File

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# Auditor General

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87p.

OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL, INC.

CONSOLIDATION OF COST INFORMATION

Audit Report Number 76-301

Issue Date February 27, 1976

Office of Audit
Agency for International Development
Washington, D.C. 20523

OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL, INC.

Contract No. AID/afr-C-1110
Contract No. AID/afr-653
Task Order Nos. 1 thru 6

## INTRODUCTION

In the last eight months, the Office of the Auditor General has issued the following three reports covering costs incurred by Opportunities Industrialization Centers International, Inc. (OICI) between January 1, 1973 and June 30, 1975 under Contract No. AID/afr-C-1110 and six task orders of Contract No. AID/afr-653.

| Audit Report No. | Date | Period Covered | Country |
|---|---|---|---|
| 75-315 | June 30, 1975 | 1/1/73 - 12/31/73 | Central Office |
| 76-299 | February 27, 1976 | 1/1/74 - 6/30/75 | Central Office |
| 76-300 | February 27, 1976 | 1/1/73 - 6/30/75 | Ghana & Nigeria |

The reports complement each other and a clear overall picture of recommended cost actions can only be obtained through an interrelated detailed analysis. This is the primary purpose of our current review. All individual cost information of the three reports was analyzed and consolidated on Exhibit B and supporting Schedules 1 to 6.

## BACKGROUND

The Opportunities Industrialization Centers of America (OIC/A) represents a proven concept in manpower training and development. Efforts to internationalize this philosophy have been supported by AID since 1969.

In March 1970, OICI was incorporated under Pennsylvania laws as a non-profit organization that qualifies for tax exempt status. Its broad objectives are to reaffirm and restore the historical ties between Africa and America, and assist in the organization, development and operations of OIC programs. Except for a small general fund, OICI is about 99 percent funded by AID.

On August 15, 1969, AID signed a basic agreement (No. AID/afr-653) with OICI. Six task orders have been executed to provide financial support to the home office and programs in four African countries (Ghana, Nigeria, Kenya, and Ethiopia). The basic agreement, with a total ceiling of $5.7 million, expired on June 30, 1975. AID has signed another contract (No. AID/afr-C-1110) with OICI for feasibility studies to be conducted in six other countries (Gambia, Sierra Leone, Liberia, Togo, Zambia, and Botswana). The ceiling for this contract is about $146,000.

Beginning July 1, 1975, the operations of OICI are to be "Grant Funded". The first Grant (No. AID/pha-G-1125) signed July 7, 1975 funds $850,000 to December 31, 1975 with a $3.0 million ceiling.

## FINDINGS AND RECOMMENDATIONS

As shown on Exhibit A, a total of $3.3 million was claimed by and reimbursed to OICI during the period January 1, 1973 to June 30, 1975. Of this amount, $3,037,852 may be accepted as proper under the terms of the contracts and related task orders.

Negotiable costs questioned amount to $219,136. Nearly 90 percent of these costs pertain to transactions neither approved or disapproved by AID. Therefore, individual analysis may result in retroactive approval and reinstatement as approved costs.

We recommend $50,223 for disallowance. These costs are non-negotiable because, to cite examples, they represent (a) insurance refunds erroneously posted; (b) violations to contract provisions or regulations; (c) duplications in cost; (d) OIC/America costs; (e) personal expenditures such a medical, vehicle repairs, cables, entertainment, guard services, etc.; and (f) unsupported disbursements.

In addition, OICI erroneously misposted costs among and between the contracts and/or task orders. Such inter-task order transfers and reclassifications do not effect the overall cost. However, OICI should correct its records to reflect the true financial picture of each task order and contract.

Recommendation No. 1 of Audit Report No. 75-315 dated June 30, 1975 is hereby cancelled and substituted by the following:

> Recommendation No. 1
>
> SER/CM/ROD should (a) accept $3.0 million in contract costs; (b) negotiate $219,136 in questionable costs; (c) take necessary action to effect refund by OICI of about $50,223; and (d) request OICI to correct its records by all the inter-task orders/contract transfers and reclassification of costs.

Prior to the release of this report, the exhibits and supporting schedules were reviewed by the Contracting Officer. No major disagreements were expressed.

EXHIBIT A

OPPORTUNITIES INDUSTRIALIZATION CENTER INTERNATIONAL, INC.
Summary of Costs Claimed, Questioned, Disallowed and Accepted
For the Period January 1, 1973 to June 30, 1975

| Number of Contract | Number of Task Order | Costs Claimed | Audit Adjustments: Questioned | Audit Adjustments: Recommended Disallowance | Audit Adjustments: Inter-Transfer | Costs Accepted |
|---|---|---|---|---|---|---|
| AID/afr-653 | 1 | $ 875,361 | $ 85,446 | $ 15,859 | $ 18,156 | $ 755,900 |
| | 2 | 942,076 | 27,252 | 8,564 | 1,422 | 904,838 |
| | 3 | 804,106 | 28,539 | 20,640 | ( 7,127) | 762,054 |
| | 4 | 29,968 | - | - | ( 2,442) | 32,410 |
| | 5 | 292,030 | 5,017 | 2,399 | ( 459) | 285,073 |
| | 6 | 283,081 | 947 | 2,504 | 500 | 279,130 |
| Sub-Total | | $3,226,622 | $147,201 | $ 49,966 | $ 10,050 | $3,019,405 |
| AID/afr-C-1110 | | 80,589 | 71,935 | 257 | ( 10,050) | 18,447 |
| Total | | $3,307,211 | $219,136 | $ 50,223 | $ - | $3,037,852 |

OPPORTUNITIES INDUSTRIALIZATION CENTER INTERNATIONAL, INC.
Summary of Costs Questioned, Recommended Disallowances, and Transfers
As of June 30, 1975

| | Task Orders Under Contract AID/afr-653 | | | | | | Contract AID/ | | Reference |
|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | afr-C-1110 | Totals | Schedule |
| **1.0 Costs Questioned** | | | | | | | | | |
| 1.1 Personnel Costs | $ (35,728) | $ ( 7,955) | $ - | $ - | $ - | $ - | $ (35,660) | $( 79,343) | 1 |
| 1.2 Allowances | - | ( 901) | - | - | - | - | - | ( 901) | 2 |
| 1.3 Consultant Costs | (32,302) | - | - | - | - | - | - | ( 32,302) | 3 |
| 1.4 Travel and Transportation Costs | ( 3,139) | (11,896) | ( 14,697) | - | ( 5,017) | ( 947) | (36,275) | ( 71,971) | 4 |
| 1.5 Participant Training Costs | - | ( 6,500) | ( 3,973) | - | - | - | - | ( 10,473) | 5 |
| 1.6 Other Costs | (14,277) | - | ( 9,869) | - | - | - | - | ( 24,146) | 6 |
| Total | $ (85,446) | $ (27,252) | $( 28,539) | $ - | $ ( 5,017) | $( 947) | $ (71,935) | $(219,136) | |
| **2.0 Recommended Costs Disallowances** | | | | | | | | | |
| 2.1 Personnel Costs | $ ( 5,004) | $ ( 2,500) | $ - | $ - | $ - | $ - | $ - | $( 7,504) | 1 |
| 2.2 Allowances | - | - | ( 1,290) | - | - | - | - | ( 1,290) | 2 |
| 2.3 Consultants Costs | - | - | - | - | - | - | - | - | 3 |
| 2.4 Travel and Transportation Costs | ( 8,518) | ( 54) | ( 164) | - | ( 1,147) | ( 1,544) | ( 106) | ( 11,533) | 4 |
| 2.5 Participant Training Costs | - | ( 2,025) | ( 1,850) | - | ( 1,090) | ( 960) | - | ( 5,925) | 5 |
| 2.6 Other Costs | ( 2,337) | ( 3,985) | ( 17,336) | - | ( 162) | ( - ) | ( 151) | ( 23,971) | 6 |
| Total | $ (15,859) | $ ( 8,564) | $( 20,640) | $ - | $ ( 2,399) | $( 2,504) | $ ( 257) | $( 50,223) | |
| **3.0 Inter - T.O. Transfers** | | | | | | | | | |
| 3.1 Personnel Costs | $ (15,974) | $ - | $ 5,924 | $ 2,086 | $ ( 943) | $( 1,143) | $ 10,050 | $ - | 1 |
| 3.2 Allowances | - | - | - | - | - | - | - | - | 2 |
| 3.3 Consultant Costs | - | - | - | - | - | - | - | - | 3 |
| 3.4 Travel & Transportation Costs | ( 2,182) | ( 1,422) | 1,203 | 356 | 1,402 | 643 | - | - | 4 |
| 3.5 Participant Training Costs | - | - | - | - | - | - | - | - | 5 |
| 3.6 Other Costs | - | - | - | - | - | - | - | - | 6 |
| Total | $ (18,156) | $ ( 1,422) | $ 7,127 | $ 2,442 | $ 459 | $( 500) | $ 10,050 | $ - | |

OPPORTUNITIES INDUSTRIALIZATION CENTER INTERNATIONAL, INC.
Summary of Costs Questioned, Recommended Disallowances, and Transfers
As of June 30, 1975

| | Task Orders Under Contract AID/afr-653 | | | | | | Contract AID/ | | Reference |
|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | afr-C-1110 | Total | Schedule |
| **4.0 Reclassifications** | | | | | | | | | |
| 4.1 Personnel Costs | $ - | $ - | $ | $ | $ - | $ - | $ | $ | 1 |
| 4.2 Allowances | - | - | | | - | - | | | 2 |
| 4.3 Consultant Costs | 4,742 | - | | | - | - | | | 3 |
| 4.4 Travel & Transportation Costs | ( 4,742) | - | | | ( 77) | ( 76) | | | 4 |
| 4.5 Participant Training Costs | - | - | | | 677 | 676 | | | 5 |
| 4.6 Other Costs | 42 | ( 42) | | | ( 600) | ( 600) | | | 6 |
| Total | $ 42 | $( 42) | $ - | $ - | $ - | $ - | $ - | $ - | |

# OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL, INC.
## Personnel Costs
## Questioned, Recommended Disallowances, and Transfers

| | | Reference | | Task Orders Under Contract AID/afr-653 | | | | | | Contract AID/ | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Audit Report | Document | 1 | 2 | 3 | 4 | 5 | 6 | afr-C-1110 | Total |
| 1.0 | Costs Questioned | | | | | | | | | | |
| 1.1 | No AID Approval | | | | | | | | | | |
| 1 | William Davis | 75-315 | Various | $ | $( 7,043) | $ | $ | $ | $ | $ | $ |
| 2 | William Davis | 75-315 | Various | | ( 912) | | | | | | |
| 3 | E. Cornelius (Position) | 76-(A) | Various | ( 4,224) | | | | | | | |
| 4 | U. Smith (Position) | " | " | ( 1,809) | | | | | | | |
| 5 | S. Clark (Position) | " | " | ( 6,896) | | | | | | | |
| 6 | G. Robinson and T.O. Transfer | " | " | (14,779) | | | | | | | |
| 7 | Feasibility Teams | " | " | | | | | | | (35,660) | (71,323) |
| 1.2 | Positions in Excess of Ceiling | | | | | | | | | | |
| 1 | Wilkelmina Thompson | 75-315 | Various | ( 7,537) | | | | | | | |
| 2 | Wilkelmina Thompson | " | " | ( 483) | | | | | | | ( 8,020) |
| | Total Costs Questioned | | | $(35,728) | $( 7,955) | $ - | $ - | $ - | $ - | $(35,660) | $(79,343) |
| 2.0 | Recommended Cost Disallowances | | | | | | | | | | |
| 2.1 | Insurance Refunds Erroneously Posted to Private Fund | | | | | | | | | | |
| 1 | " " " | 75-315 | Z-0276 | $( 850) | $ | | | | | | $ |
| 2 | " " " | 76-(A) | P.F. | ( 2,123) | | | | | | | ( 2,973) |
| 2.2 | Recontracting Bonus | 75-315 | Various | | ( 2,500) | | | | | | ( 2,500) |
| 2.3 | Portion of Salary - Director | 76-(A) | Various | ( 2,031) | | | | | | | ( 2,031) |
| | | | | $( 5,004) | $( 2,500) | | | | | | $( 7,504) |

OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL, INC.
Personnel Costs
Questioned, Recommended Disallowances, and Transfers

| | Reference | | Task Orders Under Contract AID/afr-653 | | | | | | Contract AID/ afr-C-1110 |
|---|---|---|---|---|---|---|---|---|---|
| | Audit Report | Document | 1 | 2 | 3 | 4 | 5 | 6 | |
| 3.0 Inter-T.O. Transfers | | | | | | | | | |
| 3.1 Pension Costs | 75-315 | Various | $ | $ | $ | $ 943 | $( 943) | $ | $ |
| | " | " | | | | 881 | | ( 881) | |
| 3.2 Insurance Premiums | 75-315 | F-0108 | | | | 262 | | ( 262) | |
| 3.3 Director | 76-(A) | Various | ( 5,924) | | 5,924 | | | | |
| 3.4 Deputy Director | 76-(A) | Various | (10,050)1/ | | | | | | 10,050 |
| | | | $(15,974) | $ - | $ 5,924 | $ 2,086 | $( 943) | $( 1,143) | $ 10,050 |

Note:

1/ If cost questioned is approved, this transfer should be made.

