Training provided to the various entities within GPSS as of October 2007. The internal controls that are currently in place have been monitored by state program staff and validated accordingly. However, there are still some internal control procedures that require strengthening. This strengthening of these internal control processes is an ongoing activity between state staff and GPSS personnel which may require the adjustment or modification of an existing Standard Operating Procedure to reflect the strengthening of these internal controls to prevent future audit findings. *Chief Auditor in place as of August 2008. *Presentation conducted by the Chief Auditor regarding the Management Internal Control Program (MIC Program) and the forms to be utilized to assess and evaluate on Management Control System.	
II. Strengthening of GPSS Business Systems	None	FP Administrator, Superintendent, Chief Auditor, Deputy Superintendent of Finance & Administrative Services	Reduction of the number of audit findings.	USDOE validation pending	GPSS has consistently received material weaknesses on its single audit reports based on the need for qualified accounting staff within its Business Office to reconcile its financial statements	1) The GPSS Business Office is realigning the Funds Control Section with Accountants. The Accounting Technicians IIIs will be moved to the Budget Section and Cash Disbursements/Accounts Payable Section. Another Accountant II or Accountant I will be recruited to replace the loss of the Accounting Technician III. 2) For Fiscal Year 2009, the Business Office will create a Professional Development Program to train the Business Office staff in the Financial Management System, Accounting and Federal Rules and Regulations. 3) Business Office process will be reevaluated, recommendations made and documented by MGA Consulting Services. MGA Consulting Services will also train the Business Office staff and reevaluate the process to see if updates are necessary. 4) Business Office requested to hire a Budget Analyst as of July 2, 2008.	1) The Accountants were hired in Fiscal Year 2008. GPSS hired three (3) Accountants. 2) Development Program will be completed by January 2009. 3) The MGA contract was signed on November 2007.	<ul style="list-style-type: none"> <li>Documentations:</li> <li>1) Personnel Action Forms for the three Accountants. 2) Task Chart for Funds Control.</li> <li>3) MGA contract and e-mail request for timeline submission. 4) Job announcement for Budget Analyst position under the Business Office.</li> </ul>	* Fixed Asset to be completed by November 10, 2008. *Closing of Financial Boods by November 15, 2008.	

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II. Strengthening of GPSS Business Systems	A. GPSS needs to submit a restricted indirect cost rate proposal for programs that have a non-supplanting requirement for approval by USDOE.	FP Administrator, Superintendent, Chief Auditor, Deputy Superintendent of Finance & Administrative Services	1.) Submission of a restricted indirect cost rate proposal for programs that have a non-supplanting requirement to U.S. Department of Interior (USDOE)	USDOE validation pending	GPSS has not submitted an indirect cost rate for approval to DOI since 2003, and currently does not have an approved rate. Federal grant programs, including the Teacher Quality Enhancement (TOE) discretionary grant requires that an approved indirect cost rate be in place prior to drawing down any funds for indirect costs. The indirect cost issue relates to the manner in which the indirect costs associated with Federal funds are distributed within GPSS. OMB Circular A-87 specifies indirect cost requirements.	1) GPSS submitted the Indirect Cost Determination signed by the Superintendent of Education; 2) Received the determination letter from US DOI National Business Center (NBC) of the Indirect Cost Negotiation Agreement for the 12-month periods ending September 30, 2007 and 2008 between the Federal Government and GPSS. However, GPSS will need an actual rate to be recalculated for Fiscal Year 2007 and 2008 since GPSS received a predetermined rate. 3) GPSS will submit an Indirect Cost Proposal for Fiscal Year 2009.	1) 100% completed on July 17, 2008	*July 17, 2008 letter from GPSS to US DOI National Business Center (NBC) *September 16, 2008 letter from US DOI National Business Center (NBC), signed Indirect Cost Negotiation Agreement.	Implementation of Indirect Cost Rate for FY08-09 on Grants/	
II. Strengthening of GPSS Business Systems	B. GPSS Business Office needs qualified accounting personnel to reconcile monthly bank statements, the general ledger, and balance sheets, and record transactions such as revenues and cash receipts in a timely manner.	FP Administrator, Superintendent, Chief Auditor, Deputy Superintendent of Finance & Admin Services	1.) GPSS will implement a viable strategy for strengthening its overall business operations by increasing the number of qualified accounting personnel on staff. 2.) Consulting Services contracted to assist in analyzing, assessing and making recommendations to our Standard Operating Procedures, processes and training of GPSS' Financial Management System. 3) Implementation of the Management Internal Control Plan (MIC Plan) by the Chief Auditor	USDOE validation pending	The GPSS Business Office has consistently experienced understaffing and a deficiency of a sufficient number of qualified accounting staff to handle its financial records (reference: 2002 declaration of unauditible records; audit findings 06-14; QC=\$0, 06-15; QC=\$0, 06-16; QC=\$0, 06-17; QC=\$0, and 06-18; QC=\$0.	GPSS has taken a proactive approach and has strengthened its standard operating procedure addressing the reconciliation of bank accounts, general ledgers, balance sheets, revenues and cash receipts in a timely manner.  1) GPSS hired Accounts and in addition they have announced to recruit a Budget Analyst position 2) GPSS awarded a contract MGA Consulting Services to analyze, assess, evaluate and make recommendations to our Standard Operating Procedures, processes and training. 3) The Chief Auditor presented and is implementing a pilot to the Management Internal Control Program (MIC Program) in which a few divisions will be targeted to pilot the program for which he can assess and evaluate Management Controls in place.	1) Accountants hired & on-board January 2008; Announcement for a Budget Analyst was announced July 2, 2008; Reconciliation processes done monthly; a) Bank Statements; b) General Ledger; c) Revenues and Cash Receipts Reconciliation process done yearly: a) Balance Sheets 2) MGA Consulting Services were contracted 3) Chief Auditor hired	Documentations: 1) DE-1/Personnel Action for the Accountants hired and the announcement to recruit others 2) Position announcement for the Budget Analyst 3) Documents being reconciled: a) August and September Federal savings account b) Balance sheet with requested audit adjustments c) Schedule of Federal Expenditure awards tied to the General Ledger	Validation by Internal Audit: November 10, 2008 - Reconciliation of Fixed Assets November 15, 2008 - Closing of Financial Books	
