

**UNIVERSITY OF ALASKA
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2024**

Audit period: July 01, 2023 to June 30, 2024

The findings from the Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

2024-001 P-Card Review Procedures

Recommendation: The University policy states that the approving official must review and approve each transaction on the statement against the Log and with the original, detailed, itemized receipt within forty-five business days of month end. The University's system of internal controls should include procedures to ensure procurement card transactions are in accordance with University policies and procedures.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned/taken in response to finding: The improvement on the P-Card review process has been enhanced. The University will keep reinforcing the ProCard policy by regular proactive communication with ProCard approvers, performing approver training, exploring more efficient ProCard management platform and increasing high-level management oversight.

Name(s) of the contact person(s) responsible for corrective action: Kara Axx, Chief Procurement Officer, 907-474-6018.

Planned completion date for corrective action plan: March 2025

2024-002 Blanket Purchase Orders Review Procedures

Recommendation: The University policy states that the procurement officer must review and sign each proper blanket purchase order. The University's system of internal controls should include procedures to ensure procurement officers are aware of University policies and procedures regarding authorization of blanket purchase orders.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned/taken in response to finding: The University has created Standard Operation Procedures for the blanket purchase order reviews and all staff have been trained. Additionally, University implemented regular proactive communication with the campus' personnel who have delegated procurement authority to reinforce the policy.

Name(s) of the contact person(s) responsible for corrective action: Kara Axx, Chief Procurement Officer, 907-474-6018.

Planned completion date for corrective action plan: Completed

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2024-003 Scholarship Award Procedures

Recommendation: The University should follow its existing policies and procedures regarding maintaining documentation of the review of eligibility requirements and authorization of scholarship awards.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned/taken in response to finding: University of Alaska Fairbanks (UAF) Financial Aid office does not usually decide which student receives the scholarship and the amount that is awarded. The finding was related to a one-time scholarship award initiative. UAF Financial Aid office will develop a procedure to allow an internal selection of scholarship awards while ensuring eligibility and disbursement meet compliance standards.

Name(s) of the contact person(s) responsible for corrective action: Ashley Munro, UAF Financial Aid Office Director, 907-474-1934.

Planned completion date: March 2025

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

U.S. Department of Health and Human Services

2024-004 Federal Program Title: Research and Development Cluster

ALN: 93.859

Recommendation: University of Alaska Anchorage (UAA) should ensure proper policies and procedures are in place to monitor capital asset inventory observations.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned/taken in response to finding: The findings have been corrected. UAA provided and arranged for a timely inventory for all assets but the finding related capital asset was marked as "Unlocated" due to the loss of information through employee turnover. This asset has been located and inventoried in Banner. A new procedure has also been implemented effective FY25 to make sure material unlocated/unreported assets are reported and handled timely.

Name(s) of the contact person(s) responsible for corrective action: Kimberly Stanford, UAA General Support Services Director, 907-786-4668

Planned completion date: Completed

National Science Foundation

2024-005 Federal Program Title: Research and Development Cluster

ALN Number: 47.076

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Recommendation: UAF should adhere to their existing requirement for timely grant close out procedures.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned/taken in response to finding: The expenditure with issue was charged to a 'Closed' grant and UAF Office of Grants & Contracts Administration (OGCA) was not aware of this until it showed up on the aged receivable report so it was not corrected in time before year-end. OGCA is working with System Office to develop a plan to prevent and/or detect, and then correct the inappropriate expenditures charged on closed grants timely.

Name(s) of the contact person(s) responsible for corrective action: Kim Cox, OGCA director, 907-474-1586

Planned completion date for corrective action plan: March 2025

National Aeronautics and Space Administration, U.S. Department of Health and Human Services

2024-006 Federal Program Title: Research and Development Cluster

ALN Number: 43.001, 93.859

Recommendation: The University should perform suspension and debarment checks on all covered transactions paid with federal funds. Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned/taken in response to finding: Procurement office has procedures in place and distributed to Procurement officers to make sure that checks for suspension and debarment are properly performed and documented. Additionally, Procurement is exploring an automated EPLS checks and possibility of adding vendor self-certification on suspension and debarment in the purchase order terms & conditions.

Name(s) of the contact person(s) responsible for corrective action: Kara Axx, Chief Procurement Officer, 907-474-6018.

Planned completion date for corrective action plan: March 2025

U.S. Department of Energy, U.S. Department of Defense, National Aeronautics and Space Administration, and Department of Commerce

2024-007 Federal Program Title: Research and Development Cluster

ALN Number: 81.049, 12.000, 43.001, 11.417

Recommendation: UAF should work to develop policies and procedures to allow for more timely payment to subrecipients for work the University contracts them to perform

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

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Action planned/taken in response to finding: The Associate Vice Chancellor (AVC) for Financial & Business is working with the Office of Finance & Accounting to establish a procedure for follow up on all invoices sent to the departments to ensure timely payment. Also the departments will develop a procedure to ensure that appropriate delegations are in place in case a PI is unavailable when an invoice is received.

Name(s) of the contact person(s) responsible for corrective action: Amanda Wall, AVC, Financial Services, 907-474-7552

Planned completion date for corrective action plan: March 2025

U.S. Department of Education

2024-008 Federal Program Title: Research and Development Cluster

ALN Number: 84.031

Recommendation: UAF should continue to review budgets and key personnel submitted with grant proposals to Federal agencies.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned/taken in response to finding: The findings have been corrected. OGCA developed a policy in place to ensure the proposals are submitted by the department in a timely manner for OGCA to review thoroughly and to go over any questions that may arise. OGCA will upon receiving the federal award, review it with the departmental proposal to ensure the level of effort listed on any Granting Award Notification (GAN) matches what was proposed. If the GAN does not match what was proposed, OGCA will reach out to the department and agency, as necessary.

Name(s) of the contact person(s) responsible for corrective action: Kim Cox, OGCA director, 907-474-1586; Anne Doyle, Finance Director, College of Indigenous Studies, 907-474-7106

Planned completion date for corrective action plan: Completed

PRIOR YEAR FINDINGS—FINANCIAL STATEMENT AUDIT

2023-001 P-Card Review Procedures

Repeat finding, see 2024-001 for FY24 conditions.

PRIOR YEAR FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

2023-003 Research and Development Suspension and Debarment

Repeat finding, see 2024-006 for FY24 conditons.