SCHEDULE B-2

OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL, INC.
Allowances
Questioned, Recommended Disallowances, and Transfers

| | Reference | | Task Orders Under Contract AID/afr-653 | | | | | | Contract AID/ | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Audit Report | Document | 1 | 2 | 3 | 4 | 5 | 6 | afr-C-1110 | Total |
| **1.0 Costs Questioned** | | | | | | | | | | |
| 1.1 Position Not Approved by AID | | | | | | | | | | |
| 1 William Davis | 75-315 | Various | | $( 901) | | | | | | $( 901) |
| | | | | $( 901) | | | | | | $( 901) |
| **2.0 Recommended Cost Disallowances** | | | | | | | | | | |
| 2.1 Duplication of Allowance Contract Employee Married USAID Employee | | | | | | | | | | |
| 1 Wesley Kirk | 75-315 | Various | | | $( 1,208) | | | | | $(1,208) |
| 2 Wesley Kirk | 76-(A) | Various | | | ( 82) | | | | | ( 82) |
| | | | | | $( 1,290) | | | | | $(1,290) |
| | | | | | | | | | | $ - |
| **3.0 Inter-Transfers** | | | | | | | | | | |

SCHEDULE B-3

OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL, INC.
Consultants Costs
Questioned, Recommended Disallowances, and Transfers

| | Reference | | Task Orders Under Contract AID/afr-653 | | | | | | Contract AID/ | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Audit Report | Document | 1 | 2 | 3 | 4 | 5 | 6 | afr-C-1110 | Total |
| **1.0 Costs Questioned** | | | | | | | | | | |
| 1.1 Consultants Not Approved by AID | 75-315 | Various | $( 17,735) | | | | | | | $(17,735) |
| | 76-(A) | Various | ( 7,325) | | | | | | | ( 7,325) |
| 1.2 Misc. Costs Not Approved by AID | 76-(A) | A-52673 | ( 500) | | | | | | | ( 500) |
| | 76-(A) | A-52821 | ( 2,000) | | | | | | | ( 2,000) |
| 1.3 Evaluation Sub-Contract Not Approved by AID | 75-315 | A-51985 | | | | | | | | |
| | 75-315 | A-52112 | ( 4,742) | | | | | | | ( 4,742) |
| Total Costs Questioned | | | $( 32,302) | | | | | | | $(32,302) |
| **2.0 Recommended Cost Disallowances** | | | | | | | | | | $ - |
| **3.0 Inter-Transfers** | | | | | | | | | | $ - |
| **4.0 Reclassification of Cost Components** | | | | | | | | | | |
| Consultants | | | $ 4,742 | | | | | | | |
| Other Costs | | | ( 4,742) | | | | | | | |
| | | | $ - | | | | | | | |

OPPORTUNITIES INDUSTRIALIZATION CENTER INTERNATIONAL, INC.
Travel and Transportation Costs
Questioned, Recommended Disallowances and Transfers

| | | Reference A/R | Reference Doc. | Task Orders Under Contract No. AID/afr-653 1 | 2 | 3 | 4 | 5 | 6 | Contract C-1110 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1.0 | Costs Questioned | | | | | | | | | | |
| 1.1 | No AID Approval Obtained: | | | | | | | | | | |
| 1 | Shipment on Foreign-Flag Vessels | 75-315 | C-0858 | $ | ($ 844) | $ | $ | $ | $ | $ | $ |
| 2 | " " " " " | " | B-0897 | | | ( 973) | | | | | |
| 3 | " " " " " | " | B-0881 | | | (1,098) | | | | | |
| 4 | " " " " " | " | B-0879 | | | ( 809) | | | | | |
| 5 | " " " " " | " | E-0042 | | | | | ( 916) | | | |
| 6 | " " " " " | " | E-0060 | | | | | ( 388) | | | |
| 7 | " " " " " | " | E-0062 | | | | | ( 693) | | | |
| 8 | " " " " " | " | F-0050 | | | | | | ( 564) | | |
| 9 | " " " " " | " | F-0063 | | | | | | ( 383) | | |
| 10 | " " " " " | 76-(A) | C-0919 | | ( 505) | | | | | | |
| 11 | " " " " " | " | B-1101 | | | (1,058) | | | | | |
| 12 | " " " " " | " | B-1198 | | | ( 718) | | | | | |
| 13 | " " " " " | " | B-1040 | | | ( 492) | | | | | |
| 14 | " " " " " | " | B-1068 | | | ( 495) | | | | | |
| 15 | " " " " " | " | B-1080 | | | ( 507) | | | | | |
| 16 | " " " " " | " | E-0356 | | | | | ( 783) | | | (11,226) |
| 17 | Shipment of Foreign-Made Vehicles | 75-315 | C-0866 | | (2,117) | | | | | | |
| 18 | " " " " " | 76-(A) | B-1278 | | | ( 798) | | | | | |
| 19 | " " " " " | " | B-1228 | | | (1,098) | | | | | |
| 20 | " " " " " | " | E-0148 | | | | | ( 702) | | | |
| 21 | " " " " " | " | E-0189 | | | | | ( 379) | | | |
| 22 | " " " " " | " | E-0228 | | | | | ( 289) | | | |
| 23 | " " " " " | " | E-0236 | | | | | ( 709) | | | |
| 24 | " " " " " | " | E-0236 | | | | | ( 158) | | | ( 6,250) |
| 25 | International Trip of Employee | 76-(A) | C-0929 | | ( 818) | | | | | | |
| 26 | " " " " | " | C-0990 | | (1,462) | | | | | | |
| 27 | " " " " | " | C-1116 | | ( 958) | | | | | | |
| 28 | " " " " | " | C-1144 | | ( 735) | | | | | | |
| 29 | " " " " | " | C-1155 | | (1,287) | | | | | | |
| 30 | " " " " | " | B-1046 | | | ( 643) | | | | | |
| 31 | " " " " | " | B-1059 | | | (1,951) | | | | | |
| 32 | " " " " | " | B-1069A | | | ( 918) | | | | | |
| 33 | " " " " | " | B-1069 | | | (2,205) | | | | | (10,977) |

| | | Reference A/R | Reference Doc. | 1 | 2 | 3 | 4 | 5 | 6 | Contract C-1110 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Task Orders Under Contract No. AID/afr-653 | | | | | | | |
| 1.0 | Costs Questioned (cont'd) | | | | | | | | | | |
| 1.1 | No AID Approval Obtained: | | | | | | | | | | |
| 34 | Post Assignment | | | | | | | | | | |
| 35 | Air Fare | 75-315 | C-0912 | $ | ($1,229) | $ | $ | $ | $ | $ | $ |
| 36 | Household Effects | " | C-0862 | | ( 277) | | | | | | |
| 37 | " " | 76-(A) | C-0867 | | ( 1,041) | | | | | | |
| 38 | " " | " | C-0911 | | ( 393) | | | | | | |
| 39 | " " | " | B-1248 | | | ( 934) | | | | | |
| 40 | Excess Baggage | 75-315 | C-0912 | | ( 230) | | | | | | (·4,104) |
| 41 | Consultants | 76-(A) | A-52758 | ( 300) | | | | | | | |
| 42 | " | " | A-52851 | (1,097) | | | | | | | |
| 43 | " | " | A-52884 | (1,041) | | | | | | | |
| 44 | Resettlement Costs | " | A-53353 | ( 329) | | | | | | | ( 2,767) |
| 1.2 | No Purpose Mentioned | | | | | | | | | | |
| 1 | " " | 76-(A) | A-53168 | ( 59) | | | | | | | |
| 2 | " " | " | A-53173 | ( 25) | | | | | | | |
| 3 | " " | " | G-0069 | | | | | | | ( 56) | ( 140) |
| 1.3 | Number of Authorized Days Exceeded | | | | | | | | | | |
| 1 | " " " " " | 76-(A) | A-53173 | ( 144) | | | | | | | |
| 2 | " " " " " | " | A-53213 | ( 144) | | | | | | | ( 288) |
| 1.4 | No Supporting Documentation | 76-(A) | G-0073 | | | | | | | ( 51) | ( 51) |
| 1.5 | Feasibility Team International Travel Costs - Not Authorized | 76-(A) | various | | | | | | | (36,168) | (36,168) |
| | Total Costs Questioned | | | ($3,139) | ($11,896) | ($14,697) | $ - 0 - | ($5,017) | ($947) | ($36,275) | ($71,971) |
| 2.0 | Recommended Cost Disallowances | | | | | | | | | | |
| 2.1 | Portion of Per Diem - No Overnight Stay | | | | | | | | | | |
| 1 | " " " " " " | 75-315 | A-52019 | $( 13) | $ | $ | $ | $ | $ | $ | $ |
| 2 | " " " " " " | " | A-52020 | ( 38) | | | | | | | |
| 3 | " " " " " " | " | A-52201 | ( 63) | | | | | | | |
| 4 | " " " " " " | " | A-52214 | ( 50) | | | | | | | |
| 5 | " " " " " " | " | A-52422 | ( 113) | | | | | | | |
| 6 | " " " " " " | " | A-52469 | ( 13) | | | | | | | |
| 7 | " " " " " " | " | A-52166 | ( 38) | | | | | | | |

| | | Reference A/R | Reference Doc. | Task Orders Under Contract No. AID/afr-653 1 | 2 | 3 | 4 | 5 | 6 | Contract C-1110 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 2.0 | Recommended Cost Disallowances (cont'd) | | | | | | | | | | |
| 2.1 | Portion of Per Diem - No Overnight Stay | | | | | | | | | | |
| 8 | " " " " " " " | 75-315 | A-52154 | $( 13) | | | | | | | |
| 9 | " " " " " " " | " | A-51928 | ( 13) | | | | | | | |
| 10 | " " " " " " " | " | A-51925 | ( 13) | | | | | | | |
| 11 | " " " " " " " | " | A-52270 | ( 25) | | | | | | | |
| 12 | " " " " " " " | " | A-52272 | ( 13) | | | | | | | |
| 13 | " " " " " " " | " | A-52288 | ( 13) | | | | | | | |
| 14 | " " " " " " " | " | A-52307 | ( 13) | | | | | | | |
| 15 | " " " " " " " | " | A-52336 | ( 50) | | | | | | | |
| 16 | " " " " " " " | " | A-52365 | ( 13) | | | | | | | |
| 17 | " " " " " " " | " | A-52366 | ( 12) | | | | | | | |
| 18 | " " " " " " " | 76-(A) | A-52754 | ( 13) | | | | | | | |
| 19 | " " " " " " " | " | A-52757 | ( 13) | | | | | | | |
| 20 | " " " " " " " | " | A-52773 | ( 13) | | | | | | | |
| 21 | " " " " " " " | " | A-52774 | ( 13) | | | | | | | |
| 22 | " " " " " " " | " | A-52855 | ( 13) | | | | | | | |
| 23 | " " " " " " " | " | A-52922 | ( 13) | | | | | | | |
| 24 | " " " " " " " | " | A-52967 | ( 13) | | | | | | | |
| 25 | " " " " " " " | " | A-52970 | ( 13) | | | | | | | |
| 26 | " " " " " " " | " | A-52971 | ( 39) | | | | | | | |
| 27 | " " " " " " " | " | A-52972 | ( 13) | | | | | | | |
| 28 | " " " " " " " | " | A-53066 | ( 13) | | | | | | | |
| 29 | " " " " " " " | " | A-53067 | ( 13) | | | | | | | |
| 30 | " " " " " " " | " | A-53076 | ( 13) | | | | | | | |
| 31 | " " " " " " " | " | A-53080 | ( 13) | | | | | | | |
| 32 | " " " " " " " | " | A-53100 | ( 13) | | | | | | | |
| 33 | " " " " " " " | " | A-53106 | ( 13) | | | | | | | |
| 34 | " " " " " " " | " | A-53130 | ( 13) | | | | | | | |
| 35 | " " " " " " " | " | A-53151 | ( 13) | | | | | | | |
| 36 | " " " " " " " | " | A-53161 | ( 13) | | | | | | | |
| 37 | " " " " " " " | " | A-53168 | ( 13) | | | | | | | |
| 38 | " " " " " " " | " | A-53168 | ( 13) | | | | | | | |
| 39 | " " " " " " " | " | A-53205 | ( 13) | | | | | | | |
| 40 | " " " " " " " | " | A-53212 | ( 13) | | | | | | | |
| 41 | " " " " " " " | " | A-53212 | ( 13) | | | | | | | |
| 42 | " " " " " " " | " | A-53251 | ( 13) | | | | | | | |
| 43 | " " " " " " " | " | A-53269 | ( 13) | | | | | | | |
| 44 | " " " " " " " | " | A-53299 | ( 13) | | | | | | | |

