



September 7, 2011

TO: Yolanda J. Butler
Acting Director
Office of Community Services
Administration for Children & Families

FROM: /Lori S. Pilcher/
Assistant Inspector General for Grants, Internal Activities,
and Information Technology Audits

SUBJECT: Results of Limited Scope Review at United Community Action Program, Inc.
(A-06-10-00090)

The attached final report provides the results of our limited scope review at United Community Action Program, Inc. In accordance with the American Recovery and Reinvestment Act of 2009, the Office of Inspector General (OIG) will provide oversight of covered funds to prevent fraud, waste, and abuse.

Section 8L of the Inspector General Act, 5 U.S.C. App., requires that OIG post its publicly available reports on the OIG Web site. Accordingly, this report will be posted at <http://oig.hhs.gov>.

If you have any questions or comments about this report, please do not hesitate to contact me at (202) 619-1175 or through email at Lori.Pilcher@oig.hhs.gov. We look forward to receiving your final management decision within 6 months. Please refer to report number A-06-10-00090 in all correspondence.

Attachment

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**RESULTS OF LIMITED SCOPE
REVIEW AT UNITED COMMUNITY
ACTION PROGRAM, INC.**



Daniel R. Levinson
Inspector General

September 2011
A-06-10-00090

Office of Inspector General

<http://oig.hhs.gov>

The mission of the Office of Inspector General (OIG), as mandated by Public Law 95-452, as amended, is to protect the integrity of the Department of Health and Human Services (HHS) programs, as well as the health and welfare of beneficiaries served by those programs. This statutory mission is carried out through a nationwide network of audits, investigations, and inspections conducted by the following operating components:

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The Office of Audit Services (OAS) provides auditing services for HHS, either by conducting audits with its own audit resources or by overseeing audit work done by others. Audits examine the performance of HHS programs and/or its grantees and contractors in carrying out their respective responsibilities and are intended to provide independent assessments of HHS programs and operations. These assessments help reduce waste, abuse, and mismanagement and promote economy and efficiency throughout HHS.

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THIS REPORT IS AVAILABLE TO THE PUBLIC
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Section 8L of the Inspector General Act, 5 U.S.C. App., requires that OIG post its publicly available reports on the OIG Web site.

OFFICE OF AUDIT SERVICES FINDINGS AND OPINIONS

The designation of financial or management practices as questionable, a recommendation for the disallowance of costs incurred or claimed, and any other conclusions and recommendations in this report represent the findings and opinions of OAS. Authorized officials of the HHS operating divisions will make final determination on these matters.

EXECUTIVE SUMMARY

BACKGROUND

The Community Services Block Grant (CSBG) program was authorized by the Community Opportunities, Accountability, and Training and Educational Services Act of 1998 (the CSBG Act), P. L. No. 105-285, to provide funds to alleviate the causes and conditions of poverty in communities. Within the U.S. Department of Health & Human Services, the Administration for Children & Families (ACF), Office of Community Services, administers the CSBG program. The CSBG program funds a State-administered network of more than 1,000 local Community Action Agencies (CAA) that create, coordinate, and deliver programs and services to low-income Americans. The CAAs provide services and activities addressing employment, education, housing, nutrition, emergency services, health, and better use of available income.

Under the American Recovery and Reinvestment Act of 2009 (the Recovery Act), P.L. No. 111-5, enacted February 17, 2009, ACF received an additional \$1 billion for the CSBG program to help States alleviate the causes and conditions of poverty in communities. States distribute CSBG Recovery Act funds to CAAs using the existing statutory formula.

The Oklahoma Department of Commerce (the State agency) acts as the lead agency in carrying out State activities for the CSBG program. The State agency is responsible for approving the State's CAA Recovery Act grant applications and monitoring the CAAs for compliance with program regulations. ACF awarded the State agency an additional \$11,965,297 in Recovery Act funds for the State of Oklahoma's CSBG program.

United Community Action Program, Inc. (United), a private, nonprofit organization, provides a range of services related to the problems of poverty to eight counties in northeast Oklahoma. During fiscal year 2009, the State agency awarded United \$420,987 in CSBG funds and \$637,003 in Recovery Act grant funds. During the same period, United expended total Federal grant awards of \$12,819,417.