III. Allowable Costs/Cost Principles	A. GPSS needs to implement internal controls to ensure that personnel costs charged to federal programs are at approved pay rates, and that policies over personnel costs are applied consistently to both Federal and non-Federal employees.	Deputy Superintendent of Finance & Administrative Services, Chief Auditor, Federal Programs Administrator, & Personnel Administrator	1.) Proper Processing of Personnel Action Forms (DE-1) 2) Establishing a system of internal controls to prevent overpayment of personnel costs to federal grant programs 3) Implementation of the Management Internal Control Program (MIC Program)	USDOE validation pending	GPSS did not exercise internal controls to ensure that personnel are paid according to approved rates and not overpaid. (reference: audit findings 06-04; QC=\$681, 06-09; QC=\$24,449, 06-10; QC=\$0)	GPSS has taken a proactive approach and has strengthened its standard operating procedure addressing the reconciliation of bank accounts, general ledgers, balance sheets, revenues and cash receipts in a timely manner.  1) GPSS hired Accounts and in addition they have announced to recruit a Budget Analyst position 2) GPSS awarded a contract MGA Consulting Services to analyze, assess, evaluate and make recommendations to our Standard Operating Procedures, processes and training. 3) The Chief Auditor presented and is implementing a pilot to the Management Internal Control Program (MIC Program) in which a few divisions will be targeted to pilot the program for which he can assess and evaluate Management Controls in place.	100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors (see Monitoring/Review Schedule) 1) Accountants hired & on-board January 2008; Announcement for a Budget Analyst was announced July 2, 2008; Reconciliation processes done monthly; a) Bank Statements; b) General Ledger; c) Revenues and Cash Receipts Reconciliation process done yearly: a) Balance Sheets 2) MGA Consulting Services were contracted 3) Chief Auditor hired	1) Copy of DE-1/Personnel Action for the Accountants hired and the announcement to recruit others 2) Copy of Position announcement for the Budget Analyst 3) Copy of documents being reconciled:  a) August and September Federal savings account b) Balance sheet with requested audit adjustments c) Schedule of Federal Expenditure awards tied to the General Ledger	Validation by Internal Audit and on-site financial monitoring.	
IV. Cash Management	A. Develop policies and procedures to address cash management issues, including proper disbursement of Federal funds.	Deputy Superintendent of Finance & Administrative Services, Chief Auditor, and Federal Programs Administrator	1.) Procedures to ensure the proper disbursement of federal funds in a timely manner.	USDOE and Internal Auditor validation pending	<u>Structured Cash Management System</u> • GPSS did not have internal controls in place to ensure that the time elapsed between cash receipt and cash disbursement is minimized (reference: audit finding 04-03; QC=\$0) • GPSS did not have internal controls in place to minimize time elapsed between receipt of federal funds and disbursement of checks in accordance with applicable cash management requirement (reference: audit findings 06-05; QC=\$76, 06-07; QC=\$0 with interest liability=\$3,812, 05-03; QC=\$0; 05-04; QC=\$0)	Procedures are developed and implemented to address the timely and proper disbursement of federal funds by minimizing the elapsed time between the acquisition of federal funds and the disbursements of said funds. GPSS currently has an Automated Clearing House (ACH) mechanism in place and is encouraging its use to alleviate the elapsed time between the receipt and reimbursement of funds.	Completion date is by the end of the Fiscal Year 2009.	1) Copy of Standard Operating Procedure #200-007 2) Copy of ACH form  3) Copy of August 2008 G5 draw	*Validation: On-site Quarterly Monitoring  * Internal Audit Review	

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V. Matching, Level of Effort & Earmarking	A. Develop process for meeting federal matching, level of effort and earmarking requirements.	Deputy Superintendent of Finance & Administrative Services, Chief Auditor, Federal Programs Administrator, Program Managers & FSAIS Administrator	1.) Adherence to matching, level of effort, and earmarking requirements of Federal Grants	USDOE and Internal Auditor validation pending	GPSS did not meet the level of effort requirements in FY 2004 (reference: audit finding 04-04; QC=\$75,864)	GPSS has established Standard Operating Procedures to address the compliance with Matching, Level of Effort, and Earmarking requirements. Staff are trained to understand these requirements and apply them accordingly. This procedure will be monitored by State Program Officers to ensure compliance. Technical Assistance will be made available to personnel upon request to assist with compliance. *Monitoring to be conducted year round by State Program Officers and report quarterly and annually these findings.	1.) Standard Operating Procedures Completed 2.) Training completed. 3.) Monitoring conducted (See Monitoring/Review Schedule) *On-going monitoring by State Program staff	*Samples of completed monitoring forms.	State Program Staff continue to monitor the implementation of the various SOP's in place and continue to provide feedback and recommendations as necessary to ensure compliance. Should corrective action be necessary, steps to resolution are provided and validated shortly after for compliance. Documentation is provided via the monitoring checklist forms that were implemented for the SOPs for use by state staff monitoring. *Validation: On-site Quarterly Monitoring  * Internal Audit Review	