| | | Reference A/R | Reference Doc. | Task Orders Under Contract No. AID/afr-653 1 | 2 | 3 | 4 | 5 | 6 | Contract C-1110 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 2.0 | Recommended Cost Disallowances (cont'd) | | | | | | | | | | |
| 2.1 | Portion of Per Diem - No Overnight Stay | | | | | | | | | | |
| | 45 " " " " " " " | 76-(A) | A-53303 | $( 13) | $ | $ | $ | $ | $ | $ | $ |
| | 46 " " " " " " " | " | A-53303 | ( 13) | | | | | | | |
| | 47 " " " " " " " | " | A-53381 | ( 13) | | | | | | | |
| | 48 " " " " " " " | " | A-53385 | ( 13) | | | | | | | |
| | 49 " " " " " " " | " | A-53387 | ( 13) | | | | | | | |
| | 50 " " " " " " " | " | A-53387 | ( 13) | | | | | | | |
| | 51 " " " " " " " | " | A-53387 | ( 13) | | | | | | | |
| | 52 " " " " " " " | " | A-53391 | ( 13) | | | | | | | |
| | 53 " " " " " " " | " | A-53414 | ( 13) | | | | | | | |
| | 54 " " " " " " " | " | G-0035 | | | | | | | ( 13) | |
| | 55 " " " " " " " | " | G-0066 | | | | | | | ( 13) | (1,026) |
| 2.2 | Difference Between Authorized and Paid Per Diem | | | | | | | | | | |
| | 1 " " " " " | 76-(A) | A-53333 | ( 83) | | | | | | | |
| | 2 " " " " " | " | A-53354 | ( 56) | | | | | | | |
| | 3 " " " " " | " | A-53364 | ( 56) | | | | | | | |
| | 4 " " " " " | " | A-53363 | ( 73) | | | | | | | |
| | 5 " " " " " | " | A-53371 | ( 73) | | | | | | | |
| | 6 " " " " " | " | A-53367 | ( 73) | | | | | | | |
| | 7 " " " " " | " | A-53387 | ( 138) | | | | | | | |
| | 8 " " " " " | " | A-53414 | ( 25) | | | | | | | |
| | 9 " " " " " | " | A-53416 | ( 26) | | | | | | | |
| | 10 " " " " " | " | A-53421 | ( 30) | | | | | | | |
| | 11 " " " " " | " | A-53389 | ( 163) | | | | | | | |
| | 12 " " " " " | " | E-0240 | | | | | ( 15) | | | |
| | 13 " " " " " | " | G-0029 | | | | | | | ( 16) | |
| | 14 " " " " " | " | G-0030 | | | | | | | ( 16) | |
| | 15 " " " " " | " | G-0031 | | | | | | | ( 16) | |
| | 16 " " " " " | " | G-0032 | | | | | | | ( 16) | |
| | 17 " " " " " | " | G-0045 | | | | | | | ( 16) | ( 891) |
| 2.3 | Expenses of Director Related to Side Trips to Countries or Activities Not Covered by Contract | | | | | | | | | | |
| | 1 Air Fares | 75-315 | A-52239 | ( 294) | | | | | | | |
| | 2 " " | " | A-52336 | ( 41) | | | | | | | |
| | 3 " " | " | A-52626 | ( 196) | | | | | | | |

| | | Reference A/R | Reference Doc. | Task Orders Under Contract No. AID/afr-653 1 | 2 | 3 | 4 | 5 | 6 | Contract C-1110 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 2.0 | Recommended Cost Disallowances (cont'd) | | | | | | | | | | |
| 2.3 | Expenses of Director (cont'd) | | | | | | | | | | |
| | 4 Air Fares | 75-315 | A-52348 | ($ 19) | $ | $ | $ | $ | $ | $ | $ |
| | 5 " " | 76-(A) | A-53243 | ( 53) | | | | | | | |
| | 6 " " | | | | | | | | | | |
| | 7 Per Diem | " | A-53570 | ( 161) | | | | | | | |
| | 8 " " | " | A-53303 | ( 613) | | | | | | | |
| | 9 " " | " | A-53074 | (1,543) | | | | | | | |
| | 10 " " | 75-315 | A-52021 | ( 125) | | | | | | | |
| | 11 " " | 76-(A) | A-52685 | ( 639) | | | | | | | |
| | 12 Excess Baggage | " | A-53138 | ( 175) | | | | | | | |
| | 13 " " | " | " | ( 47) | | | | | | | |
| | 14 " " | | | | | | | | | | |
| | 15 Other | 76-(A) | A-53387 | ( 70) | | | | | | | |
| | 16 " | " | A-53414 | ( 6) | | | | | | | |
| | 17 " | " | B-1048 | | | ( 164) | | | | | (4,146) |
| 2.4 | Shipment of Personal Effects by Director | 76-(A) | A-53292 | ( 401) | | | | | | | ( 401) |
| 2.5 | Expenses for Fund-Raising Activities | | | | | | | | | | |
| | 1 " " " " " | 75-315 | A-52166 | ( 37) | | | | | | | |
| | 2 " " " " " | " | A-52201 | ( 56) | | | | | | | |
| | 3 " " " " " | " | A-52422 | ( 83) | | | | | | | |
| | 4 " " " " " | " | A-52348 | ( 25) | | | | | | | |
| | 5 " " " " " | " | A-53303 | ( 55) | | | | | | | ( 256) |
| 2.6 | Difference Between First Class and Economy Fares | | | | | | | | | | |
| | 1 " " " " " | 76-(A) | A-52822 | ( 10) | | | | | | | |
| | 2 " " " " " | " | A-52970 | ( 32) | | | | | | | |
| | 3 " " " " " | " | A-53205 | ( 8) | | | | | | | |
| | 4 " " " " " | " | A-53387 | ( 11) | | | | | | | ( 61) |
| 2.7 | Unauthorized Invitational Travel From Zambia | | | | | | | | | | |
| | 1 " " " | 76-(A) | A-53438 | ( 520) | | | | | | | |
| | 2 " " " | " | A-53514 | ( 135) | | | | | | | |
| | 3 " " " | " | A-53537 | (1,225) | | | | | | | (1,880) |
| 2.8 | Duplicate Payments | | | | | | | | | | |
| | 1 " " | 75-315 | E-0009 | | | | | ( 70) | | | |
| | 2 " " | 76-(A) | F-0301 | | | | | | (1,489) | | (1,559) |

| | | Reference A/R | Reference Doc. | Task Orders Under Contract No. AID/afr-653 1 | 2 | 3 | 4 | 5 | 6 | Contract C-1110 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 2.0 | Recommended Cost Disallowances (cont'd) | | | | | | | | | | |
| 2.9 | Traffic Violations | | | | | | | | | | |
| | 1 " " | 76-(A) | E-0367 | $ | $ | $ | $ | ($ 14) | $ | $ | $ |
| | 2 " " | " | F-0221 | | | | | | ( 5) | | ( 19) |
| 2.10 | Latin American Costs | | | | | | | | | | |
| | 1 " " " | 76-(A) | A-53542 | ( 39) | | | | | | | |
| | 2 " " " | " | A-53553 | ( 42) | | | | | | | ( 81) |
| 2.11 | Unsupported Expenditures | 76-(A) | A-53380 | ( 61) | | | | | | | ( 61) |
| 2.12 | Air Ticket Refund Posted Erroneously | 76-(A) | E-0313 | | | | | ( 1,048) | | | ( 1,048) |
| 2.13 | Others | | | | | | | | | | |
| | 1 " | 76-(A) | C-1016 | | ( 54) | | | | | | |
| | 2 " | " | F-0315 | | | | | | ( 50) | | ( 104) |
| | Total Recommended Cost Disallowances | | | ($8,518) | ($54) | ($164) | $ - 0 - | ($1,147) | ($1,544) | ($106) | ($11,533) |
| 3.0 | Inter-Task Order Transfers | | | | | | | | | | |
| 3.1 | Travel and Transportation | | | | | | | | | | |
| | 1 " " " | 75-315 | A-51987 | ($1,203) | $ | $1,203 | $ | $ | $ | $ | $ |
| | 2 " " " | " | A-52045 | ( 826) | 826 | | | | | | |
| | 3 " " " | " | A-52315 | ( 153) | | | | 77 | 76 | | * |
| | 4 " " " | " | E-0049 | | | | 356 | (356) | | | |
| | 5 " " " | " | C-1186 | | ( 1,755) | | | 1,435 | 320 | | |
| | 6 " " " | " | C-1189 | | ( 493) | | | 246 | 247 | | |
| | Total Inter-Task Order Transfers | | | ($2,182) | ($1,422) | $1,203 | $356 | $1,402 | $643 | $- 0 - | $ -0- |
| 4.0 | Reclassification Between Cost Category | | | | | | | | | | |
| | 1 Travel & Transportation | | | $ | $ | $ | $ | $ (77) | $(76) | $ | $ |
| | 2 Participant Training | | | | | | | 77 | 76 | | |
| | | | | $- 0 - | $ - 0 - | $- 0 - | $ 0 - | $ - 0 - | $ 0 - | $- 0 - | $- 0 - |

* Transfer for T&T to Partic.

OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL, INC.
Participant Training Costs
Questioned, Recommended Disallowances, and Transfers



| | | Reference | | Task Orders Under Contract AID/afr-653 | | | | | | Contract AID/ | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Audit Report | Document | 1 | 2 | 3 | 4 | 5 | 6 | afr-C-1110 | Total |
| 1.0 | Costs Questioned | | | | | | | | | | |
| 1.1 | No AID Approval | | | | | | | | | | |
| 1 | G.Y. Odor | 76-(A) | C-1143 | | $( 375) | | | | | | |
| 2 | G.Y. Odor | " | C-1155 | | ( 1,287) | | | | | | $( 1,662) |
| 3 | E M K Ezeb | 76-(A) | C-1163 | | ( 376) | | | | | | |
| 4 | " " | " | C-1175 | | ( 64) | | | | | | |
| 5 | " " | " | C-1180 | | ( 352) | | | | | | ( 792) |
| 6 | A. Samaah | 76-(A) | C-1164 | | ( 376) | | | | | | |
| 7 | " " | " | C-1176 | | ( 64) | | | | | | |
| 8 | " " | " | C-1179 | | ( 352) | | | | | | ( 792) |
| 9 | Airfare for Ezeb & Samaah | 76-(A) | C-1200 | | ( 2,659) | | | | | | ( 2,659) |
| 10 | N.A. Akama | 76-(A) | B-1309 | | | $( 336) | | | | | |
| 11 | " " | " | B-1327 | | | ( 312) | | | | | |
| 12 | " " | " | B-1335 | | | ( 24) | | | | | ( 672) |
| 13 | G.A. Shoho | 76-(A) | B-1310 | | | ( 336) | | | | | |
| 14 | " " | " | B-1329 | | | ( 312) | | | | | |
| 15 | " " | " | B-1337 | | | ( 24) | | | | | ( 672) |
| 16 | D.A. Ojediran | 76-(A) | B-1308 | | | ( 336) | | | | | |
| 17 | " " | " | B-1326 | | | ( 312) | | | | | ( 648) |
| 18 | G.A. Oyentonji | 76-(A) | B-1307 | | | ( 336) | | | | | |
| 19 | " " | " | B-1328 | | | ( 312) | | | | | |
| 20 | " " | " | B-1336 | | | ( 24) | | | | | ( 672) |
| 21 | M.O. Osen | 76-(A) | B-1306 | | | ( 350) | | | | | ( 350) |
| 22 | Quarters at Int'l House | 76-(A) | C-1192 | | ( 408) | | | | | | |
| 23 | " " | " | C-1199 | | ( 187) | | | | | | |
| 24 | " " | " | B-1338 | | | ( 596) | | | | | |
| 25 | " " | " | B-1343 | | | ( 363) | | | | | ( 1,554) |
| | Total Costs Questioned | | | | $( 6,500) | $( 3,973) | | | | | $(10,473) |

OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL, INC.
Participant Training Costs
Questioned, Recommended Disallowances, and Transfers

| | Reference | | Task Orders Under Contract AID/afr-653 | | | | | | Contract AID/ | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Audit Report | Document | 1 | 2 | 3 | 4 | 5 | 6 | afr-C-1110 | Total |
| **2.0 Recommended Cost Disallowances** | | | | | | | | | | |
| 2.1 Non-Supported Payments to the Private Fund | | | | | | | | | | |
| 1 " " | 75-315 | Various | | $( 1,200) | | | | | | |
| 2 " " | " | Various | | | $( 1,500) | | | | | |
| 3 " " | " | Various | | | | | $( 600) | | | |
| 4 " " | " | F-0036 | | | | | | $( 600) | | |
| 5 " " | 76-(A) | C-0983 | | ( 300) | | | | | | |
| 6 " " | " | E-0218 | | | | | ( 300) | | | |
| 7 " " | " | F-0190 | | | | | | ( 300) | | $( 4,800) |
| 2.2 Difference Between Authorized and Paid Per Diem | | | | | | | | | | |
| 1 " " | 76-(A) | C-1143 | | ( 375) | | | | | | |
| 2 " " | " | B-1306 | | | ( 350) | | | | | |
| 3 " " | " | E-0183 | | | | | ( 190) | | | |
| 4 " " | " | E-0158 | | | | | | ( 60) | | ( 975) |
| 2.3 Duplicate Payments | | | | | | | | | | |
| 1 " " | 75-315 | C-0724 | | ( 75) | | | | | | |
| 2 " " | " | C-0723 | | ( 75) | | | | | | ( 150) |
| Total Recommended Cost Disallowances | | | | $( 2,025) | $( 1,850) | | $( 1,090) | $( 960) | | $( 5,925) |
| **3.0 Inter-Task Order Transfers** | | | | | | | | | | $ - |
| **4.0 Reclassification Between Cost Categories** | | | | | | | | | | |
| Participant Training | | | | | | | $ 600 | $ 600 | | |
| Other Costs | | | | | | | ( 600) | ( 600) | | |
| | | | | | | | $ - | $ - | | |

OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL, INC.
Other Costs
Questioned, Recommended Disallowances, and Transfers



| | | Reference | | Task Orders Under Contract AID/afr-653 | | | | | | Contract AID/ | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Audit Report | Document | 1 | 2 | 3 | 4 | 5 | 6 | afr-C-1110 | Total |
| 1.0 | Costs Questioned | | | | | | | | | | |
| 1.1 | No AID Approval | | | | | | | | | | |
| 1 | Battery Charger, Crane | 76-(B) | 126 | | | $( 4,183) | | | | | |
| 2 | Soldering Iron | " | 155 | | | ( 665) | | | | | |
| 3 | Tool Box | " | 146 & 230 | | | ( 3,221) | | | | | |
| 4 | B/D Master Machine | " | 267 | | | ( 1,800) | | | | | $( 9,869) |
| 1.2 | Printing of Books | | | | | | | | | | |
| 1 | Alternatives to Despair | 75-315 | A-52151 | $( 50) | | | | | | | |
| 2 | " " | " | A-52273 | ( 124) | | | | | | | |
| 3 | " " | " | A-52491 | ( 248) | | | | | | | |
| 4 | Toward a Greater Peoplehood | 75-315 | A-52369 | ( 4,115) | | | | | | | |
| 5 | Build Brother Build | 75-315 | A-52414 | ( 198) | | | | | | | ( 4,735) |
| 1.3 | Telephone Costs | | | | | | | | | | |
| 1 | No log | 75-315 | Various | ( 5,416) | | | | | | | |
| 2 | " " | 76-(A) | Various | ( 279) | | | | | | | ( 5,695) |
| 1.4 | Production of Film | | | | | | | | | | |
| 1 | Build a Bridge | 75-315 | Several | ( 3,472) | | | | | | | ( 3,472) |
| 1.5 | Magazine Advertisement | | | | | | | | | | |
| 1 | African Programs Magazines | 75-315 | A-52027 | ( 375) | | | | | | | ( 375) |
| | | | | $(14,277) | | $( 9,869) | | | | | $(24,146) |

2.0 Recommended Cost Disallowances

OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL, INC.
Other Costs
Questioned, Recommended Disallowances, and Transfers

| | | Reference | | Task Orders Under Contract AID/afr-653 | | | | | | Contract AID/ | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Audit Report | Document | 1 | 2 | 3 | 4 | 5 | 6 | afr-C-1110 | Total |
| 2.1 | Medical Expenses - Covered by Insurance | | | | | | | | | | |
| 1 | Examination | 76-(B) | 149 | | $( 89) | | | | | | |
| 2 | " | " | 426 | | | $( 180) | | | | | |
| 3 | " | " | 427 | | | ( 32) | | | | | |
| 4 | " | " | 428 | | | ( 191) | | | | | |
| 5 | " | " | 436 | | | ( 453) | | | | | |
| 6 | " | " | 448 | | | ( 12) | | | | | |
| 7 | " | " | 460 | | | ( 124) | | | | | |
| 8 | " | " | 465 | | | ( 39) | | | | | |
| 9 | " | " | 481 | | | ( 169) | | | | | |
| 10 | " | " | 571 | | | ( 172) | | | | | |
| 11 | " | " | 595 | | | ( 56) | | | | | |
| 12 | " | " | 616 | | | ( 212) | | | | | |
| 13 | " | " | 617 | | | ( 172) | | | | | |
| 14 | " | " | 624 | | | ( 33) | | | | | |
| 15 | " | " | 632 | | | ( 239) | | | | | |
| 16 | " | " | 643 | | | ( 59) | | | | | |
| 17 | " | " | 647 | | | ( 100) | | | | | |
| 18 | " | " | 042 | | | ( 106) | | | | | |
| 19 | " | " | 082 | | | ( 57) | | | | | |
| 20 | " | " | Various | | | ( 4,176) | | | | | |
| 21 | " | " | 128 | | | ( 62) | | | | | $( 6,733) |
| 2.2 | Entertainment, Liquor, Etc. | | | | | | | | | | |
| 1 | Buffet Lunch | 76-(B) | 635 | | ( 261) | | | | | | |
| 2 | Buffet Lunch | " | 702 | | ( 237) | | | | | | |
| 3 | Bar Bills | " | 834 | | ( 90) | | | | | | |
| 4 | Dinner and Drink | " | 1031 | | ( 155) | | | | | | |
| 5 | Reception | " | 1044 | | ( 309) | | | | | | |
| 6 | Lunch/Reception | " | 1112 | | ( 63) | | | | | | |
| 7 | Lunch/Reception | " | 1136 | | ( 186) | | | | | | |

OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL, INC.
Other Costs
Questioned, Recommended Disallowances, and Transfers

| | | Reference | | Task Order Under Contract AID/afr-653 | | | | | | Contract AID/ | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Audit Report | Document | 1 | 2 | 3 | 4 | 5 | 6 | afr-C-1110 | Total |
| 8 | Liquor | 76-(B) | 482 | | | $( 153) | | | | | |
| 9 | Entertainment | " | 566 | | | ( 156) | | | | | |
| 10 | " | " | 009 | | | ( 311) | | | | | |
| 11 | Photo Album | " | 011 | | | ( 139) | | | | | |
| 12 | " | " | 086 | | | ( 25) | | | | | |
| 13 | Entertainment | " | 196 | | | ( 59) | | | | | |
| 14 | " | " | 266 | | | ( 45) | | | | | |
| 15 | Business Cards | " | Various | | | ( 157) | | | | | |
| 16 | Gary Robinson | " | | | | | | | | $( 93) | |
| 17 | Hubert Boyer | " | | | | | | | | ( 48) | $( 2,487) |
| 2.3 | Unsupported Expenditures | | | | | | | | | | |
| 1 | Memo from Director | 75-315 | A-52392 | $( 250) | | | | | | | |
| 2 | " " | " | A-52398 | ( 100) | | | | | | | |
| 3 | Household Items | 76-(B) | 202 | | $( 406) | | | | | | |
| 4 | Telephone Call | " | 231 | | ( 18) | | | | | | |
| 5 | Imigration Fee | " | 496 | | ( 27) | | | | | | |
| 6 | Visa | " | 499 | | ( 21) | | | | | | |
| 7 | Program Commodities | " | 509 | | ( 38) | | | | | | |
| 8 | Office Supplies | " | 744 | | ( 214) | | | | | | |
| 9 | Draftsman Material | " | 865 | | ( 46) | | | | | | |
| 10 | Miscellaneous | " | 959 | | ( 38) | | | | | | |
| 11 | Household Repairs | " | 166 | | ( 50) | | | | | | |
| 12 | Household Furniture | " | 171 | | ( 19) | | | | | | |
| 13 | Telephone Call | " | 1358 | | ( 26) | | | | | | |
| 14 | Program Commodities | " | 140 | | ( 161) | | | | | | |
| 15 | Vehicle Repair Advance | " | 231 | | | ( 328) | | | | | |
| 16 | Office Curtain Advance | " | 629 | | | ( 156) | | | | | ( 1,898) |
| 2.4 | Day Guard Service | | | | | | | | | | |
| 1 | Not Required for USAID Personnel | 76-(B) | 590 | | | ( 69) | | | | | |
| 2 | " " | " | 625 | | | ( 69) | | | | | |
| 3 | " " | " | 663 | | | ( 72) | | | | | |
| 4 | " " | " | 030 | | | ( 72) | | | | | |

OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL, INC.
Other Costs
Questioned, Recommended Disallowances, and Transfers

| | | Reference | | Task Orders Under Contract AID/afr-653 | | | | | | Contract AID/ | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Audit Report | Document | 1 | 2 | 3 | 4 | 5 | 6 | afr-C-1110 | Total |
| 5 | Not Required for USAID Personnel | 76-(B) | 056 | | | $( 36) | | | | | |
| 6 | " " | " | 197 | | | ( 108) | | | | | |
| 7 | " " | " | 213 | | | ( 108) | | | | | |
| 8 | " " | " | 224 | | | ( 108) | | | | | |
| 9 | " " | " | 240 | | | ( 148) | | | | | |
| 10 | " " | " | 255 | | | ( 98) | | | | | $( 3,573) |
| 11 | " " | " | Various | | | ( 2,685) | | | | | |
| 2.5 | Non-AID (Local) Costs | | | | | | | | | | |
| 1 | Invitations | 76-(B) | 636 | | $( 33) | | | | | | |
| 2 | Telephone Bills | " | 736 | | ( 292) | | | | | | |
| 3 | Visas | " | 1348 | | ( 13) | | | | | | |
| 4 | French Lessons | " | 169 | | ( 9) | | | | | | |
| 5 | Advertisement | " | 575 | | | ( 417) | | | | | ( 764) |
| 2.6 | Parking Violations and Penalities | | | | | | | | | | |
| 1 | Philadelphia Traffic Court | 76-(A) | A-53504 | $( 15) | | | | | | | |
| 2 | Kenya Tax Penalty | " | E-0245 | | | | | $( 70) | | | |
| 3 | Kenya Magistrate Court | " | E-0303 | | | | | ( 11) | | | |
| 4 | Registrar of Companies | " | E-0378 | | | | | ( 81) | | | ( 177) |
| 2.7 | Repairs to Personal Vehicles | | | | | | | | | | |
| 1 | J. Wether | 76-(B) | 542 | | | ( 403) | | | | | |
| 2 | W. Phillips | " | 610 | | | ( 691) | | | | | |
| 3 | J. Jackson | " | 638 | | | ( 656) | | | | | |
| 4 | J. Jackson | " | 012 | | | ( 334) | | | | | ( 2,084) |
| 2.8 | Lump-Sum Payments - Employees not discharged | | | | | | | | | | |
| 1 | OIC/Ghana Direct | 76-(B) | 423 | | ( 625) | | | | | | |
| 2 | " " | " | 439 | | ( 559) | | | | | | ( 1,184) |

OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL, INC.
Other Costs
Questioned, Recommended Disallowances, and Transfers

| | | Reference | | Task Orders Under Contract AID/afr-653 | | | | | | Contract AID/ | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Audit Report | Document | 1 | 2 | 3 | 4 | 5 | 6 | afr-C-1110 | Total |
| 2.9 | Unapplied Conference Income | | | | | | | | | | |
| 1 | Registration and Hotel | 75-315 | A-52079 | $( 611) | | | | | | | |
| 2 | " " | " | A-52119 | ( 387) | | | | | | | $( 998) |
| 2.10 | Telephone Calls to Non-AID Programs | | | | | | | | | | |
| 1 | British Honduras, Gambia,Mkare | 75-315 | Various | ( 343) | | | | | | | |
| 2 | Haiti, Tanzania, Zambia, Rome | 76-(A) | Various | ( 365) | | | | | | | ( 708) |
| 2.11 | Book - New Church for a New Day | 76-(A) | A-52695 | ( 40) | | | | | | | ( 40) |
| 2.12 | Newspaper space for Non-AID Activities | 75-315 | A-52453 | ( 70) | | | | | | | ( 70) |
| 2.13 | Unauthorized Zambia Costs | 76-(A) | A-53417 | ( 25) | | | | | | | ( 25) |
| 2.16 | Excessive Salary Claims | 76-(B) | Various | | | $( 493) | | | | | ( 493) |
| 2.17 | Rent on Sub-Leased House | 76-(B) | Various | | | ( 2,166) | | | | | ( 2,166) |
| 2.18 | Private Fund Related Costs | 75-315 | A-52362 | ( 100) | | | | | | | ( 100) |
| 2.19 | Per Diem - No Overnight Stay | 76-(A) | A-52711 | ( 13) | | | | | | | ( 13) |
| 2.20 | Difference in First Class and Economy Fare | 76-(A) | A-53048 | ( 18) | | | | | | | ( 18) |
| 2.21 | Other | | | | | | | | | | |
| 1 | Personal Cable | 76-(B) | 507 | | | ( 9) | | | | | |
| 2 | Postage, Cables | " | 554 | | | ( 53) | | | | | |
| 3 | Sick Leave Pay | " | 603 | | | ( 168) | | | | | |
| 4 | Personal Cable | " | 641 | | | ( 13) | | | | | |

OPPORTUNTIES INDUSTRIALIZATION CENTERS INTERNATIONAL, INC.
Other Costs
Questioned, Recommended Disallowances, and Transfers

| | Reference | | Task Orders Under Contract AID/afr-653 | | | | | | Contract AID/ | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Audit Report | Document | 1 | 2 | 3 | 4 | 5 | 6 | afr-C-1110 | Total |
| 5 Personal Cable | 76-(B) | 247 | | | $( 107) | | | | | |
| 6 Unused Sick Leave | " | Various | | | ( 80) | | | | $( 10) | $( 440) |
| 7 Personal Cable | | | $( 2,337) | $( 3,985) | $(17,336) | | $( 162) | | $( 151) | $(23,971) |
| 3.0 Inter-Transfers | | | | | | | | | | |
| 3.1 OICI Central Office | | | $ 42 | $( 42) | | | | | | $ - |

EXHIBIT C

OPPORTUNITIES INDUSTRIALIZATION CENTER INTERNATIONAL, INC.

Summary of Contract Data

| | Contract No. AID/afr-653 | | |
|---|---|---|---|
| | Task Order No. 1 | Task Order No. 2 | Task Order No. 3 |
| Task Order Ceiling | $ 1,657,963 | $ 1,911,873 | $ 1,792,260 |
| Expiration Date | June 30, 1975 | June 30, 1976 | June 30, 1976 |
| Project Number | 698-11-610-153 | 641-13-610-063 | 620-11-610-802 |
| Project Title | Expanded In-Service Training OICI | Opportunities Industrialization Center | Opportunities Industrialization Center |
| Audit Period | 1/1/74 - 6/30/75 | 1/1/74 - 6/30/75 | 1/1/74 - 6/30/75 |
| Type of Audit | Interim | Interim | Interim |

| | Contract No. AID/afr-653 | | |
|---|---|---|---|
| | Task Order No. 4 | Task Order No. 5 | Task Order No. 6 |
| Task Order Ceiling | $ 183,256 | $ 292,500 | $ 312,984 |
| Expiration Date | March 31, 1973 | April 15, 1975 | June 30, 1975 |
| Project Number | 698-11-610-153 | 615-11-420-159 | 663-13-670-175 |
| Project Title | Expanded In-Service Training OICI | Opportunities Industrialization Center | Opportunities Industrialization Center |
| Audit Period | 1/1/73 - 3/31/73 | 3/1/74 - 6/30/75 | 3/1/74 - 6/30/75 |
| Type of Audit | Final | Interim | Interim |

| | Contract No. AID/afr-C-1110 |
|---|---|
| Contract Ceiling | $ 145,980 |
| Expiration Date | November 30, 1975 |
| Project Number | 698-11-610-153 |
| Project Title | Feasibility Study |
| Audit Period | 1/1/75 - 6/30/75 |
| Type of Audit | Interim |

EXHIBIT D

OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL, INC.

Contract No. AID/afr-C-1110
Contract No. AID/afr-653
Task Order Nos. 1 thru 6

## DISTRIBUTION OF AUDIT REPORT

| | |
|---|---|
| Assistant Administrator, Africa | 5 |
| Assistant Administrator, PHA | 5 |
| Area Auditor General, Africa | 2 |
| Director, SER/CM | 4 |
| Office of Financial Management, SER/FM/RSD | 6 |
| Inspector General of Foreign Assistance/State | 1 |
| AG/IIS | 1 |
| AG/OAS | 1 |
| AG/OC/PP | 1 |
| AG/OC/PE | 1 |

INTERNATIONAL

OPPORTUNITIES INDUSTRIALIZATION CENTERS
240 WEST TULPEHOCKEN STREET — PHILADELPHIA, PA. 19144
United States of America
Telephone: Area Code 215 - 842-0220
Cable: OICINTERNA

Rev. Leon H. Sullivan
*Founder & Chairman of the Board*

Gary Robinson
*International Director*

June 23, 1976

Mr. N. A. Caticchio
Contracting Officer
Regional Operations Division, Africa
Office of Contract Management
Agency for International Development
Department of State
Washington, D.C. 20523

Dear Mr. Caticchio:

OIC International expresses its sincere appreciation of the time granted to allow sufficient opportunity for a comprehensive and thorough response to the Consolidated Audit Report No. 76-301. OICI has made every effort to meet and to respond to the deadline of June 23, 1976.

Enclosed herewith is OICI's response. The table of contents consists of:

1) Summaries of all costs, costs questioned and costs recommended for disallowance.

2) OICI's response to Audit Report No. 76-~~103~~ 301

3) Attachments.

As indicated in the Summary of Costs (page 1), OICI is requesting Retroactive Approval for a substantial sum of questioned costs and recommeded cost disallowances. Errors accepted but of which OICI is seeking reinstatement are also indicated. Additionally, concurred "questioned" and "disallowed" costs are acknowledged. Two items are listed with a request to hold in suspension, pending results of audit appeal.

As you peruse the details of OICI's response, you will note that items identified for retroactive approval and for reinstatement are essentially those expenditures that were incurred for general program purposes which facilitated normal continuity of operation and decision making without unduly jeopardizing the use of Government funds. You might also agree that during the audited period, general communication between AID - African Bureau and OICI was both sporadic and incongruous with the implementation of OICI's operational plans. In the period under consideration, the extent of OICI's compliance with procedural and contractual requirements was not necessarily above reproach. However, it should also be noted that OICI's record of integrity speaks for itself rather positively. OICI has not engaged in a single instance of unethical conduct, of fraud or embezzlement. It is hoped that the Bureau shares the same general sentiment and finds OICI's documented response both reasonable and adequate enough to resolve all audit concerns.

In view of the voluminous scope of the audit, OICI would appreciate an opportunity to meet with you, at your convenience, in order to jointly review and discuss any issues.

Respectfully yours,

Gary Robinson

Gary Robinson
International Director

GR/ah

Enclosures: Table of Contents
Grand Summary
Summary by Line Item
Summary by Task Order
Detail Response
Supporting Documents

INTERNATIONAL

OPPORTUNITIES INDUSTRIALIZATION CENTERS
240 WEST TULPEHOCKEN STREET — PHILADELPHIA, PA. 19144
United States of America
Telephone: Area Code 215 - 842-0220
Cable: OICINTERNA

Rev. Leon H. Sullivan
*Founder & Chairman of the Board*

Gary Robinson
*International Director*

June 25, 1976

Mrs. Vivian Anderson
1328 Whittier Place, NW
Washington, D.C. 20012

Dear Mrs. Anderson:

Enclosed herewith is OICI's official response to the Consolidated Audit covering the period 1971 through 1975. As a result of the audits performed, the auditors have "questioned" and "disallowed" costs of $269,359.00, an amount the auditors recommended should be made payable to AID by OICI.

OICI's response has attempted to depict as precisely as possible, item by item, the circumstances, the contractual provisions, the justification and the difficulties encompassing each case as well as the grounds for requesting either retroactive approval or reinstatement.

If you have any questions or comments, please let me know.