OBJECTIVE

Our objective was to assess United's financial viability, capacity to manage and account for Federal funds, and ability to operate the CSBG program in accordance with Federal regulations.

SUMMARY OF FINDINGS

United has the ability to manage and account for Federal funds and is capable of operating a CSBG program in accordance with Federal regulations. However, United has weaknesses related to its use of Recovery Act funds, financial systems, segregation of physical inventory duties, computer security, board of directors, Recovery Act reporting, and accounting policies and procedures.

RECOMMENDATIONS

In determining whether United is appropriately managing and accounting for Recovery Act grant funding and whether United has the ability to operate a CSBG program in accordance with Federal regulations, ACF should consider the information presented in this report. In addition, United should work with the State agency to address the weaknesses identified.

UNITED COMMENTS AND OFFICE OF INSPECTOR GENERAL RESPONSE

In written comments on our draft report, United concurred with several of our findings and described actions it had taken to address them. However, United did not concur with our findings related to its use of Recovery Act funds, its board of directors, and its accounting policies and procedures. United's comments are included in their entirety as the Appendix. Nothing in United's comments caused us to change our findings or recommendations.

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UNITED COMMENTS

INTRODUCTION

BACKGROUND

Community Services Block Grant Program

The Community Services Block Grant (CSBG) program was authorized by the Community Opportunities, Accountability, and Training and Educational Services Act of 1998 (the CSBG Act), P. L. No. 105-285, to provide funds to alleviate the causes and conditions of poverty in communities. Within the U.S. Department of Health & Human Services, the Administration for Children & Families (ACF), Office of Community Services, administers the CSBG program. The CSBG program funds a State-administered network of more than 1,000 local Community Action Agencies (CAA) that create, coordinate, and deliver programs and services to low-income Americans. The CAAs provide services and activities addressing employment, education, housing, nutrition, emergency services, health, and better use of available income.

Under the American Recovery and Reinvestment Act of 2009 (the Recovery Act), P.L. No. 111-5, enacted February 17, 2009, ACF received an additional \$1 billion for the CSBG program to help States alleviate the causes and conditions of poverty in communities. States distribute CSBG Recovery Act funds to CAAs using the existing statutory formula.

Oklahoma Department of Commerce

The Oklahoma Department of Commerce (the State agency) acts as the lead agency in carrying out State activities for the CSBG program. The State agency is responsible for approving the State's CAA Recovery Act grant applications and monitoring the CAAs for compliance with program regulations. ACF awarded the State agency an additional \$11,965,297 in Recovery Act funds for the State of Oklahoma's CSBG program.

United Community Action Program, Inc.

United Community Action Program, Inc. (United), a private, nonprofit organization, provides a range of services to eight counties in northeast Oklahoma. During fiscal year 2009, the State agency awarded United \$420,987 in CSBG funds and \$637,003 in Recovery Act grant funds. During the same period, United expended total Federal grant awards of \$12,819,417.

Requirements for Federal Grantees

Pursuant to 45 CFR § 74, grantees of Federal awards must implement written accounting policies and procedures and maintain financial systems that provide for accurate and complete reporting of grant-related financial data, effective control over grant funds, and allocation of costs to all benefitting programs. In addition, grantees must establish written procurement procedures. Grantees are also required to maintain inventory control systems and take periodic physical inventory of grant-related equipment. In addition, pursuant to 45 CFR § 74.27, the allowability of costs incurred by nonprofit organizations is determined in accordance with the provisions of

Office of Management and Budget (OMB) Circular A-122, *Cost Principles for Non-Profit Organizations*.

OBJECTIVE, SCOPE, AND METHODOLOGY

Objective

Our objective was to assess United's financial viability, capacity to manage and account for Federal funds, and ability to operate the CSBG program in accordance with Federal regulations.

Scope

We conducted a limited review of United's financial viability, financial management system, and related policies and procedures. Therefore, we did not perform an overall assessment of United's internal control structure. Rather, we reviewed only the internal controls that pertained directly to our objectives. Our review period was November 1, 2006, through May 31, 2010.

We performed our fieldwork at United's administrative office in Pawnee, Oklahoma, during June and July 2010.