VI. Period of Availability	None	Deputy Superintendent of Finance & Administrative Services, Chief Auditor, Internal Auditors, Federal Programs Administrator & FSAIS Administrator	1.) Adherence to Deappropriation of Unexpended Federal Grant Awards Subsequent to Period of Availability	USDOE and Internal Auditor validation pending	GPSS lacked internal controls over ensuring that available balances were deappropriated/deencumbered after the funds' period of availability. GPSS needs to strengthen internal controls to ensure that federal funds are no longer available for obligation or expenditure after the period of availability (reference: audit findings 03-02, QC=\$19,583; 03-05, QC=\$0; and 04-05, QC=\$49,540)	GPSS has implemented standard operating procedures to address the Liquidation of funds within the Period of Availability, the deappropriation of funds from expired grants, and has addressed internal controls regarding the assurances that there are available funds to cover outstanding encumbrances of grant funds. Training to essential personnel regarding these procedures would have been completed. In addition, implementation of Internal Controls are in place for these established Standard Operating Procedures. Validation of these procedures to be done via Programmatic and Fiscal Reviews by State Program Officers. Monitoring Reports will be completed and maintained in applicable grant monitoring files. *Monitoring to be conducted year round by State Program Officers and report quarterly and annually these findings.	100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors (see Monitoring/Review Schedule) *On-going monitoring by State Program staff	*Samples of completed monitoring forms.	State Program Staff continue to monitor the implementation of the various SOP's in place and continue to provide feedback and recommendations as necessary to ensure compliance. Should corrective action be necessary, steps to resolution are provided and validated shortly after for compliance. Documentation is provided via the monitoring checklist forms that were implemented for the SOPs for use by state staff monitoring. *Validation: On-site Quarterly Monitoring  * Internal Audit Review	
VI. Period of Availability	A. Develop Standard Operating Procedures for (deappropriation of unexpended Federal grant awards to ensure against improper obligation and liquidation of Federal funds.)	Deputy Superintendent of Finance & Administrative Services, Chief Auditor, Internal Auditors, Federal Programs Administrator & FSAIS Administrator	1.) Obligations are liquidated within the funds period of availability 2.) Expired grants are deappropriated timely 3.) Outstanding encumbrances fall within available funding limitations *On-site State quarterly monitoring	GPSS SOPs #06-003 and 06-004 have been submitted to USDOE to resolve these findings: GPSS Internal Audit Section will validate the procedures annually	GPSS did not ensure proper obligation within the period of availability (reference: audit findings 02-10; QC=\$177,585, 03-07; QC=\$0, 04-09; QC=\$8,936, 05-05; QC=\$36,885) .	GPSS has implemented standard operating procedures to address the Liquidation of funds within the Period of Availability, the deappropriation of funds from expired grants, and has addressed internal controls regarding the assurances that there are available funds to cover outstanding encumbrances of grant funds. Training to essential personnel regarding these procedures would have been completed and will be continued annually thereafter. In addition, implementation of Internal Controls are in place for these established Standard Operating Procedures. Validation of these procedures to be done via Programmatic and Fiscal Reviews by State Program Officers. Monitoring Reports will be completed and maintained in applicable grant monitoring files. *Management Internal Controls Program (MIC Program) implementation	100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors (see Monitoring/Review Schedule) *December 2008 at the end of the liquidation period of several grants that expired September 30, 2008.	* Standard Operating Procedures (SOP): a) Deappropriation of Unexpended Federal Grant Awards Subsequent to Period of Availability b) Liquidation of Federal Grant Awards Within The Period of Availability or Within (90) Days After the Period of Availability • Liquidation and Period of Availability Fiscal Monitoring Checklist • Monitoring/Review Schedule	State Program Staff continue to monitor the implementation of the various SOP's in place and continue to provide feedback and recommendations as necessary to ensure compliance. Should corrective action be necessary, steps to resolution are provided and validated shortly after for compliance. Documentation is provided via the monitoring checklist forms that were implemented for the SOPs for use by state staff monitoring.  Administrator of Office of Supply Management on board.	
VII. Strengthen GPSS Contracting and Procurement Policies & Procedures	None	Deputy Superintendent of Finance & Administrative Services and Federal Programs Administrator	1.) Develop policies and procedures to ensure all procurement contracts for goods and services are aligned with applicable federal and local regulations. 2.) Hire an Administrator for the Office of Supply Management (Procurement) to effectively enforce all regulations for procurement practices.	USDOE and Internal Auditor validation pending	(GDOE failed to ensure that all regulations were adhered to and formal bids reviewed closely for all procurement contracts for goods/services requiring a formal bid.) (reference: audit findings 06-06; QC=\$107,499 and 03-08; QC\$0)	* As a result of the recruitment of the Administrator for the Office of Supply Management, Standard Operating Procedures covering procurement issues such as Sole Source Procurement requirements, Procedures for Requisitions and Purchase Orders, Procedures for the maintenance of Procurement Records, Travel Requests and Authorizations, Fixed Assets Management, and the procurement of personnel have been implemented. • Training to all essential personnel district wide provided and conducted annually thereafter. •Monitoring of procedures are to be in line with Programmatic and Fiscal Management Reviews for all program staff (LEA's).	100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors (see Monitoring/Review Schedule)	* Standard Operating Procedures a) Requisition/Purchase Order Procedure b.) Sole Source Procurement c.) DE-1/Personnel Action Procedures d.) Travel Request and Authorization Procedure e.) Procurement Records Management f. Fixed Assets Management • Fiscal Monitoring Checklists for all listed SOP's. • Monitoring/Review Schedule	Monitoring procedures are still ongoing and conducted quarterly or as needed to validate processes and impose corrective action where necessary. Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues.	