Respectfully yours,

Kura Abedje

Kura Abedje
Assistant Director Finance/Administration

KA/ah

Enclosures

OIC INTERNATIONAL

RESPONSE TO AUDIT REPORT NO. 76-301

ENTITLED "CONSOLIDATION OF COST INFORMATION"

TABLE OF CONTENTS


| | Page No. |
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| SUMMARY OF ALL COSTS | 1 |
| SUMMARY OF QUESTIONED COSTS | 2 - 7 |
| SUMMARY OF RECOMMENDED COST DISALLOWANCES | 8 - 17 |
| RESPONSE TO AUDIT REPORT NO. 76-301 | 18 - 57 |

ATTACHMENTS - 26

OIC International
Response To Audit Report No. 76-301
Entitled "Consolidation of Cost Information"
Summary All Costs

| | | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned/ Disallowances | Cost Held In Suspension |
|---|---|---|---|---|---|---|
| 1.0 | Costs Questioned | | | | | |
| 1.1 | Personnel Costs | 79,343 | 79,343 | | | |
| 1.2 | Allowances | 901 | 901 | | | |
| 1.3 | Consultant Costs | 32,302 | 32,302 | | | |
| 1.4 | Travel & Transportation Costs | 71,971 | 69,161 | 2,726 | 84 | |
| 1.5 | Participant Training Costs | 10,473 | 10,473 | | | |
| 1.6 | Other Costs | 24,146 | 24,146 | | | |
| | Total | 219,136 | 216,326 | 2,726 | 84 | -0- |
| 2.0 | Recommended Cost Disallowances | | | | | |
| 2.1 | Personnel Costs | 7,504 | 4,531 | | 2,973 | |
| 2.2 | Allowances | 1,290 | | 1,290 | | |
| 2.3 | Consultant Costs | - | | | | |
| 2.4 | Travel & Transportation Costs | 11,533 | 6,831 | 2,039 | 2,663 | |
| 2.5 | Participants Training Costs | 5,925 | 685 | | 440 | 4,800 |
| 2.6 | Other Costs | 23,971 | 19,301 | 529 | 3,648 | 493 |
| | Total | 50,223 | 31,348 | 3,858 | 9,724 (1) | 5,293 |

(1) Less: Paid Backs

| | |
|---|---|
| 1. Schedule B-1, Page 1 of 2, Item 2.1.2 | 2,123 |
| 2. Schedule B-4, Page 5 of 6, Item 2.8.2 | 1,489 |
| | 3,612 |
| 3. Schedule B-4, Page 6 of 6 (Page 39 Item 2.12. | 1,048 |
| | 4,660 |

## SUMMARY QUESTIONED COSTS

| ITEM NO. | PAGE NUMBER | AMOUNT QUESTIONED COSTS | REQUEST RETROACTIVE APPROVAL | ERROR ACCEPTED, REINSTATE | CONCURRED QUESTIONED COST |
|---|---|---|---|---|---|
| | **Personnel Costs** | | | | |
| 1.1.1 | Schedule B - 1 | 7043 | 7043 | | |
| 1.1.2 | | 912 | 912 | | |
| 1.1.3 | | 4224 | 4224 | | |
| 1.1.4 | | 1809 | 1809 | | |
| 1.1.5 | | 6869 | 6869 | | |
| 1.1.6 | | 14779 | 14779 | | |
| 1.1.7 | | 35660 | 35660 | | |
| 1.2.1 | | 7537 | 7537 | | |
| 1.2.2 | | 483 | 483 | | |
| | SUB-TOTAL | 79343 | 79343 | | |
| | **Allowances** | | | | |
| 1.1.1 | Schedule B - 2 | 901 | 901 | | |
| | SUB - TOTAL | 901 | 901 | | |
| | **Consultant Costs** | | | | |
| 1.1 | Schedule B - 3 | 17735 | 17735 | | |
| 1.1 | | 7325 | 7325 | | |
| 1.2 | | 2500 | 2500 | | |
| 1.3 | | 4742 | 4742 | | |
| | SUB - TOTAL | 32302 | 32302 | | |
| | **Travel and Transportation Costs** | | | | |
| 1.1.1 | Schedule B - 4 | 844 | 844 | | |
| 1.1.2 | | 973 | 973 | | |
| 1.1.3 | | 1098 | 1098 | | |
| 1.1.4 | | 809 | 809 | | |
| 1.1.5 | | 916 | 916 | | |
| 1.1.6 | | 388 | 388 | | |
| 1.1.7 | | 693 | 693 | | |
| 1.1.8 | | 564 | 564 | | |
| 1.1.9 | | 383 | 383 | | |
| 1.1.10 | | 505 | 505 | | |
| 1.1.11 | | 1058 | 1058 | | |
| 1.1.12 | | 718 | 718 | | |
| 1.1.13 | | 492 | 492 | | |
| 1.1.14 | | 495 | 495 | | |
| 1.1.15 | | 507 | 507 | | |
| 1.1.16 | | 783 | 783 | | |
| 1.1.17 | | 2117 | 2117 | | |

QUESTIONED COSTS

| ITEM NO. | PAGE NUMBER | AMOUNT QUESTIONED COSTS | REQUEST RETROACTIVE APPROVAL | ERROR ACCEPTED, REINSTATE | CONCURRED QUESTIONE COST |
|---|---|---|---|---|---|
| Travel & Transportation Costs (cont'd) | | | | | |
| 1.1.18 | Schedule B-4 | 798 | 798 | | |
| 1.1.19 | | 1098 | 1098 | | |
| 1.1.20 | | 702 | 702 | | |
| 1.1.21 | | 379 | 379 | | |
| 1.1.22 | | 289 | 289 | | |
| 1.1.23 | | 709 | 709 | | |
| 1.1.24 | | 158 | 158 | | |
| 1.1.25 | | 818 | 818 | | |
| 1.1.26 | | 1462 | 1462 | | |
| 1.1.27 | | 958 | 958 | | |
| 1.1.28 | | 735 | 735 | | |
| 1.1.29 | | 1287 | 1287 | | |
| 1.1.30 | | 643 | 643 | | |
| 1.1.31 | | 1951 | 1951 | | |
| 1.1.32 | | 918 | 918 | | |
| 1.1.33 | | 2205 | 2205 | | |
| 1.1.35 | | 1229 | 1229 | | |
| 1.1.36 | | 277 | 277 | | |
| 1.1.37 | | 1041 | 1041 | | |
| 1.1.38 | | 393 | 393 | | |
| 1.1.39 | | 934 | 934 | | |
| 1.1.40 | | 230 | 230 | | |
| 1.1.41 | | 300 | | 300 | |
| 1.1.42 | | 1097 | | 1097 | |
| 1.1.43 | | 1041 | | 1041 | |
| 1.1.44 | | 329 | 329 | | |
| 1.2.1 | | 59 | | | 59 |
| 1.2.2 | | 25 | | | 25 |
| 1.2.3 | | 56 | 56 | | |
| 1.3.1 | | 144 | | 144 | |
| 1.3.2 | | 144 | | 144 | |
| 1.4 | | 51 | 51 | | |
| 1.5 | | 36168 | 36168 | | |
| | SUB-TOTAL | 71971 | 69161 | 2726 | 84 |

| Item No. | Page No. | Amount Questioned Cost | Request Retro-active Approval | Error Accepted Reinstate | Concurred Questioned Cost | Cost Held In Suspension |
|---|---|---|---|---|---|---|
| | Participant Training Costs | | | | | |
| 1.1.1 to 1.1.25 | Schedule B-5 | 10,473 | 10,473 | | | |
| | Sub-Total | 10,473 | 10,473 | | | |
| | Other Costs | | | | | |
| 1.1.1 | Schedule B-6 | 4,183 | 4,183 | | | |
| 1.1.2 | | 665 | 665 | | | |
| 1.1.3 | | 3,221 | 3,221 | | | |
| 1.1.4 | | 1,800 | 1,800 | | | |
| 1.2.1 to 1.2.5 | | 4,735 | 4,735 | | | |
| 1.3.1 | | 5,416 | 5,416 | | | |
| 1.3.2 | | 229 | 229 | | | |
| 1.4.1 | | 3,472 | 3,472 | | | |
| 1.5.1 | | 375 | 375 | | | |
| | Sub-Total | 24,146 | 24,146 | | | |
| | Grand Total | 219,136 | 216,326 | 2726 | 84 | |

## SUMMARY QUESTIONED COSTS

| ITEM NO. | | T.O. # 1 | T.O. #2 | T.O. # 3 | T.O. # 4 | T.O. # 5 | T.O. # 6 | FEASIBILITY STUDY AFR-C-1110 |
|---|---|---|---|---|---|---|---|---|
| | **Personnel Costs** | | | | | | | |
| 1.1.1 | | | 7043 | | | | | |
| 1.1.2 | | | 912 | | | | | |
| 1.1.3 | | 4224 | | | | | | |
| 1.1.4 | | 1809 | | | | | | |
| 1.1.5 | | 6869 | | | | | | |
| 1.1.6 | | 14779 | | | | | | |
| 1.1.7 | | | | | | | | 35660 |
| 1.2.1 | | 7537 | | | | | | |
| 1.2.2 | | 483 | | | | | | |
| | Sub-Total | 35728 | 7955 | | | | | 35660 |
| | **Allowances** | | | | | | | |
| 1.1.1 | | | 901 | | | | | |
| | Sub-Total | | 901 | | | | | |
| | **Consultant Costs** | | | | | | | |
| 1.1 | | 17735 | | | | | | |
| 1.1 | | 7325 | | | | | | |
| 1.2 | | 2500 | | | | | | |
| 1.3 | | 4742 | | | | | | |
| | Sub-Total | 32302 | | | | | | |
| | **Travel and Transportation Costs** | | | | | | | |
| 1.1.1 | | | 844 | | | | | |
| 1.1.2 | | | | 973 | | | | |
| 1.1.3 | | | | 1098 | | | | |
| 1.1.4 | | | | 809 | | | | |
| 1.1.5 | | | | | | 916 | | |
| 1.1.6 | | | | | | 388 | | |
| 1.1.7 | | | | | | 693 | | |
| 1.1.8 | | | | | | | 564 | |
| 1.1.9 | | | | | | | 383 | |
| 1.1.10 | | | 505 | | | | | |
| 1.1.11 | | | | 1058 | | | | |
| 1.1.12 | | | | 718 | | | | |
| 1.1.13 | | | | 492 | | | | |
| 1.1.14 | | | | 495 | | | | |
| 1.1.15 | | | | 507 | | | | |
| 1.1.16 | | | | | | 783 | | |
| 1.1.17 | | | 2117 | | | | | |

QUESTIONED COSTS

| ITEM NO. | T.O. # 1 | T.O. # 2 | T.O. # 3 | T.O. # 4 | T.O. # 5 | T.O. # 6 | FEASIBILITY STUDY AFR-C-1110 |
|---|---|---|---|---|---|---|---|
| 1.1.18 | | | 798 | | | | |
| 1.1.19 | | | 1098 | | | | |
| 1.1.20 | | | | | 702 | | |
| 1.1.21 | | | | | 379 | | |
| 1.1.22 | | | | | 289 | | |
| 1.1.23 | | | | | 709 | | |
| 1.1.24 | | | | | 158 | | |
| 1.1.25 | | 818 | | | | | |
| 1.1.26 | | 1462 | | | | | |
| 1.1.27 | | 958 | | | | | |
| 1.1.28 | | 735 | | | | | |
| 1.1.29 | | 1287 | | | | | |
| 1.1.30 | | | 643 | | | | |
| 1.1.31 | | | 1951 | | | | |
| 1.1.32 | | | 918 | | | | |
| 1.1.33 | | | 2205 | | | | |
| 1.1.35 | | 1229 | | | | | |
| 1.1.36 | | 277 | | | | | |
| 1.1.37 | | 1041 | | | | | |
| 1.1.38 | | 393 | | | | | |
| 1.1.39 | | | 934 | | | | |
| 1.1.40 | | 230 | | | | | |
| 1.1.41 | 300 | | | | | | |
| 1.1.42 | 1097 | | | | | | |
| 1.1.43 | 1041 | | | | | | |
| 1.1.44 | 329 | | | | | | |
| 1.2.1 | 59 | | | | | | |
| 1.2.2 | 25 | | | | | | |
| 1.2.3 | | | | | | | 56 |
| 1.3.1 | 144 | | | | | | |
| 1.3.2 | 144 | | | | | | |
| 1.4 | | | | | | | 51 |
| 1.5 | | | | | | | 36168 |
| SUB-TOTAL | 3139 | 11896 | 14697 | | 5017 | 947 | 36275 |

| Item No. | T.O. #1 | T.O. #2 | T.O. #3 | T.O. #4 | T.O. #5 | T.O. #6 | Feas. Study AFR-C-1110 |
|---|---|---|---|---|---|---|---|
| 1.1.1 to 1.1.25 | | 6,500 | 3,973 | | | | |
| Sub-Total | | 6,500 | 3,973 | | | | |
| 1.1.1 | | | 4,183 | | | | |
| 1.1.2 | | | 665 | | | | |
| 1.1.3 | | | 3,221 | | | | |
| 1.1.4 | | | 1,800 | | | | |
| 1.2.1 to 1.2.5 | 4,735 | | | | | | |
| 1.3.1 | 5,416 | | | | | | |
| 1.3.2 | 279 | | | | | | |
| 1.4.1 | 3,472 | | | | | | |
| 1.5.1 | 375 | | | | | | |
| Sub-Total | 14,277 | | 9,869 | | | | |
| Grand Total | 85,446 | 27,252 | 28,539 | | 5,017 | 947 | 71,935 |