Methodology

To accomplish our objective, we:

- confirmed that United is not excluded from receiving Federal funds;
- reviewed relevant Federal laws, regulations, and guidance;
- reviewed United's application for and use of Recovery Act grant awards;
- reviewed the findings related to the most recent State agency review of United;
- reviewed United's policies and procedures related to the CSBG program;
- reviewed United's bylaws, the minutes from its board of directors meetings, the composition of its board, and its organizational chart;
- performed audit steps to assess the adequacy of United's current financial systems; and
- reviewed United's audited financial statements and supporting documentation for the period November 1, 2006, through May 31, 2010.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions

based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

FINDINGS AND RECOMMENDATIONS

United has the ability to manage and account for Federal funds and is capable of operating a CSBG program in accordance with Federal regulations. However, United has weaknesses related to its use of Recovery Act funds, financial systems, segregation of physical inventory duties, computer security, board of directors, Recovery Act reporting, and accounting policies and procedures.

QUESTIONABLE USE OF RECOVERY ACT FUNDS

Consultant Expenses

The Recovery Act provided an additional \$1 billion to the CSBG program. As with regularly appropriated CSBG funds, Recovery Act funds were to be used for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas.

In addition, consistent with the intent of the Recovery Act, States and eligible entities were expected to use Recovery Act funds on activities related to preserving and creating jobs, promoting economic recovery, and providing assistance to those most affected by the recession. These services were to be provided by September 30, 2010, as documented in the ACF Information Memorandum 109 (IM 109).

Additionally, pursuant to OMB Circular A-122, to be allowable under an award, costs must be reasonable for the performance of the award, and to be allocable, costs must be incurred specifically for the award.

In February 2010, United submitted a budget modification to use CSBG Recovery Act funds to contract with a part-time consultant who was to provide services from February through September 30, 2010. The cost of the contract was \$5,000 per month plus office and travel expenses. The consultant advised United on issues related to economic development, veterans services, and health, housing, and services provided to low-income and homeless families and individuals.

However, the Recovery Act funds used to pay the consultant did not provide assistance to those most affected by the recession, and there was no evidence that any services were to be provided to these people by September 30, 2010, which was inconsistent with the intent of the Recovery Act, as documented in IM 109, and with the Federal cost principle policies established in OMB Circular A-122. Additionally, a United official said that there were questionable charges on the first bill the consultant submitted.

Salary Increases for Employees

Pursuant to OMB Circular A-122, to be allowable under an award, costs must be reasonable for the performance of the award. United's *Accounting Policies and Procedures Manual* required an up-to-date and complete job description for all employees. In addition, job descriptions are required to be updated when duties change.

United did not adequately justify the use of Recovery Act funds to increase the salaries of three employees. The total budgeted cost of the increases, from June 2009 through September 2010, was \$23,753, based on 10- to 20-percent increases for each employee. In July 2009, the executive director notified five employees of the increases, which were for "additional duties under the CSBG Stimulus contract." However, only two employees who received increases had job descriptions that cited specific Recovery Act duties. The job descriptions for the three other employees—the executive secretary, the substance abuse director, and a case management coordinator—did not cite Recovery Act duties or additional duties that would have justified an increase in wages.

FINANCIAL SYSTEMS

Segregation of Accounting Duties

Pursuant to 45 CFR § 74.21(b)(3), recipients must provide for effective control over and accountability for all funds, property, and other assets.

United did not adequately segregate duties in the accounting department. We identified a United accountant who performed the bank reconciliations, maintained physical control of the checkbooks, and was responsible for cash disbursements. We also identified an accounting clerk who had responsibility for reconciling checks received by United and preparing and making bank deposits. Finally, no one performed a postentry verification on the accounts payable vouchers after the clerk entered the vouchers into the computer system and before the clerk prepared the checks. Because these accounting duties were not segregated, there was a financial risk to the organization.

Financial Management System Security

Pursuant to 45 CFR § 74.21(b)(3), a recipient's financial management system should provide for effective control over and accountability for all funds, property, and other assets. Recipients should adequately safeguard all such assets and assure that they are used solely for authorized purposes.

United's financial systems were not protected from unauthorized access. United employees were not required to password protect their computers, and United's accounting system was not password protected. As a result, there was a risk of unauthorized access to United's financial management systems and United's ability to effectively control and account for all funds and assets.

