

APPENDIX D

AUDITEE RESPONSE TO DRAFT REPORT



INDIANA
WORKFORCE
DEVELOPMENT

November 26, 2008

To: Charles Allberry
Audit Director
Department of Labor – Office of Inspector General
230 S Dearborn, Room 744
Chicago, IL 60604

From: Teresa Voors

Dear Mr. Allberry,

Below is the Indiana Department of Workforce Development's ("IDWD") response to the draft audit report dated 10/31/08. If you have any questions, please contact Dustin Stohler at (317) 432-5779.

Response:

Given its position as a servant to the people of Indiana and a recipient of federal grants, IDWD takes allegations of conflicts of interest seriously and strives to avoid any appearance of impropriety. IDWD has terminated employees for failing to disclose such conflicts in the past. IDWD deeply regrets that its former director of IT failed to disclose his interest in a business that was awarded a contract from IDWD and IDWD will take all steps necessary to rectify this situation.

1. IDWD will provide to the OIG and the Assistant Secretary for Employment Training the documents necessary to conduct the review requested in the report. Please forward any request for documents to our General Counsel.
2. IDWD will take all reasonable steps to strengthen its internal controls to prevent and detect conflicts of interest.
 - a. IDWD has at all times relevant to the report required employees to attend mandatory ethics training. As of 2008, that training was conducted electronically to track and ensure compliance. For 2008, 100% of IDWD employees had completed the training.
 - b. IDWD will require all personnel involved in procurement actions and contract administration to disclose external financial interests and certify that they are free from conflicts of interest.

Sincerely,

Teresa Voors
Commissioner

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