

Status of Resolution of Audit Findings

December 2011

The Evergreen State College (TESC)

Agency: 376

Audit Report: 1006173

Finding Number: 001

Finding: The College did not follow the Office of Financial Management's instructions for determining project management fees, resulting in spending at least \$219,397 more in project management fees than it should have.

Resolution: The College acknowledges that it did overallocate for project management fees on three appropriations totaling approximately \$75,000. The difference between this amount and the \$219,000 stated in the finding is based on the College's understanding of the guidelines.

The College is taking corrective action by following the Office of Financial Management's (OFM) Capital Budget instructions as detailed in Chapter 5.1 - Administrative Cost Standards, to avoid overallocating project administration fees in the future. Appropriate college staff have been instructed to follow the OFM Capital Budget instructions.

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