SEGREGATION OF PHYSICAL INVENTORY DUTIES

Pursuant to 45 CFR § 74.34(f), recipients' property management standards for equipment acquired with Federal funds should include maintenance of a control system to ensure adequate safeguards to prevent loss, damage, or theft of the equipment.

United did not always segregate key physical inventory duties and responsibilities among employees. The purchasing agent maintained the master inventory record on his computer and on a compact disc as a backup and was responsible for updating the inventory records. However, he had completed some annual physical inventories on his own without the aid of his assistant. We advised United that the physical inventories should not be completed by the same individual who maintains the master inventory records because it creates an opportunity for misappropriation of federally funded assets. United officials said that separating these duties would place an undue burden on the procurement department. However, according to the assistant's job description, one of the assigned duties was to "assist with inventory, filing, and record keeping regarding purchasing and property as required."

COMPUTER SECURITY

National Institute of Standards and Technology (NIST) Special Publication (SP) 800-53, revision 2, requires an organization to develop and disseminate a formal, documented access control policy for computer access and requires information systems to uniquely identify and authenticate users. Additionally, formatting a drive is not one of the acceptable methods recognized by NIST SP 800-88, for removing data from storage media.

United did not have adequate computer security procedures. Specifically, United did not:

- have a formal computer access policy,
- require employees to password protect their computers, and
- have adequate procedures for the removal of data from computers.

BOARD OF DIRECTORS ISSUES

Section 676B of the CSBG Act requires that all CSBG agencies administer the CSBG program through a tripartite board that fully participates in the development, planning, implementation, and evaluation of the programs that serve low-income communities. The State agency's *Contractor Implementation Manual*, Requirement 202, requires that the board membership roster be updated and submitted with the CSBG application to the State agency annually. Pursuant to the State agency's *Liaison Manual*, a desk monitoring of the CAAs includes a review of all CONFAX documents, which are CAA-related documents (e.g., financial policies and procedures, bylaws, and board membership roster).

The board membership roster United submitted included two board members whose terms had expired. One member, the treasurer, continued to sign checks from June to August 2009, even

though her term had expired in May and she was not an active member during that time. Thus, her signatory authority and review of United documents should not have been allowed during this time.

Additionally, because the board membership roster submitted to the State agency had not been updated since 2008, the State agency did not have the current documents necessary to conduct an adequate monitoring review for United.

RECOVERY ACT REPORTING

Pursuant to the Recovery Act, section 1512(c)(3)(D), recipients are to report “an estimate of the number of jobs created and the number of jobs retained by the project or activity.”

In its Recovery Act report for the quarter ended March 31, 2010, United incorrectly reported a consultant as a full-time employee. United contracted with a consultant for services beginning in February 2010; however, the consultant was not required to “devote full time to performing the services required by the agreement.” Thus, the consultant should not have been reported as a full-time employee of United for Recovery Act reporting purposes.

INADEQUATE ACCOUNTING POLICIES AND PROCEDURES

Whistleblowing Policies and Procedures

Pursuant to the Recovery Act, section 1553(e), any employer receiving covered funds is required to post notice of the rights of whistleblowers and remedies for their protection. United did not have a process established and communicated to officers, employees, and others about the rights and remedies provided by the Recovery Act for reporting suspected instances of wrongdoing by the company or its employees.

Additionally, United’s *Accounting Policies & Procedures Manual* did not include procedures to ensure that anyone who suspects or identifies dishonest or fraudulent activities is protected from retaliation.

Use of Consultant Policies and Procedures

Pursuant to 45 CFR part 74, grantees of Federal awards must implement written accounting policies and procedures. In addition, pursuant to 45 CFR § 74.27, the allowability of costs incurred by nonprofit organizations is determined in accordance with the provisions of OMB Circular A-122, *Cost Principles for Non-Profit Organizations*.

United’s *Accounting Policies & Procedures Manual* did not include procedures to ensure that evidence is produced that (1) indicates consultant services were required, (2) a selection process was used to secure the most qualified individual available, (3) the fee was reasonable, and (4) the services to be provided were identified and documented.

RECOMMENDATIONS

In determining whether United is appropriately managing and accounting for Recovery Act grant funding and whether United has the ability to operate a CSBG program in accordance with Federal regulations, ACF should consider the information presented in this report. In addition, United should work with the State agency to address the weaknesses identified.

