

# THE NATIONAL COUNCIL ON THE AGING

409 Third Street SW Washington, DC 20024 TEL 202 479-1200 TDD 202 479-6674 FAX 202 479-0735 <http://www.ncoa.org>

September 4, 2001

Mr. Richard H. Brooks  
Regional Inspector General for Audit  
U.S. Department of Labor  
Office of the Inspector General  
201 Varick Street  
New York, New York 10014

Dear Mr. Brooks:

The National Council on the Aging, Inc. (the Council) has received your draft audit report of costs claimed during the program years ended August 31, 1998 and June 30, 1999. The Council is pleased that this two-year process is reaching its conclusion. The senior staff and I wish to thank you and your staff for their patience and professionalism during the course of the audits.

Pursuant to your instructions, I have enclosed the Council's response to your draft report. However, the Council was unable to respond to all of the items highlighted due to a lack of information regarding the exact nature of the missing documentation and questioned item. Additionally, during recent discussions with your staff and review of their supporting documentation, the Council determined that your auditors changed the outstanding sample items that had been previously communicated to us in your letter dated May 17, 2000.

As a result, the Council requests that your office provide us with further information detailing the exact nature of certain findings and the resulting questioned costs (e.g., names of travelers requiring additional documentation from the First Bank vouchers). The listing of items requiring further explanation is attached. Because of our need for additional documentation, the Council requests an extension of time through October 15, 2001, to fully respond to your draft report.

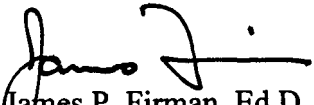
As you know, this process has been long and arduous for all parties involved. Please let me emphasize that the Council is committed to cooperate fully with you and your staff during this final phase of the audits.



Mr. Richard H. Brooks  
September 4, 2001  
Page 2 of 2

If you have any questions, please contact Lisa M. Gables, Chief Financial Officer, at 202.479.6613. We look forward to hearing from you.

Sincerely,



James P. Firman, Ed.D.  
*President and CEO*

Enclosures (1)

Attachment

Cc: L. Gables, NCOA  
Audit File

*Listing of Outstanding Items, Cont.*

<u>Source</u>	<u>Voucher #</u>	<u>Vendor</u>	<u>Amount</u>
Exhibit E – FY1999	AJ927	Deltek accrual	\$3,421
Exhibit E – FY1999	AJ927	Raphael Hotel accrual	\$7,078
Exhibit E – FY1999	008179	American Express	\$71
Exhibit E – FY1999	AJ248	Prosys	\$7,656

**NATIONAL COUNCIL ON THE AGING, INC.**  
**LISTING OF ITEMS REQUIRING ADDITIONAL EXPLANATION**

Please provide additional information regarding the nature of the findings listed below, including a detail explanation of the questioned item.

<u>Source</u>	<u>Voucher #</u>	<u>Vendor</u>	<u>Amount</u>
Subgrantee Costs - \$92,192 (page 10)	N/A	Arizona Department of Economic Security	\$72,040
Indirect Costs Misclassified as Direct Costs - \$11,661 (page 10)	Unknown	Unknown	\$1,898
Exhibit D – FY1998	003434	Adams Mark Hotel	\$856
Exhibit D – FY1998	004241	NCOA-San Jose	\$3,966
Exhibit D – FY1998	003065	First Bank	\$10,983
Exhibit D – FY1998	004496	First USA	\$10,073
Exhibit D – FY1998	003736	American Express	\$694
Exhibit D – FY1999	009069	US Bank	\$11,526
Exhibit D – FY1999	006883	US Bank	\$8,576
Exhibit D – FY1999	010106	US Bank	\$6,959
Exhibit D – FY1999	009068	US Bank	\$3,570
Exhibit E – FY1998	004789	UUNet Technology	\$1,645
Exhibit E – FY1998	005834	Washington Hilton	\$2,094
Exhibit E – FY1998	006294	American Express	\$1,931
Exhibit E – FY1998	005249	Age Wave LLC	\$1,780
Exhibit E – FY1998	013740	First Card	\$988
Exhibit E – FY1998	002150	Northwest Airlines	\$535
Exhibit E – FY1998	013291	James Sykes	\$515

# THE NATIONAL COUNCIL ON THE AGING

409 Third Street SW Washington, DC 20024 TEL 202 479-1200 TDD 202 479-6674 FAX 202 479-0735 <http://www.ncoa.org>

October 11, 2001

Mr. Richard H. Brooks  
Regional Inspector General for Audit  
U.S. Department of Labor  
Office of Inspector General  
201 Varick Street  
New York, New York 10014

Dear Mr. Brooks:

The National Council on the Aging, Inc. (the Council) is in the process of compiling its second response to your draft audit report of costs claimed during the program years ended August 31, 1998 and June 30, 1999.

Since our previous communication, the Council has worked diligently to identify and photocopy documentation supporting many of the remaining outstanding significant questioned costs. Unfortunately, our efforts have stalled the preparation of the formal communication to you as well as hindered our efforts to investigate a few of the smaller items.

We therefore respectfully request an extension of the previous deadline from October 15 to November 15, 2001. Although our request extends your issuance of the final audit report, we ask for your continued patience. We are confident that this extension will permit the Council to prepare and submit a comprehensive and complete response.

In an attempt to expedite the process for you and your staff in the resolution of outstanding items, the Council herein provides Exhibits A and B. A brief discussion of each exhibit follows:

- Exhibit A provides additional documentation supporting the Council's analysis of enrollee program participation eligibility pursuant to the requests of your staff.
- Exhibit B provides documentation supporting the proposed reclassification of excess administrative costs into the other enrollee cost category.

Please allow me to reemphasize the thoughts of the Council's President and CEO, James P. Firman, communicated to you on September 4, 2001. This process has been long and arduous for all parties involved and the Council remains committed to cooperate fully with you and your staff during this final phase of the audits.