## SUMMARY
## RECOMMENDED COST DISALLOWANCES

| Item No. | Page Number | Recommended Cost Disallow Amount | Request Retroactive Approval | Error Accepted Reinstate | Concurred Disallowance | Cost Held in Suspension |
|---|---|---|---|---|---|---|
| | Personnel Costs | | | | | |
| 2.1.1 | Schedule B-1 | 850 | | | 850 | |
| 2.1.2 | | 2123 | | | 2123 | |
| 2.2 | | 2500 | 2500 | | | |
| 2.3 | | 2031 | 2031 | | | |
| | Sub-Total | 7504 | 4531 | | 2973 | |
| | Allowances | | | | | |
| 2.1.1 | Schedule B-2 | 1208 | | 1208 | | |
| 2.1.2 | | 82 | | 82 | | |
| | Sub-Total | 1290 | | 1290 | | |
| | Consultant Costs | | | | | |
| | Schedule B-3 | | | | | |
| | Sub-Total | -0- | | | | |
| | Travel and Transportation Costs | | | | | |
| 2.1.1 to 2.1.55 | Schedule B-4 | 1026 | | 1026 | | |
| 2.2.1 to 2.2.17 | | 891 | | 891 | | |
| 2.3.1 to 2.3.17 | | 4146 | 4146 | | | |
| 2.4 | | 401 | 401 | | | |
| 2.5.1 to 2.5.5 | | 256 | 256 | | | |
| 2.6.1 to 2.6.2 | | 61 | | 61 | | |

## SUMMARY
## RECOMMENDED COST DISALLOWANCES

| Item No. | Page Number | Recommended Cost Amount | Request Retroactive Approval | Error Accepted Reinst e | Concurred Disallowance | Cost Held in Suspension |
|---|---|---|---|---|---|---|
| 2.7.1 to 2.7.3 | | 1880 | 1880 | | | |
| 2.8.1 | | 70 | | | 70 | |
| 2.8.2 | | 1489 | | | 1489 | |
| 2.9.1 | | 14 | | | 14 | |
| 2.9.2 | | 5 | | | 5 | |
| 2.10.1 | | 39 | 39 | | | |
| 2.10.2 | | 42 | 42 | | | |

## RECOMMENDED COST DISALLOWANCES

| Item No. | Page No. | Recommended Cost Disallow Amount | Request Retroactive Approval | Error Accepted Reinstate | Concurred Disallowance | Cost Held in Suspension |
|---|---|---|---|---|---|---|
| | Travel & Transportation (con't) | | | | | |
| 2.11 | Schedule B-4 | 61 | | 61 | | |
| 2.12 | | 1348 | | | 1048 | |
| 2.13.1 | | 54 | 54 | | | |
| 2.13.2 | | 50 | 13 | | 37 | |
| | Sub-Total | 11533 | 6830 | 2039 | 2663 | |
| | Participant Training Costs | | | | | |
| 2.1.1 | Schedule B-5 | | | | | |
| to | | | | | | |
| 2.1.7 | | 4800 | | | | 4800 |
| 2.2.1 | | 375 | 225 | | 150 | |
| 2.2.2 | | 350 | 210 | | 140 | |
| 2.2.3 | | 190 | 190 | | | |
| 2.2.4 | | 60 | 60 | | | |
| 2.3.1 | | 75 | | | 75 | |
| 2.3.2 | | 75 | | | 75 | |
| | Sub-Total | 5925 | 685 | | 440 | 4800 |
| | Other Costs | | | | | |
| 2.1.1 | Schedule B-6 | 6733 | 6733 | | | |
| 2.2.1 | | 261 | | 261 | | |
| 2.2.2 | | 237 | | 237 | | |
| 2.2.3 | | 90 | 90 | | | |
| 2.2.4 | | 155 | 155 | | | |
| 2.2.5 | | 309 | 309 | | | |
| 2.2.6 | | 63 | 63 | | | |
| 2.2.7 | | 186 | 186 | | | |
| 2.2.8 | | 153 | 153 | | | |
| 2.2.9 | | 156 | 156 | | | |
| 2.2.10 | | 311 | 311 | | | |
| 2.2.11 | | 139 | 139 | | | |
| 2.2.12 | | 25 | 25 | | | |

| Item No. | Page No. | Recommended Cost Disallow Amount | Request Retroactive Approval | Error Accepted Re: state | Concurred Disallowance | Cos Hel in Suspe sion |
|---|---|---|---|---|---|---|
| 2.2.13 | Schedule B-6 | 59 | 59 | | | |
| 2.2.14 | | 45 | 45 | | | |
| 2.2.15 | | 157 | 157 | | | |
| 2.2.16 | | 93 | 93 | | | |
| 2.2.17 | | 48 | 48 | | | |

Recommended Cost Disallowances

| Item No. | Page No. | Recommended Cost Disallow. Amount | Request Retroac. Approval | Error Accept., Reinstate | Concurred Disallow. | Cost Held in Suspension |
|---|---|---|---|---|---|---|
| | Other Costs (Cont'd) | | | | | |
| 2.3.1 | Schedule B-6 | 250 | 250 | | | |
| 2.3.2 | | 100 | | | | |
| 2.3.3 | | 406 | 406 | | | |
| 2.3.4 | | 18 | 18 | | | |
| 2.3.5 | | 27 | 27 | | | |
| 2.3.6 | | 21 | 21 | | | |
| 2.3.7 | | 38 | 38 | | | |
| 2.3.8 | | 214 | 214 | | | |
| 2.3.9 | | 46 | 46 | | | |
| 2.3.10 | | 38 | 38 | | | |
| 2.3.11 | | 50 | 50 | | | |
| 2.3.12 | | 19 | 19 | | | |
| 2.3.13 | | 26 | 26 | | | |
| 2.3.14 | | 161 | 161 | | | |
| 2.3.15 | | 328 | | | 328 | |
| 2.3.16 | | 156 | 156 | | | |
| 2.4.1 to 2.4.11 | | 3573 | 3573 | | | |
| 2.5.1 | | 33 | 33 | | | |
| 2.5.2 | | 292 | 292 | | | |
| 2.5.3 | | 13 | 13 | | | |
| 2.5.4 | | 9 | | | 9 | |
| 2.5.5 | | 417 | | | 417 | |
| 2.6.1 to 2.6.4 | | 177 | | | 177 | |
| 2.7.1 to 2.7.4 | | 2084 | 2084 | | | |
| 2.8.1 | | 625 | 625 | | | |
| 2.8.2 | | 559 | 559 | | | |

Recommended Cost Disallowances

| Item No. | Page No. | Recommended Cost Disallow. Amount | Request Retroac. Approval | Error Accept., Reinstate | Concurred Disallow. | Cost Held in Suspension |
|---|---|---|---|---|---|---|
| | Other Costs (Cont'd) | | | | | |
| 2.9.1 | Schedule B-6 | 611 | 611 | | | |
| 2.9.2 | | 387 | 387 | | | |
| 2.10.1 | | 343 | 343 | | | |
| 2.10.2 | | 365 | 365 | | | |
| 2.11 | | 40 | | | 40 | |
| 2.12 | | 70 | | | 70 | |
| 2.13 | | 25 | 25 | | | |
| 2.16 | | 493 | | | | 493 |
| 2.17 | | 2166 | | | 2166 | |
| 2.18 | | 100 | | | 100 | |
| 2.19 | | 13 | | 13 | | |
| 2.20 | | 18 | | 18 | | |
| 2.21.1 | | 9 | | | 9 | |
| 2.21.2 | | 53 | 46 | | 7 | |
| 2.21.3 | | 168 | | | 168 | |
| 2.21.4 | | 13 | | | 13 | |
| 2.21.5 | | 107 | 53 | | 54 | |
| 2.21.6 | | 80 | | | 80 | |
| 2.21.7 | | 10 | | | 10 | |
| | Sub-Total | 23971 | 19301 | 529 | 3648 | 493 |
| | Grand Total | 50223 | 31348 | 3858 | 9724 | 5293 |

| | To #1 | To #2 | To #3 | To #4 | To #5 | To #6 | Feasib. Study Afr-C-1110 |
|---|---|---|---|---|---|---|---|
| 2.1.1 | 850 | | | | | | |
| 2.1.2 | 2123 | | | | | | |
| 2.2 | | 2500 | | | | | |
| 2.3 | 2031 | | | | | | |
| Sub-Total | 5004 | 2500 | | | | | |
| 2.1.1 | | | 1208 | | | | |
| 2.1.2 | | | 82 | | | | |
| Sub-Total | | | 1290 | | | | |
| 2.1.1 to 2.1.55 | 1000 | | | | | | 26 |
| 2.1.1 to 2.2.17 | 786 | | | | 15 | | 90 |
| 2.3.1 to 2.3.17 | 3982 | | 164 | | | | |
| 2.4 | 401 | | | | | | |
| 2.5.1 to 2.5.5 | 256 | | | | | | |
| 2.6.1 to 2.6.2 | 61 | | | | | | |
| 2.7.1 to 2.7.3 | 1880 | | | | | | |
| 2.8.1 | | | | | 70 | | |
| 2.8.2 | | | | | | 1489 | |
| 2.9.1 | | | | | 14 | | |
| 2.9.2 | | | | | | 5 | |
| 2.10.1 | 39 | | | | | | |
| 2.10.2 | 42 | | | | | | |

| | To #1 | To #2 | To #3 | To #4 | To #5 | To #6 | Feasib. Study Afr-C-1110 |
|---|---|---|---|---|---|---|---|
| 2.11 | 61 | | | | | | |
| 2.12 | | | | | 1048 | | |
| 2.13.1 | | 54 | | | | | |
| 2.13.2 | | | | | | 50 | |
| Sub-Total | 8508 | 54 | 164 | | 1147 | 1544 | 116 |
| 2.1.1 to 2.1.7 | | 1500 | 1500 | | 900 | 900 | |
| 2.2.1 | | 375 | | | | | |
| 2.2.2 | | | 350 | | | | |
| 2.2.3 | | | | | 140 | | |
| 2.2.4 | | | | | | 60 | |
| 2.3.1 | | 75 | | | | | |
| 2.3.2 | | 75 | | | | | |
| Sub-Total | | 2025 | 1850 | | 1090 | 960 | |
| 2.1.1 | | 89 | 6644 | | | | |
| 2.2.1 | | 261 | | | | | |
| 2.2.2 | | 237 | | | | | |
| 2.2.3 | | 90 | | | | | |
| 2.2.4 | | 155 | | | | | |
| 2.2.5 | | 309 | | | | | |
| 2.2.6 | | 63 | | | | | |
| 2.2.7 | | 186 | | | | | |
| 2.2.8 | | | 153 | | | | |
| 2.2.9 | | | 156 | | | | |
| 2.2.10 | | | 311 | | | | |
| 2.2.11 | | | 139 | | | | |
| 2.2.12 | | | 25 | | | | |
| 2.2.13 | | | 59 | | | | |
| 2.2.14 | | | 45 | | | | |
| 2.2.15 | | | 157 | | | | |
| 2.2.16 | | | | | | | 93 |
| 2.2.17 | | | | | | | 48 |

| Item No. | T.O. #1 | T.O. #2 | T.O. #3 | T.O. #4 | T.O. #5 | T.O. #6 | Feas. Study AFR-C-1110 |
|---|---|---|---|---|---|---|---|
| 2.3.1 | 250 | | | | | | |
| 2.3.2 | 100 | | | | | | |
| 2.3.3 | | 406 | | | | | |
| 2.3.4 | | 18 | | | | | |
| 2.3.5 | | 27 | | | | | |
| 2.3.6 | | 21 | | | | | |
| 2.3.7 | | 38 | | | | | |
| 2.3.8 | | 214 | | | | | |
| 2.3.9 | | 46 | | | | | |
| 2.3.10 | | 38 | | | | | |
| 2.3.11 | | 50 | | | | | |
| 2.3.12 | | 19 | | | | | |
| 2.3.13 | | 26 | | | | | |
| 2.3.14 | | 161 | | | | | |
| 2.3.15 | | | 328 | | | | |
| 2.3.16 | | | 156 | | | | |
| 2.4.1 to 2.4.11 | | | 3573 | | | | |
| 2.5.1 | | 33 | | | | | |
| 2.5.2 | | 292 | | | | | |
| 2.5.3 | | 13 | | | | | |
| 2.5.4 | | 9 | | | | | |
| 2.5.5 | | | 417 | | | | |
| 2.6.1 to 2.6.4 | | 15 | | | 162 | | |
| 2.7.1 to 2.7.4 | | | 2084 | | | | |
| 2.8.1 | | 625 | | | | | |
| 2.8.2 | | 559 | | | | | |

| Item No. | T.O. #1 | T.O. #2 | T.O. #3 | T.O. #4 | T.O. #5 | T.O. #6 | Feas. Study AFR-C-1110 |
|---|---|---|---|---|---|---|---|
| 2.9.1 | 611 | | | | | | |
| 2.9.2 | 387 | | | | | | |
| 2.10.1 | 343 | | | | | | |
| 2.10.2 | 365 | | | | | | |
| 2.11 | 40 | | | | | | |
| 2.12 | 70 | | | | | | |
| 2.13 | 25 | | | | | | |
| 2.16 | | | 493 | | | | |
| 2.17 | | | 2166 | | | | |
| 2.18 | 100 | | | | | | |
| 2.19 | 13 | | | | | | |
| 2.20 | 18 | | | | | | |
| 2.21.1 | | | 9 | | | | |
| 2.21.2 | | | 53 | | | | |
| 2.21.3 | | | 168 | | | | |
| 2.21.4 | | | 13 | | | | |
| 2.21.5 | | | 107 | | | | |
| 2.21.6 | | | 80 | | | | |
| 2.21.7 | | | 10 | | | | |
| Sub-Total | 2337 | 3985 | 17443 | | 162 | | 141 |
| Grand Total | 15859 | 8564 | 20640 | | 2399 | 2504 | 257 |