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VII. Strengthen GPSS Contracting and Procurement Policies & Procedures	A. Develop procurement procedures to strengthen internal controls within GPSS (central office and school level).	Deputy Superintendent of Finance & Administrative Services, Chief Auditor and Federal Programs Administrator	1) Procedures are in place to strengthen internal controls within the Guam Public School System to ensure that Procurement Regulations are followed. 2.) Provide Training to all essential personnel district wide. 3.) Effective Monitoring Mechanism to ensure that all procedures are being adhered to and are effective at meeting its goals and objectives while in compliance with local and Federal mandates.	USDOE validation pending		•Standard Operating Procedures covering procurement issues such as Sole Source Procurement requirements, Procedures for Requisitions and Purchase Orders, Procedures for the maintenance of Procurement Records, Travel Requests and Authorizations, Fixed Assets Management, and the procurement of personnel have been implemented. • Training top essential personnel district wide was provided and annually thereafter. •Monitoring of procedures are to be in line with Programmatic and Fiscal Management Reviews for all program staff (LEA's). *Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues. * Implementation of the Management Internal Control Program (MIC Program)	100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors (see Monitoring/Review Schedule)	• Standard Operating Procedures a) Requisition/Purchase Order Procedure b.) Sole Source Procurement c.) DE-1/Personnel Action Procedures d.) Travel Request and Authorization Procedure e.) Procurement Records Management f. Fixed Assets Management • Fiscal Monitoring Checklists for all listed SOP's. • Monitoring/Review Schedule	Monitoring procedures are still ongoing and conducted quarterly or as needed to validate processes and impose corrective action where necessary. * Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues.	
VII. Strengthen GPSS Contracting and Procurement Policies & Procedures	A1. Develop Standard Operating Procedures for GPSS Sole Source Procurement Process.	Deputy Superintendent of Finance & Administrative Services, Chief Auditor and Federal Programs Administrator	1.) Ensure compliance with Sole Source Procurement Procedures by monitoring procurement files. 2) Management Internal Control Program (MIC Program): assessing, analyzing, reporting and training.	USDOE validation pending		GPSS has implemented Standard Operating Procedures to address Sole Source Procurement to ensure that all essential personnel is trained on these procedures to understand what constitutes sole source and in what situations sole source procurement is allowed. Training for sole source procurement has been ongoing and will continue until all essential personnel is effectively trained, after which training will be conducted annually. • On Site Monitoring/Reviews will include Programmatic and Fiscal Management Reviews and will validate the district's Internal Controls and determine compliance with the sole source procurement procedures. *Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues.	100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors (see Monitoring/Review Schedule)	• Standard Operating Procedure for Sole Source Procurement • Fiscal Monitoring Checklist for • Monitoring/Review Schedule • Copy of training invitation to GPSS for Procurement's attendance at the October 27-29, 2008 training. • Need update of Flow Chart for Procurement process • MIC Program forms for overall accountability	Technical assistance is constantly available from State Program Staff to GPSS procurement personnel if needed. In addition, sole source procurement processes are articulated to program personnel and guidance is provided as they move in this direction to ensure proper procurement processes are adhered to. This technical assistance serves a monitoring mechanism by state program staff to ensure that these procedures are followed prior to transaction being finalized. These activities are ongoing and evidenced by quarterly monitoring. Training schedule is currently being formulated to repeat training sessions for district personnel on SOP's implemented and any updates to these SOP's or internal control procedures will be incorporated into these trainings. Monitoring procedures are still ongoing and conducted quarterly or as needed to validate processes and impose corrective action where necessary. * Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues.	
VII. Strengthen GPSS Contracting and Procurement Policies & Procedures	A2. Exercise internal controls over maintaining supporting documentation in program files to substantiate program expenditures.	Federal Programs, Deputy Superintendent of Finance & Administrative Services, Chief Auditor	1) Adherence to Procurement Records SOP 2.) Monitoring of Procurement Records to ensure compliance with document retention procedures. 3) Management Internal Control Program (MIC Program): assessing, analyzing, reporting and training.	USDOE validation pending	GPSS failed to retain vendor invoices and receiving reports (reference: audit finding 04-07; QC=\$3,000) GPSS did not ensure that procurement policies were enforced. (reference: audit finding 06-06; QC=\$107,499	GPSS has implemented a Procurement Records Management SOP to address the issue of records retention with respect to procurement transactions. SOP's for Requisition/Purchase Orders, Sole Source Procurement, Travel Request's and Authorizations have also been implemented which require a paper trail of supporting documents to lead up to the compliance factors necessary. Training on these procedures was conducted and annually thereafter. In addition, Fiscal Monitoring Checklists are used by State Program Officers to ensure that procurement policies are adhered to and enforced. Monitoring schedules are in line with Fiscal & Programmatic Reviews with reports maintained in program files for documentation.	100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors (see Monitoring/Review Schedule)	• Standard Operating Procedures a) Requisition/Purchase Order Procedure b.) Sole Source Procurement c.) DE-1/Personnel Action Procedures d.) Travel Request and Authorization Procedure e.) Procurement Records Management f. Fixed Assets Management • Fiscal Monitoring Checklists for all listed SOP's. • Monitoring/Review Schedule • Copy of training invitation to GPSS for Procurement's attendance at the October 27-29, 2008 training. • Need update of Flow Chart for Procurement process • MIC Program forms for overall accountability	Monitoring efforts have discovered the need for further strengthening of the SOP Internal controls for this area. Therefore, the GPSS Business Office has taken steps to modify the current standard operating procedure to reflect these improvements for approval. This SOP is currently being routed to various GPSS leadership for review and approval and will be reported in the next quarterly reporting period. * Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues.	
