



## ***Columbus Urban League, Inc.***

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Attachment A

June 28, 2002

Preston Firman  
Regional Inspector General for Audit  
U.S. Department of Labor  
Office of Inspector General  
230 South Dearborn Street  
Chicago, IL 60604

Dear Mr. Firmin:

This is our written response to your June 7, 2002, draft report - findings and recommendations.

**1.A. Salaries of Staff Were Allocated Between WtW and Other Programs Based on a Predetermined Rate. Total questioned \$91,516.**

Please find attached our March 21, 2002 letter to Mr. Paul Fredericks, Grant Officer's Tech Rep, requesting approval of the allocation.

**1.B. Non personnel Cost Were Not in Compliance with Federal Regulations. Total questioned \$67,722.**

Cellular Telephones – We have reviewed cell phone expenses charged to this program. We have determined that \$1,329.74 in cell phone expenses was incorrectly charged to this program. Detail schedule is attached.

Promotional Items – We did not realize that “promotional items and memorabilia” could not be charged to this program. Total amount is \$5,810.

Dinner Tickets - \$360 questioned.

Grocery Purchased - \$550 questioned.

We have made a journal entry in June 2002 to remove the above expenses from the program – Total \$8,049.07. Please see attached copy of journal entry and related backup.

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***“Ending racism through education, economic and social progress.”***



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Expenditure of Equipment Items Were Not Preapproved. – We did not realize that this expenditure needed to be preapproved. Please see copy of attached letter to Lynn Kinzer requesting written approval.

### **2. Participant MIS Was Not in Place**

#### **A. Enrollment of Participants Not Tracked**

The Columbus Urban League's Internal Consolidated Information Tracking System (CITS), which was implemented April 2001, tracks Day One participations as it relates to 70/30 eligibility categories, employment history (subsidized to unsubsidized) and retention through case notes that are entered into the system on a current basis. Customer information entered into the system can be updated to document progress reports and numbers of participants that are active in the program.

#### **B. Seventy Percent and Thirty Percent Expenditures Not Allocated Properly.**

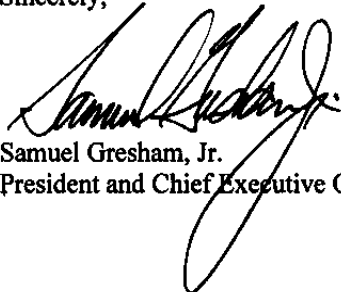
Accurate participant ratios are now used to allocate expenditures for the seventy percent and thirty percent categories on the QFSRs. The ratio of 83.7% seventy percenters and 16.3% thirty percenters was implanted on the report for the quarter ended September 2001. These percentages will be updated each quarter.

### **3. Procurement Policy Does Not Meet Minimum Federal Requirements.**

Written procedures have been modified. Please see attached.

If you or your staff has any questions, please call Wanda Parker, Director Work Force Development 614-372-2311 or Ed Sweeney, Director of Finance/CFO, 614-372-2313.

Sincerely,



Samuel Gresham, Jr.  
President and Chief Executive Officer