

**University of Illinois FY11 Federal Audit
Correction Action Plans**

11-04 --Inadequate Documentation for Payroll and Fringe Benefit Expenditures

Plan:

The University does not accept this finding. We are in the process of adding additional procedures to ensure documentation exists that will substantiate the after-the-fact confirmation of activity allocable to each federal formula fund and cost share by the respective employee, principal investigator, or a responsible official. Beginning in FY12, the University, in collaboration with USDA, is refining a methodology, similar to that used for the sponsored projects, which will provide additional documentation related to this confirmation process.

Expected Implementation Date:

Fiscal Year 2012

Contact:

Sandra Moulton, Sr. Director, Grants & Contract Post-Award
University of Illinois at Urbana-Champaign,
1901 S. First Street, Suite A, Champaign, IL 61820
(217) 244-4750

11-05 --Inadequate Supporting Documentation for Payroll and Fringe Benefit Expenditures

Plan:

The University has implemented an appropriate documentation process to substantiate the effort expended by bi-weekly employees who are charged to federal awards.

Expected Implementation Date:

Completed

Contact:

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University of Illinois at Urbana-Champaign,
1901 S. First Street, Suite A, Champaign, IL 61820
(217) 244-4750

11-06—Incomplete Documentation in Client Eligibility Files

Plan:

The University will revise the DSCC procedures for documenting eligibility determinations and will ensure they are in accordance with program regulations.

Expected Implementation Date:

April 30, 2012

Contact:

Vanessa Peoples, Executive Director, Grants and Contracts
University of Illinois at Chicago
513MB, MC 551
Chicago, Illinois 60612
312-996-5958

11-07—Inadequate Procedures for Closing Federal Projects

Plan:

The University will devote additional attention to close-out review and processing.

Expected Implementation Date:

Completed

Contact:

Sandra Moulton, Sr. Director, Grants & Contract Post-Award
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1901 S. First Street, Suite A, Champaign, IL 61820
(217) 244-4750

11-08—Inadequate Supporting Documentation for Cost Transfers

Plan:

The University does not accept this finding and it is under resolution. Cost transfers are adequately documented and supported in accordance with University policy and requirements of OMB Circular A-21 and OMB Circular A-110. The University has formal written policies for cost transfers for every campus. These policies are followed by Grants Office personnel during their review of cost transfers posted to sponsored project funds. Additional detail is provided in the response to the finding.

Expected Implementation Date:

Not applicable to this finding

Contact:

Sandra Moulton, Sr. Director, Grants & Contract Post-Award
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1901 S. First Street, Suite A, Champaign, IL 61820
(217) 244-4750

11-09— Inadequate Process for Monitoring Cost Share Requirement

Plan:

The University does not accept this finding and it is under resolution. The University believes that certified statements from our research partners are sufficient documentation for the amount of the third party cost share. The University will consider asking for additional information from our research partners at a level of detail that does not exceed that required for billings of direct expenditures.

Expected Implementation Date:

Not applicable to this finding.

Contact:

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11-10—Inadequate Process for Monitoring SNAP Cost Share

Plan:

As of October 1, 2010, cost share contributions were no longer required for the SNAP Program and thus, no change required.

Expected Implementation Date:

Not applicable to this finding.

Contact:

Vanessa Peoples, Executive Director, Grants and Contracts
University of Illinois at Chicago
513MB, MC 551
Chicago, Illinois 60612
312-996-5958

11-11—Improper Reporting of Amounts in Financial Status Reports

Plan:

The University will provide refresher training to the personnel responsible for financial status reporting.

Expected Implementation Date:

May 31, 2012

Contact:

Sandra Moulton, Sr. Director, Grants & Contract Post-Award
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1901 S. First Street, Suite A, Champaign, IL 61820
(217) 244-4750

11-12 --Inaccurate ARRA 1512 Reports

Plan: The Urbana Campus revised its reporting methodology for FY12 in order to ensure expenditure data reported in Section 1512 reports corresponds to the applicable reporting period.

