

# Archived Information

## ANNUAL INTEREST SUBSIDY GRANTS

**Goal: To continue to help finance construction, reconstruction, or renovation of higher education facilities.**

**Relationship of Program to Volume 1, Department-wide Objectives:** Supports Objective 3.2 (postsecondary students receive support for high-quality education) by providing the capital needed to renovate higher education facilities for schools unable to obtain private credit at reasonable rates.

FY 2000—\$12,000,000

FY 2001—\$10,000,000 (Requested budget)

OBJECTIVE 1: CONTINUE TO PROVIDE STRONG FISCAL MANAGEMENT OF THE PROGRAM.

**Indicator 1.1 Positive audit results: There will be no material internal control weaknesses identified in program portion of Department's financial statement audit.**

Targets and Performance Data			Assessment of Progress	Sources and Data Quality
<i>No material internal control weaknesses were identified in the program portion of the Department's 1998 financial statement audits.</i>			<b>Status:</b> No 1999 data are available.  <b>Explanation:</b> When 1999 audit is completed it is expected to result in another finding of no material control weaknesses.	<b>Source:</b> Financial program audits. <i>Frequency:</i> Annually. <i>Next Update:</i> 2000.  <b>Validation Procedure:</b> No formal validation procedure.  <b>Limitations of Data and Planned Improvement:</b> Unknown.
Year	Actual Performance	Performance Targets		
1999:	No data available	No finding of material control weaknesses		
2000:		No finding of material control weaknesses		
2001:		No finding of material control weaknesses		

### KEY STRATEGIES

Strategies Continued from 1999

- ❖ Tighten internal controls to significantly improve the overall fiscal reliability of the operating system. These controls include the following:
  - Status and terms of all underlying loans will be verified every 2 years. Half of the grants will be verified each year.
  - An informational letter will be sent to all grantees yearly to remind them of their obligation to notify the Department of refinancing agreements or redemption.
  - Control totals for the number of grants and the dollar amounts of each obligation for each fiscal year have been established and will be updated as needed.
  - To ensure the accuracy of the system, each year someone other than the grant manager will perform an independent reconciliation of the data base and the control total spreadsheet.

New or Strengthened Strategies

None.

### HOW THIS PROGRAM COORDINATES WITH OTHER FEDERAL ACTIVITIES

- ❖ This program supports Title III and Title V program operations.

### CHALLENGES TO ACHIEVING PROGRAM GOAL

- ❖ None.

**INDICATOR CHANGES**

**From FY 1999 Annual Plan (two years old)**

Adjusted—None.

Dropped—None.

**From FY 2000 Annual Plan (last year's)**

Adjusted—None.

Dropped—None.

New—None.