VII. Strengthen GPSS Contracting and Procurement Policies & Procedures	B. Ensure staff responsible for implementing federal programs understand all requirements related to procurement with federal funds (RFP requirements for contracts, competitive bidding, etc.)	Deputy Superintendent of Finance & Administrative Services, Chief Auditor and Federal Programs Administrator	1.) Adherence to Standard Operating Procedures a) Requisition/Purchase Order Procedure b.) Sole Source Procurement c.) DE-1/Personnel Action Procedures d.) Travel Request and Authorization Procedure e.) Procurement Records Management f. Fixed Assets Management 2.) Training of all essential personnel to ensure understanding federal requirements related to procurement using federal funds. 3.) Monitoring of these procedures set out through the various SOP's by way of Fiscal Monitoring Checklists for all listed SOP's. 4.)Regular Monitoring/Review Timelines 5) Management Internal Control Program (MIC Program): assessing, analyzing, reporting and training.	USDOE validation pending	GPSS did not maintain procurement documents to support competitive sealed bidding (reference: audit finding 06-13; QC=\$0)	GPSS has implemented several Standard Operating Procedures to address the requirements related to procurement with federal funds. Training to all essential staff conducted and annually thereafter for each and every SOP that has been implemented. This is to ensure staff responsible for implementing federal programs understand all procurement procedures and regulations. Fiscal Training on Procurement Procedures covering Requisitions and Purchase Orders conducted by State staff to Program Managers (LEA's). On Site Monitoring/Reviews will include the adherence of Procurement Procedures as part of the district's Internal Controls. Training and Technical assistance will be available to respective divisions should the need arise. Internal Controls are also in place in the various procurement areas to ensure that the processes work within the Program Monitors will be conducting reviews of these procedures periodically (see Monitoring/Review Schedule) to determine whether processes are in compliance and provide technical assistance for corrective action if necessary to bring process into compliance. *Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues. * Implementation of the Management Internal Control Program (MIC Program)	100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors (see Monitoring/Review Schedule). Training on Standard Operating Procedures completed.	• Standard Operating Procedures a) Requisition/Purchase Order Procedure b.) Sole Source Procurement c.) DE-1/Personnel Action Procedures d.) Travel Request and Authorization Procedure e.) Procurement Records Management f. Fixed Assets Management • Fiscal Monitoring Checklists for all listed SOP's. • Monitoring/Review Schedule • Copy of training invitation to GPSS for Procurement's attendance at the October 27-29, 2008 training. • Need update of Flow Chart for Procurement process • MIC Program forms for overall accountability	Training schedule is currently being formulated to repeat training sessions for district personnel on SOP's implemented and any updates to these SOP's or internal control procedures will be incorporated into these trainings. These trainings will reinforce the requirements of the SOP's implemented and provide information on how these requirements will impact the performance of the grants. Monitoring procedures are still ongoing. * Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues.	

Task Name/Goal	Task Subheader	Responsible Person/ Office	Measurable Objective(s)	Validation by USDOE/Date & Method of Validation	Underlying Problems	GPSS Action Taken for Resolution	Completion Date / Percentage of Completion	Documents/ References	Status/Updates	Comments/Acknowledgement by USDOE
VII. Strengthen GPSS Contracting and Procurement Policies & Procedures	B1. Create documents clearly explaining competitive bidding requirements.	Deputy Superintendent of Finance & Administrative Services, Chief Auditor and Federal Programs Administrator	1.) Adherence to Sole Source Procurement Procedures 2.) Adherence to Purchase Order/Requisition Procedures a) Management Internal Control Program (MIC Program); assessing, analyzing, reporting and training. b) Validation by Quarterly Review and Internal Audit Review	USDOE validation pending		GPSS has implemented several Standard Operating Procedures to address the requirements related to procurement with federal funds. Training to all essential staff completed and will be conducted annually thereafter for each and every SOP that has been implemented. This is to ensure staff responsible for implementing federal programs understand all procurement procedures and regulations. Fiscal Training on Procurement Procedures covering Requisitions and Purchase Orders conducted by State staff to Program Managers (LEA's). On Site Monitoring/Reviews will include the adherence of Procurement Procedures as part of the district's Internal Controls. Training and Technical assistance will be available to respective divisions should the need arise. Internal Controls are also in place in the various procurement areas to ensure that the processes work within the department. State Program Monitors will be conducting reviews of these procedures periodically (see Monitoring/Review Schedule) to determine whether processes are in compliance and provide technical assistance for corrective action if necessary to bring process into compliance. * Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues. * Implementation of the Management Internal Control Program (MIC Program)	100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors (see Monitoring/Review Schedule). Training on Standard Operating Procedures completed.	<ul style="list-style-type: none"> <li>Standard Operating Procedures a) Requisition/Purchase Order Procedure b.) Sole Source Procurement</li> <li>Fiscal Monitoring Checklists for all listed SOP's.</li> <li>Monitoring/Review Schedule</li> <li>Copy of training invitation to GPSS for Procurement's attendance at the October 27-29, 2008 training.</li> <li>Need update of Flow Chart for Procurement process</li> <li>MIC Program forms for overall accountability</li> </ul>	Training schedule is currently being formulated to repeat training sessions for district personnel on SOP's implemented and any updates to these SOP's or internal control procedures will be incorporated into these trainings. These trainings will reinforce the requirements of the SOP's implemented and provide information on how these requirements will impact the performance of the grants. Monitoring procedures are still ongoing. * Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues.	