Expected Implementation Date:

July 1, 2011

Contact:

Sandra Moulton, Sr. Director, Grants & Contract Post-Award
University of Illinois at Urbana-Champaign,
1901 S. First Street, Suite A, Champaign, IL 61820
(217) 244-4750

11-13—Inaccurate Fringe Benefit Charges

Plan:

The University will reinforce the importance of ensuring employees are properly coded in the payroll system and fringe benefits charges are properly charged to federal awards.

Expected Implementation Date:

June 30, 2012

Contact:

Sandra Moulton, Sr. Director, Grants & Contract Post-Award
University of Illinois at Urbana-Champaign,
1901 S. First Street, Suite A, Champaign, IL 61820
(217) 244-4750

11-14--Expenditures Reported in the Incorrect Accounting Period

Plan:

The University does not accept this finding. We believe that the expenditure was accounted for properly.

Expected Implementation Date:

Not applicable for this finding.

Contact:

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11-15—Inadequate Process for Limiting Indirect Costs on DoD Awards

Plan:

The University does not accept this finding. The University has procedures to ensure the indirect cost limitation imposed by the DoD is not breached.

Expected Implementation Date:

Not applicable to this finding.

Contact:

Sandra Moulton, Sr. Director, Grants & Contract Post-Award
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11-16—Inadequate Documentation to Support Key Personnel

Plan: The University does not accept this finding. We do not agree with the audit firm's claim the PI was "removed or replaced" on these projects or that effort was "modified from the award

document". The key personnel were actively involved in the work leading to the successful completion of the projects, which is evidenced by documentation offered or provided to the audit firm in the form of annual, progress or final reports, or publications describing the activities and outcomes of the projects.

Expected Implementation Date:

Not applicable for this finding.

Contact:

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11-17—Failure to Obtain Suspension and Debarment Certifications from Vendors

Plan:

The University does not accept this finding. The University has implemented procedures that ensure verification with EPLS is being completed for all required purchases. The procedures will be reinforced to ensure documentation is filed properly.

Expected Implementation Date:

Not applicable for this finding.

Contact:

Gene Suwanski, Director of Purchasing
University of Illinois at Chicago
302 MAB, 809 S. Marshfield Avenue
Chicago, IL 60612

11-18 --Failure to Perform Interest Calculations on Federal Advances

Plan:

The University does not accept this repeat finding and it is pending resolution. The methodology is being addressed by the University's cognizant for clarification and guidance on this issue. The University has provided documentation as requested to the cognizant for review with on-going discussions.

Expected Implementation Date:

Not applicable to this finding.

Contact:

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11-19—Failure to Notify Subrecipients of Federal Funding and Communicate ARRA Information

Plan:

The University has implemented processes to ensure all required information is properly communicated to subrecipients, including the required information for ARRA disbursement. Additionally, the Urbana Campus is working with IDHS to develop a methodology for reporting on CCDF awards.

Expected Implementation Date:

Completed

Contact:

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(217) 244-4750

11-20—Inadequate Monitoring of Subrecipient OMB Circular A-133 Audit Reports

Plan:

The University does not agree with this finding. Subrecipient monitoring processes and procedures have been formally documented and implemented. The existing processes include documentation of monitoring and the management decision process.

Expected Implementation Date:

Not applicable to this finding.

Contact:

Sandra Moulton, Sr. Director, Grants & Contract Post-Award
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(217) 244-4750

11-21 --Inaccurate Quarterly Expenditure Reports Prepared for the SNAP Program

Plan:

We will reinforce procedures to ensure the quarterly expenditure reports are accurately prepared.

Expected Implementation Date:

June 30, 2012

Contact:

Sandra Moulton, Sr. Director, Grants & Contract Post-Award
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1901 S. First Street, Suite A, Champaign, IL 61820
(217) 244-4750

11-22—Failure to Follow Property Management Regulations

Plan:

The University will reinforce the importance of properly tagging equipment. We believe that property control tags were correctly affixed to the equipment reviewed on the Chicago campus.

Expected Implementation Date:

June 30, 2012

Contact:

Sandra Moulton, Sr. Director, Grants & Contract Post-Award
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(217) 244-4750

11-23—Failure to Properly Determine SFA Awards in Accordance with Program Regulations

Plan: The Office of Student Financial Aid will review and update procedures to ensure College of Medicine students are packaged with the appropriate Direct Loan amounts.