UNITED COMMENTS AND OFFICE OF INSPECTOR GENERAL RESPONSE

In written comments on our draft report, United concurred with several of our findings and described actions it had taken to address them. However, United did not concur with our findings related to its use of Recovery Act funds, its board of directors, and its accounting policies and procedures. United's comments are included in their entirety as the Appendix. Nothing in United's comments caused us to change our findings or recommendations.

Questionable Use of Recovery Act Funds

United Comments

United did not concur with our findings related to consultant expenses and salary increases for three employees. Regarding the consultant expenses, United said that the expenses were consistent with the terms of the Recovery Act, the State agency had approved the expenses, and the consultant met the criteria for sole source procurement.

Regarding the salary increases, United maintained that the personnel files of the executive secretary and the substance abuse director contained a memorandum that justified the increase in wages based on additional duties assumed under ARRA. United said that the memos for these employees stated: "Funds under the American Reinvestment and Recovery Act-Community Services Block Grant have been used to cover the salary increase awarded to you as a result of additional duties and responsibilities you agreed to accept to carry out the projects and reporting required under the agency's ARRA-CSBG application. This funding expires September 30, 2010." United further said that the case management coordinator's job description stated that the position was created using ARRA funding.

Office of Inspector General Response

Regarding the consultant expenses, we are not disputing that United received State agency approval to hire the consultant and that the consultant met the criteria for sole source procurement. However, we are questioning United's statement that the consultant's services were consistent with the intent of the Recovery Act.

The Office of Community Services provided information pertaining to the use of CSBG-ARRA funds, which stated that "States and eligible entities are expected to focus assistance ... [on] those most impacted by the recession." Furthermore, CSBG IM-109 stated that all ARRA funds should be allocated by September 30, 2010.

During our on-site review at United, we determined that the consultant's status reports did not document any evidence that the services she provided to United assisted people affected by the recession or that any assistance was to be provided to these people during the CSBG-ARRA funding period, which ended September 30, 2010.

Regarding the salary increases for three employees, the increases were not supported at the time of our review. United's normal practice is to update job descriptions when the duties of a position change. This practice follows United's accounting policies and procedures. However, this was not done for these three employees. Instead, United provided memos to justify the salary increases. However, the memos that we were provided did not contain the language United suggests for these employees, and did not contain any specific information on the additional Recovery Act duties these employees were to have. Therefore, we were unable to justify the salary increases at the time of our review.

Board of Directors Issues

United Comments

United did not concur with our findings related to the board of directors. United maintained that it had provided the State agency with a 2010 board of directors list as required. United also maintained that even though a board member's term had ended, the former board member could hold the position because the member had not been officially removed. United added that it was in the process of filling the position.

Office of Inspector General Response

Regarding board of directors rosters, United's CONFAX documents included only the 2008 program year's board of directors roster, not the 2010 roster as the State agency's *Liaison Manual* requires.

Regarding one board member's expired term, the term expired nearly a year before our audit. United's bylaws state: "Individuals in the private, public, or low-income sector must be removed from the Board at, or before, the end of each term."

Inadequate Accounting Policies and Procedures

United Comments

Finally, United did not concur with our finding related to the use of consultant policies and procedures. United maintained that the *Accounting Policies and Procedures Manual* included procedures for purchasing goods and services, which would include consultant services.

Office of Inspector General Response

We are not disputing United's statement that it had procedures pertaining to the purchase of goods and services, which would include consultant services. However, for grantees of Federal

awards, these procedures were not in accordance with the cost principles established in OMB Circular A-122. Specifically, United's documentation did not show that:

- consultant services were required,
- a selection process was used to secure the most qualified individual available,
- the fee was reasonable, and
- the services to be provided were identified and documented.

APPENDIX

APPENDIX: UNITED COMMENTS.

United Community Action Program, Inc.

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EXECUTIVE DIRECTOR

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May 23, 2011

Ms. Patricia Wheeler
Regional Inspector General
For Audit Services
Region VI
1100 Commerce Street, Room 632
Dallas, TX 75242

RE: Report Number - A-06-10-00090

Dear Ms. Wheeler:

United Community Action Program, Inc., would like to comment to the report that was conducted by the U. S. Department of Health & Human Services, Office of Inspector General during June and July 2010.

