



Summary Schedule of Prior Audit Finding
June 30, 2005

The following is an update of a prior audit finding and is prepared in accordance with Office of Management and Budget Circular A-133, Section .315(b). Prior audit finding 2004-1 originated in the audit for the year ended June 30, 2004 and is summarized below:

Prior Audit Finding 2004-1

Department of Education, TRIO Cluster, TRIO-Talent Search Program, CFDA #84.044, Program Year 2002 - 2003

Summary of prior audit finding - According to the Code of Federal Regulations, Title 34, Sections 643-10 and 643-7, at least two-thirds of the individuals served by a talent search project must be low-income individuals who are potential first generation college students. For the program year 2002-2003, 63.5 percent of the University of Alaska Anchorage Talent Search Program participants were low-income individuals who were potential first generation college students. For the program year 2002-2003, 12.2 percent of the University of Alaska Fairbanks (Bristol Bay region) Talent Search Program participants were low-income individuals who were potential first-generation college students.

Status - Corrective action has been taken and this matter has been fully resolved for the University of Alaska Anchorage Talent Search Program. For the program year 2004-2005, the University of Alaska Anchorage program exceeded the two-thirds requirement.

The 2002-2003 program year was the first year of the University of Alaska Fairbanks (Bristol Bay Region) Talent Search Program, and the program faced significant cultural challenges in rural Alaska. There has been a continued hesitance by participants and families to provide needed financial information, thereby delaying verification of participant eligibility. As trust for the program has increased in the region, progress continues. The program served 52 percent low-income and potential first-generation college students in program year 2003-2004 and served 60 percent in program year 2004-2005. The program is on track to meet the two-thirds objective for the 2005-2006 program year.

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