Expected Implementation Date:

Implemented

Contact:

Timothy A. Opgenorth, Director
Office of Student Financial Aid - University of Illinois at Chicago
Suite 1800, Student Services Building (MC 334)
1200 West Harrison Street
Chicago, Illinois 60607-7163
(312) 996-5563

11-24—Failure to Properly Complete Required Verification Procedures

Plan:

The Office of Student Financial Aid will review and update procedures to ensure adequate supporting documentation is obtained and evaluated by financial aid staff prior to disbursing federal funds to students selected for verification.

Expected Implementation Date:

May 1, 2012

Contact:

Timothy A. Opgenorth, Director
Office of Student Financial Aid - University of Illinois at Chicago
Suite 1800, Student Services Building (MC 334)
1200 West Harrison Street
Chicago, Illinois 60607-7163
(312) 996-5563

11-25—Inaccurate and Untimely Reporting of Student Status Changes

Plan:

The Office of the Registrar on each of the three campuses will review procedures to ensure submissions to NSLDS are accurately reported within the required timeframe for all FFEL and Direct Loan borrowers.

Expected Implementation Date:

June 30, 2012

Contact:

Rob Dixon, Registrar
University of Illinois at Chicago
Suite 1200 Student Services Building
1200 W. Harrison Street, Chicago, IL 60607-7161
(312) 413-1878 ext. 21

Brian Clevenger, Registrar
University of Illinois at Springfield
One University Plaza, UHB 1094
Springfield, IL 62703-5407
(217) 206-6178

Carol Malmgren, Registrar
University of Illinois at Urbana-Champaign
901 W. Illinois Street
Urbana, IL 61801
(217) 333-2034

11-26—Failure to Obtain Written Agreements with Third Party Institutions**Plan:**

The University has implemented procedures to ensure written agreements are in place for all third party institutions as required by federal regulations. We will review and revise procedures as needed.

Expected Implementation Date:

Completed

Contact:

Contact: Stephen P. Nussbaum
Director, Student International Academic Affairs and Study Abroad Office
University of Illinois at Urbana-Champaign
115 International Studies Building, MC-480
910 South Fifth Street
Champaign, Illinois 61820
(217) 244-0249

11-27—Untimely Submission of Financial Reports**Plan:**

The University will provide refresher training to personnel responsible for financial status reporting and emphasize the importance of submitting financial reports by the reporting deadline. While the Urbana Campus believes that our procedures are adequate, we will review and revise as needed.

Expected Implementation Date:

June 30, 2012

Contact:

Sandra Moulton, Sr. Director, Grants & Contract Post-Award
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1901 S. First Street, Suite A, Champaign, IL 61820
(217) 244-4750

11-28—Inadequate Support for Cash Draws

Plan: The University will refine and document procedures to ensure expenditures are appropriately recorded in the accounting system before they are billed to the sponsor. We will continue to monitor the posting and billing of the TANF grant expenditures.

Expected Implementation Date:

Completed

Contact:

Rebecca Jones
Assistant Director of Grants and Contracts
University of Illinois at Springfield
UIS Grants and Contracts Post-Award Administration
One University Plaza
Springfield IL 62703-5407
(217) 206-7849

11-29--Inadequate Cash Draw Controls and Reimbursement Controls

Plan:

The University does not accept this finding. The Department of Health and Human Services (HHS) in coordination with the Department of Education (ED) and the National Science Foundation (NSF), issued on February 14, 2011, a Management Decision Letter (MDL). The University subsequently received a letter of clarification on March 10, 2011, from HHS. The University will seek further guidance from HHS, NSF, Office of Naval Research and ED.)". The University has been actively engaged in collaboration with the agencies to find resolution on this issue.

Expected Implementation Date:

Not applicable to this finding.

Contact:

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11-30—Inadequate Approval Controls Over Financial Reporting

Plan:

The University does not accept this finding. Internal controls and procedures for the review and submission of financial status reports already exist. The University will consider options to document supervisory reviews for financial reports.

Expected Implementation Date:

June 30, 2012

Contact:

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(217) 244-4750

11-31 Inaccurate Award Records

Plan:

The University will monitor its existing error reports more frequently to ensure award amounts recorded agree with award documents.

Expected Implementation Date:

April 30, 2012

Contact:

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