VII. Strengthen GPSS Contracting and Procurement Policies & Procedures	B2. Develop training for program staff that clearly explains contracting requirements.	Deputy Superintendent of Finance & Administrative Services, Chief Auditor and Federal Programs Administrator	1.) Adherence to Standard Operating Procedures a) Requisition/Purchase Order Procedure b.) Sole Source Procurement c.) DE-1/Personnel Action Procedures d.) Travel Request and Authorization Procedure e.) Procurement Records Management f. Fixed Assets Management 2.) Training of all essential personnel to ensure understanding federal requirements related to procurement using federal funds. 3.) Monitoring of these procedures set out through the various SOP's by way of Fiscal Monitoring Checklists for all listed SOP's. 4.)Regular Monitoring/Review Timelines 5) Management Internal Control Program (MIC Program); assessing, analyzing, reporting and training.	USDOE validation pending		GPSS has implemented several Standard Operating Procedures to address the requirements related to procurement with federal funds. Training to all essential staff is to be conducted for each and every SOP that has been implemented to ensure staff responsible for implementing federal programs understand all procurement procedures and regulations. Fiscal Training on Procurement Procedures covering Requisitions and Purchase Orders conducted by State staff to Program Managers (LEA's). Internal Controls implemented include SOP's applicable to Requisitions & Procurement (SOP# 900-001). On Site Monitoring/Reviews will include the adherence of Procurement Procedures as part of the district's Internal Controls. Training and Technical assistance will be available to respective divisions should the need arise. Internal Controls are also in place in the various procurement areas to ensure that the processes work within the department. State Program Monitors will be conducting reviews of these procedures periodically (see Monitoring/Review Schedule) to determine whether processes are in compliance and provide technical assistance for corrective action if necessary to bring process into compliance. * Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues. * Implementation of the Management Internal Control Program (MIC Program)	100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors (see Monitoring/Review Schedule). Training on Standard Operating Procedures would be completed.	<ul style="list-style-type: none"> <li>Standard Operating Procedures a) Requisition/Purchase Order Procedure b.) Sole Source Procurement</li> <li>Fiscal Monitoring Checklists for all listed SOP's.</li> <li>Monitoring/Review Schedule</li> <li>Copy of training invitation to GPSS for Procurement's attendance at the October 27-29, 2008 training.</li> <li>Need update of Flow Chart for Procurement process</li> <li>MIC Program forms for overall accountability</li> </ul>	Training schedule is currently being formulated to repeat training sessions for district personnel on SOP's implemented and any updates to these SOP's or internal control procedures will be incorporated into these trainings. These trainings will reinforce the requirements of the SOP's implemented and provide information on how these requirements will impact the performance of the grants. Monitoring procedures are still ongoing. * Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues.	

GPSS Fiscal Oversight CAP

Task Name/Goal	Task Subheader	Responsible Person/ Office	Measurable Objective(s)	Validation by USDOE/Date & Method of Validation	Underlying Problems	GPSS Action Taken for Resolution	Completion Date / Percentage of Completion	Documents/ References	Status/Updates	Comments/Acknowledgement by USDOE
VII. Strengthen GPSS Contracting and Procurement Policies & Procedures	C. Create uniform documentation requirements/template for all staff responsible for implementing federal programs.	Deputy Superintendent of Finance & Administrative Services, Chief Auditor and Federal Programs Administrator	1) Adherence to Procurement Records SOP 2.) Monitoring of Procurement Records to ensure compliance with document retention procedures. 3) Management Internal Control Program (MIC Program); assessing, analyzing, reporting and training.	USDOE validation pending	GPSS did not maintain sufficient procurement documentation (reference: audit finding 06-13; QC=\$0)	GPSS has implemented several Standard Operating Procedures to address the requirements related to procurement with federal funds. Training to all essential staff is to be conducted for each and every SOP that has been implemented to ensure staff responsible for implementing federal programs understand all procurement procedures and regulations. Fiscal Training on Procurement Procedures covering Requisitions and Purchase Orders conducted by State staff to Program Managers (LEA's). On Site Monitoring/Reviews will include the adherence of Procurement Procedures as part of the district's Internal Controls. Training and Technical assistance will be available to respective divisions should the need arise. Internal Controls are also in place in the various procurement areas to ensure that the processes work within the department. State Program Monitors will be conducting reviews of these procedures periodically (see Monitoring/Review Schedule) to determine whether processes are in compliance and provide technical assistance for corrective action if necessary compliance. * Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues. * Implementation of the Management Internal Control Program (MIC Program)	100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors (see Monitoring/Review Schedule). Training on Standard Operating Procedures completed.	<ul style="list-style-type: none"> <li>Standard Operating Procedures a) Requisition/Purchase Order Procedure b.) Sole Source Procurement</li> <li>Fiscal Monitoring Checklists for all listed SOP's.</li> <li>Monitoring/Review Schedule</li> <li>Copy of training invitation to GPSS for Procurement's attendance at the October 27-29, 2008 training.</li> <li>Need update of Flow Chart for Procurement process</li> <li>MIC Program forms for overall accountability</li> </ul>	Training schedule is currently being formulated to repeat training sessions for district personnel on SOP's implemented and any updates to these SOP's or internal control procedures will be incorporated into these trainings. These trainings will reinforce the requirements of the SOP's implemented and provide information on how these requirements will impact the performance of the grants. Monitoring procedures are still ongoing. * Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues.	