Consultant Expenses

United feels that we were consistent with the intent of the Recovery Act as per the nature of the contract and issues related to revitalize low-income communities, empower low-income families and individuals in rural areas. This project was consistent with preserving and creating jobs, promoting economic recovery and providing assistance to those most affected by the recession, specifically veterans issues, economic development, health, and housing and services to low income families and individuals. Accordingly, these funds were used by our agency for the exact purposes they were intended. Most everyone was affected by the recession and attempting to provide a home for veterans, housing for homeless and saving a hospital would definitely be consistent with the use of these funds. Memorandum CSBG 109 states, "*Under the regular CSBG program, eligible entities use funds to provide services and activities addressing employment, education, better use of available income, housing, nutrition, emergency services and/or health to combat the central causes of poverty. Such services continue to be supportable under the CSBG Recovery Act fund.*" It is my understanding these funds could be used in any manner which is consistent with our CSBG work program, activities. Furthermore, in CSBG Information memorandum 109 "Use of Funds", there was no mention of any restrictions based on "*those most affected.*" In my opinion, it would be very difficult to address a particular group or individual because most everyone was affected by the recession.

Prior to contracting with the consultant, United contacted ODOC to confirm the project scope and budget modification, including budget line items. Additionally, the consultant met the criteria for sole source procurement. The Contractor submitted a written request to utilize the sole source procurement, and ODOC confirmed that UCAP could contract with this particular consultant for the purposes stated and the costs associated.

The comment regarding the charges on the consultant's bill was the purchase of an ink cartridge which we felt should be paid for by the contractor. The invoice was corrected and resubmitted to UCAP, before any payment was made to the consultant. UCAP paid only applicable and appropriate charges as agreed and authorized by ODOC.

Salary Increases for Employees

Although job descriptions for the executive secretary and the substance abuse director may not cite additional duties that would have justified an increase in wages, a memo was submitted and included in their personnel files that acted as an addendum to their job description. This memo stated that, "Funds under the American Reinvestment and Recovery Act-Community Services Block Grant have been used to cover the salary increase awarded to you as a result of additional duties and responsibilities you agreed to accept to carry out the projects and reporting required under the agency's ARRA-CSBG application. This funding expires September 30, 2010. The memo was available for review at the time of the audit. Upon auditing recommendations, UCAP updated job descriptions in question.

The case management coordinator had a specific job description, which included that the position was created using ARRA stimulus funding. The job description was available for review and discussed at the time of the audit.

Segregation of Accounting Duties

Some Accounting Department Job Duties were adjusted, as recommended. A limited number of accounting staff makes some recommendations unfeasible.

Financial Management System Security

Accounting Department computers are now password protected.

Segregation of Physical Inventory Duties

The assistant to the property manager is now helping with inventory as recommended.

Computer Security:

UCAP board approved a formal computer access policy, on September 28, 2010. This Technology and Electronic Communications Plan includes password security. UCAP systems are subject to login passwords. Users are expected to lock or log off computers

that are unattended. Workstations are configured to lock after 15 minutes of inactivity. Additionally, all computer equipment is to be returned to the Central Office for proper disposal. All hard disk drivers will be removed from the computers and destroyed before the equipment is recycled through a third party.

Board of Directors Issues

An updated list of United's Board of Directors was sent in with the 2009 and 2010 CSBG applications as required. Upon auditor's recommendation, we have made extra effort to coordinate with our liaison with the Oklahoma Department of Commerce and send in updated information for the CONFAX as needed.

Arrangements for the vacancy in question were in the process of being filled at the time of the audit in June. Since the Board member had not been officially removed from the Board, we feel that she could be considered an active board member until removal. This situation was inadvertently overlooked, and the position was filled immediately.

Recovery Act Reporting

Corrections were made in reporting of consultant.

Whistleblowing Policies and Procedures

Accounting Policies and Procurement manual now contains a statement concerning retaliation and the related consequences. Some programs within the agency have whistleblowing policies in place. United will review its personnel policies to include this issue.

Use of Consultant Policies and Procedures

The Accounting Policies and Procedures Manual has always included procedures related to purchasing of goods and services which would include consultant services.

Please accept this notice as our response to your draft report. Please consider our views.

Sincerely,



Johnny Bryant
Executive Director

JB/dc

C: UCAP Board of Directors
Oklahoma Department of Commerce