VII. Strengthen GPSS Contracting and Procurement Policies & Procedures	C1. Develop a system for maintaining source documentation to support program expenditures, such as cancelled checks, paid bills, payrolls, time and attendance records, contract and sub grant award documents.	Deputy Superintendent of Finance & Administrative Services, Chief Auditor and Federal Programs Administrator	1) Adherence to Procurement Records SOP 2.) Monitoring of Procurement Records to ensure compliance with document retention procedures. 3) Management Internal Control Program (MIC Program); assessing, analyzing, reporting and training.	USDOE validation pending		As a result of our internal controls with respect to supporting documentation for program expenditures, all pertinent documents that clearly substantiate the expenditure must be attached to any requests for funds prior to the funds being approved for disbursement. After the documentation is finalized, they are safeguarded within the records room of the procurement office. In addition, there is a routing form that accompanies the request for funds that evidences the various signatories of the departments along the path to fund disbursement. A copy of this routing form is filed into the respective program file within the Federal Programs Division. *Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues. * Implementation of the Management Internal Control Program (MIC Program)	100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors quarterly.	<ul style="list-style-type: none"> <li>Standard Operating Procedures a) Requisition/Purchase Order Procedure b.) Sole Source Procurement</li> <li>Fiscal Monitoring Checklists for all listed SOP's.</li> <li>Copy of training invitation to GPSS for Procurement's attendance at the October 27-29, 2008 training.</li> <li>Need update of Flow Chart for Procurement process</li> <li>MIC Program forms for overall accountability</li> </ul>	Training schedule is currently being formulated to repeat training sessions for district personnel on SOP's implemented and any updates to these SOP's or internal control procedures will be incorporated into these trainings. These trainings will reinforce the requirements of the SOP's implemented and provide information on how these requirements will impact the performance of the grants. Monitoring procedures are still ongoing.	
VII. Strengthen GPSS Contracting and Procurement Policies & Procedures	C2. Develop a system to ensure that files consistently contain adequate source documentation to support program expenditures.	Deputy Superintendent of Finance & Administrative Services, Chief Auditor and Federal Programs Administrator	1) Adherence to Procurement Records SOP 2.) Monitoring of Procurement Records to ensure compliance with document retention procedures. 3) Management Internal Control Program (MIC Program); assessing, analyzing, reporting and training.	USDOE validation pending		As a result of our internal controls with respect to supporting documentation for program expenditures, all pertinent documents that clearly substantiate the expenditure must be attached to any requests for funds prior to the funds being approved for disbursement. After the transaction is finalized, documentation are safeguarded within the records room of the procurement office. In addition, there is a routing form that accompanies the request for funds that evidences the various signatories of the departments along the path to fund disbursement. A copy of this routing form is filed into the respective program file within the Federal Programs Division. *Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues. * Implementation of the Management Internal Control Program (MIC Program)	100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors quarterly.	<ul style="list-style-type: none"> <li>Standard Operating Procedures a) Requisition/Purchase Order Procedure b.) Sole Source Procurement</li> <li>Fiscal Monitoring Checklists for all listed SOP's.</li> <li>Copy of training invitation to GPSS for Procurement's attendance at the October 27-29, 2008 training.</li> <li>Need update of Flow Chart for Procurement process</li> <li>MIC Program forms for overall accountability</li> </ul>	We have identified ways to strengthen this SOP and have introduced modifications to our procedures to accomplish this. Monitoring efforts will continue to ensure these modifications are accomplishing what they are intended to do. These modifications have come by way of the GPSS Business office revamping their internal controls and the SOP to articulate further the requirements of retaining supporting documentation for program expenditures. Training on this would be conducted annually thereafter or as necessary. * Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues.	

Task Name/Goal	Task Subheader	Responsible Person/ Office	Measurable Objective(s)	Validation by USDOE/Date & Method of Validation	Underlying Problems	GPSS Action Taken for Resolution	Completion Date / Percentage of Completion	Documents/ References	Status/Updates	Comments/Acknowledgement by USDOE
VII. Strengthen GPSS Contracting and Procurement Policies & Procedures	D. Ensure staff responsible for implementing federal programs at all levels (central office and school level) thoroughly understand the process for retaining documentation.	Deputy Superintendent of Finance & Administrative Services, Chief Auditor and Federal Programs Administrator	1) Adherence to Procurement Records Standard Operating Procedures 2.) Monitoring of Procurement Records to ensure compliance with document retention procedures. 3) Management Internal Control Program (MIC Program); assessing, analyzing, reporting and training.	USDOE validation pending		As a result of our newly implemented procedures and internal controls with respect to supporting documentation for program expenditures, all pertinent documents that clearly substantiate the expenditure must be attached to any requests for funds prior to the funds being approved for disbursement. After the transaction is completed, documents are safeguarded within the records room of the procurement office. In addition, there is a routing form that accompanies the request for funds that evidences the various signatories of the departments along the path to fund disbursement. A copy of this routing form is filed into the respective program file within the Federal Programs Division.	100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors quarterly.	<ul style="list-style-type: none"> <li>Standard Operating Procedures for Deappropriation of Unexpended Federal Grant Awards Subsequent to Period of Availability</li> <li>Standard Operating Procedure for Liquidation of Federal Grand Awards Within the Period of Availability and Within (90) Days After the Period of Availability</li> <li>Copy of training invitation to GPSS for Procurement's attendance at the October 27-29, 2008 training.</li> <li>Need update of Flow Chart for Procurement process</li> <li>MIC Program forms for overall accountability</li> </ul>	We have identified ways to strengthen this SOP and have introduced modifications to our procedures to accomplish this. Monitoring efforts will continue to ensure these modifications are accomplishing what they are intended to do. These modifications have come by way of the GPSS Business office revampin their internal controls and the SOP to articulate further the requirements of retaining supporting documentation for program expenditures. Training on this would be conducted annually thereafter or as necessary. Training to be conducted October 27, 28, and 29, 2008 for the Procurement Division, sponsored by the Office of the Public Auditor (OPA) and General Services Agency (GSA) on Procurement and Fraud issues.	
VIII. Strengthen GPSS Grant Liquidation Procedures	2. Ensure proper documentation is retained.	Deputy Superintendent of Finance & Administrative Services, Chief Auditor and Federal Programs Administrator	Measurable Objective: Adherence to Deappropriation of Unexpended Federal Grant Awards Subsequent to Period of Availability, SOP No. 0003 (See Attachment: SOP No. 06-003) • Requisition/Purchase Order Report (SOP 900-001) • Travel Authorization Report (SOP 900-002) • DE-1/Personnel Action Report (SOP 900-003) • Time Distribution Report (SOP 900-004) • <u>Fixed Assets (SOP: Fix Asset Management System)</u> • Programmatic Monitoring & Review Reports • Fiscal Monitoring Checklist • Monitoring Schedule/Site Visits • Organizational/ Functional Chart of Federal Programs Division • Reporting Structure • Management Internal Control Program (MIC Program)	USDOE validation pending		GPSS has implemented several standard operating procedures to address various weaknesses within our fiscal operations to include the proper retention of pertinent documentation with respect to expenditures of federal grant funds. Documentation requirements for procurement of funds for various grant objectives and activities must be attached to the request for funds for review and approval by the State Office to ensure compliance. After the transaction is deemed to be in compliance and funds are disbursed, final documentation packets are safeguarded within the Procurement Records Room. State Program Officers will monitor this process quarterly to ensure the records are complete.	100% implementation of Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors quarterly.	<ul style="list-style-type: none"> <li>Functional Chart Internal Auditor Office</li> <li>Function of Internal Audit Staff</li> <li>Standard Operating Procedures in place are as follows: a.) Matching Level of Effort and Earmarking Requirements b.) DE-1/Personnel Action Procedure c.) Sole Source Procurement d.) Time distribution Report (TDR) Procedure e.) Requisition/Purchase Order Procedure f.) Deappropriation of Unexpended Federal Grant Awards Subsequent to the Period of Availability g.) Travel Request and Authorization Procedure h.) Procurement Records i.) Bank Reconciliation j.) Elapsed Time Between Receipt of Cash and Disbursements for Federal Grants k.) Liquidation of Federal Grant Awards With the Period of Availability or Within (90) days after the Period of Availability. l.) Records Room (4) Fiscal Monitoring Checklists for all Standard Operating Procedures have been created for: a.) Fixed Assets b.) Liquidation and Period of Availability c.) Records Room and Procurement Records d.) Time Distribution Report (TDR) e.) Sole Source f.) Travel Authorization</li> </ul>	State Program Staff continue to monitor the implementation of the various SOP's in place and continue to provide feedback and recommendations as necessary to ensure compliance. Should corrective action be necessary, steps to resolution are provided and validated shortly after for compliance. Documentation is provided via the monitoring checklist forms that were implemented for the SOP's for use by state staff monitoring. Validation by Internal Audit	
VIII. Strengthen GPSS Grant Liquidation Procedures	A3. Implement new process.	Deputy Superintendent of Finance & Administrative Services, Chief Auditor and Federal Programs Administrator, Program Managers	1.) Adherence to Standard Operating Procedures a) Requisition/Purchase Order Procedure b.) Sole Source Procurement c.) DE-1/Personnel Action Procedures d.) Travel Request and Authorization Procedure e.) Procurement Records Management f. Fixed Assets Management 2.) Training of all essential personnel to ensure understanding federal requirements related to procurement using federal funds. 3.) Monitoring of these procedures set out through the various SOP's by way of Fiscal Monitoring Checklists for all listed SOP's. 4.)Regular Monitoring/Review Timelines	USDOE validation pending		*Standard Operating Procedures have been developed and the process of liquidating encumbrances of expiring grants have begun for those grants that expired September 30, 2008.	100% implementation of SOP's and Training associated with these new procedures. Internal Controls in place and validated by Programmatic & Fiscal Reviews by State Program Monitors quarterly. * December 2009 for all grants expiring September 2008 to be fully liquidated and funds de-appropriated.	<ul style="list-style-type: none"> <li>Programmatic Monitoring &amp; Review Reports</li> <li>Liquidation and Period of Availability Fiscal Monitoring Checklist- Monitoring Schedule/Site Visits</li> <li>Organizational/ Functional Chart of Federal Programs Division</li> <li>Reporting Structure</li> <li>Sample of grants de-appropriated,</li> <li>Sample of grant liquidations of encumbrances during the liquidation period.</li> </ul>	*Quarterly on-site monitoring *Validation by Internal Audit	