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ENTITLED "CONSOLIDATION OF COST INFORMATION"

Reference
Schedule B-1
Page 1 of 2

| Line Item | Personnel Costs Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | OICI Comments |
|---|---|---|---|---|---|---|
| 1.1.1. (2) | William Davis | 7043 | 7043 | | | Due to cited reference we request that all costs associated with Mr. William Davis' employment and overseas travel to assigned post be considered as retroactively approved:<br><br>Date / Reference / Subject<br>9/28/73 / Letter from USAID / Mr. William Davis<br><br>Note within letter's first paragraph, reference is made to OICI's letters dated July 2nd, and August 23rd, whereby, request was made for Mr. Davis' nomination to position, i.e., Counseling Specialist. Cited AID letter implies approval of his position and travel. |
| 1.1.2. (2) | William Davis | 912 | 912 | | | See 1.1.1. |
| 1.1.3. (1) | E. Cornelius | 4224 | 4224 | | | Refer to 7/1/74 budget contract amendment, i.e., T.O.#1, amendment #14 & 6 and basic agreement amendment, #6 which shows that 15 positions were approved by USAID. These three persons did not cause OICI to exceed its authorized man power From this man power authorization, OICI understood that as long as the organization did not exceed total number of positions which is synonymous with same number of persons, the contractual obligations were satisfied. In addition, OICI did not exceed the authorized dollar budget amount as cited per above contractual amendment. |
| 1.1.4. (1) | U. Smith | 1809 | 1809 | | | See comment 1.1.3. |
| 1.1.5. (1) | S. Clark | 6896 | 6896 | | | See comment 1.1.3. |
| 1.1.6. (1) | G. Robinson & T.O. Transfer | 14779 | 14779 | | | Comment is same as 1.1.3. also OICI questions proposed reclassification. It is concurred that Mr. Robinson was assigned as Feasibility team leader for period March 1, 1975 to April 10, 1975, however, due to Feasibility Funding limitation is requested that all costs associated with subject be applied to Central Task Order. |
| 1.1.7. (F) | Feasibility Team | 35660 | 35660 | | | Necessay request for approval was submitted to contract's |

() BRACKETED NUMBERS ON ALL PAGES RELATE TO THE APPLICABLE TASK ORDER NUMBER.

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ENTITLED "CONSOLIDATION OF COST INFORMATION"

Reference
Continued:
Schedule B-1
Page 1 of 2

| Line Item | Personnel Costs Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost |
|---|---|---|---|---|---|
| 1.2.1. | (1) W. Thomson | 7537 | 7537 | | |

OICI Comments

office per letter reference, August 4, 1975, and December 1,1975. Also, note that all fees that OICI paid to individuals, which are identified in letter, were paid as consultants not salaried personnel. Retroactive approval is requested for these costs, as associated with second bookkeeper, due to prior discussions, formal review and correspondence advising and requesting temporary hired bookkeeper to change to permanent bookkeeper. References are cited as follow

| Date | Event | Disposition |
|---|---|---|
| 9/10/74 | AID approval of second bookkeeper retroactive to March 4, 1974 | AID overlooked retroactive approval for year 1973 |
| 3/19/74 | Meeting at Central Office to discuss Fy 75, i.e., July 1, 1974 to June 30, 1975 Budget USAID present Mrs. P. Bullock, Mr. J. Kraus, Mr. F. McElroy and Mr. W. McKeel | It was verbally agreed that second bookkeeper position was warranted also accepted position per Fy 75 budget, however it was verbally implied that retroactive consideration of position would be followed-up by contracts office at a later date. |
| 11/19,20 1973 | Mr. Frank Berry, USAID Controller Officer review at Central Office | Mr. Berry reviewed needs of second bookkeeper per letter dated Nov. 19th, at Central Office. His findings were presumed to have been submitted to Contracts Office. (Note no follow-up to Central Office by USAID). |

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ENTITLED "CONSOLIDATION OF COST INFORMATION"

Reference
Continued:
Schedule B-1
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| Line Item | Personnel Costs Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | OICI Comments | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | Date | Event | Disposition |
| | | | | | | 11/2/73 | Letter to Mr. D. Atwell | Accounting and bookkeeping personnel resumes were forwarded for Contract Office review. (Note, no response from USAID). |
| | | | | | | 6/13/73 | Letter to Mr. F. Calkins | Responding to T.O. #1, needs per Fy 74 budget and follow-up questions raised per Philadelphia visit. (Note, no response from USAID). |
| | | | | | | 5/3/73 | Letter to Mrs. P. Bullock | Authorization to hire temporary employees. (Note no response from USAID) |
| 1.2.2. (1) | W. Thomson | 483 | 483 | | | See 1.2.1. | | |
| | Recommended Cost Disallowances | | | | Concurred Disallowance | | | |
| 2.1.1. (1) | Insurance Refunds erroneously posted to Private Fund | 850 | | | 850 | This is a concurred disallowance | | |
| 2.1.2. (1) | " " " | 2123 | | | 2123 | Paid back to contracts; cash receipts #017, 9/2/75. Part of voucher submission for month of September 1975 | | |

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RESPONSE TO AUDIT REPORT NO. 76-301

ENTITLED "CONSOLIDATION OF COST INFORMATION"

Reference
Continued:
Schedule B-1
Page 1 of 2

Personnel Costs

| Line Item | Recommended Cost Disallowances | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | OICI Comments |
|---|---|---|---|---|---|---|
| 2.2. (2) | Recontracting Bonus | 2500 | 2500 | | | Costs, as associated with recontracting bonus, is requested for retroactive approval. Note, that according to OICI's personnel policy, the recontracting bonus is a misnomer and properly should be identified as Incentive For Second Standard Tour of Duty per Personnel Policy, #34. Incentive's, recontracting amount is established at a flat amount, i.e., $1,000, for another two year tour. This flat amount is considerably less than the normal USAID's incentive policy, i.e. 10% of gross salaries. |

This is substanciated as follows:

| Employee | Salary | Bonus | % |
|---|---|---|---|
| L. N'Diaye | $14,578.98 | $1,000 | 6.9 |
| D. Mack | 14,408.00 | 500 | 3.5 |
| D. Sparks | 13,068.14 | 1,000 | 7.7 |

Based on Contract's Office acceptance of OICI's Personnel Policy and the normally allowed 10% incentive granted for recontracting, it is this basis which supports request for retroactive approval

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Personnel Costs

| Line Item | Recommended Cost Disallowance | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Disallowance | OICI Comments |
|---|---|---|---|---|---|---|
| 2.3. (1) | Portion of Salary - Director | 2031 | 2031 | | | It should be pointed out that the International Director's salary increment was effective January 6, 1975. The attached letter from the Board Chairman verifies this fact and Board approval. Salary and wage adjustment request was communicated to AID by OICI as early as November 4, 1974 and subsequently on January 2, 1975 and February 18, 1975. As a result of these communications, AID African Bureau did respond on April 25, 1975. However, the response merely elected to defer final decision on the matter. It is now requested that AID African Bureau approve retroactively the International Director's salary increment on the bases of previously cited Board Chairman's recognition of service. |

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ENTITLED "CONSOLIDATION OF COST INFORMATION"

| Line Item | | Personnel Costs Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | Reference Schedule B-1 Page 2 of 2 OICI Comments |
|---|---|---|---|---|---|---|---|
| | | Inter-T.O.Transfers | | | | | |
| 3.1. | (4) | Pension Costs | 943 | | | | Agree with reclassification. Pension costs booked in December 1973 and transferred from T.O.#5 |
| 3.1. | (4) | Pensions Costs | 881 | | | | Agree with reclassification. Pension costs booked in December 1973 and transferred from T.O.#6 |
| 3.2. | (4) | Insurance Prem. | 262 | | | | Agree with reclassification. Insurance premium booked in December 1973 and transferred from T.O.#6 |
| 3.3. | (3) | Director | 5924 | | | | Concur with reclassification, i.e, from T.O.#1 |
| 3.4. | (F) | Deputy Director | 10050 | | | | Disagree with reclassification. See comments on 1.1.6. of Schedule B-1, Page 1 of 2. i.e., from T.O.#1 |

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ENTITLED "CONSOLIDATION OF COST INFORMATION"

| Line Item | Allowances Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | Reference Schedule B-2 OICI Comments |
|---|---|---|---|---|---|---|
| 1.1.1. (2) | William Davis | 901 | 901 | | | See comments on 1.1.1., Schedule B-1, Page 1 of 2. |
| | Recommended Cost Disallowance | | | | Concurred Disallowance | |
| 2.1.1. (3) | Wesley Kirk | 1208 | | | 1208 | Error accepted; request reinstatement of cost as allowable due to lack of timely communication between AID Mission or AID Washington and OIC Central Office. OICI had no information prior to audit report that Mrs. Jones was working for AID after her marriage. Especially without receiving such information, OICI feels that the responsiblility is of a dual nature. i.e., AID Mission too, could have adjusted Mrs. Jones allowance. |
| 2.1.2. (3) | Wesley Kirk | 82 | | | 82 | See 2.1.1., Schedule B-2. |

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RESPONSE TO AUDIT REPORT NO. 76-301

ENTITLED "CONSOLIDATION OF COST INFORMATION"

| Line Item | Consultant Costs Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | Reference Schedule B-3 Page 1 OICI Comments |
|---|---|---|---|---|---|---|
| 1.1. | (1) Consultants Not Approved by AID | 17735 | 17735 | | | Per Basic Agreement Article VII, Section 5, OIC International did error in not submitting request approvals for all consultants. However, a majority of the costs, as associated with consultant fees were at nominal amounts, i.e., less than $100/day, which were paid for sundry services, namely, Cultural Awareness presentation, Curriculum Development Project and Miscellaneous. Other major costs ($5500 and $3000) were approved by USAID. Costs detail, per OICI Records are as follows: |

| Consultant | Amount | Service |
|---|---|---|
| N. Lipauma | $ 140 | Cultural Awareness |
| A. Sibetta | 140 | Cultural Awareness |
| A. Chappelle | 125 | Curriculum Development |
| S Lewis | 1,655 | Curriculum Development ($800/consultant,775/per diem) |
| Dr. L.D. Reddick | 50 | Cultural Awareness |
| B. Diallo | 50 | Language Translation |
| J. Besson | 25 | Cultural Awareness |
| K. Scholler | 50 | " " |
| D. McQuillian | 50 | " " |
| I. Wells | 225 | Legal Service |
| C. Wright | 25 | " " |
| T. Diallo | 240 | Language Translation |
| O. Craig | 75 | Cultural Awareness |
| H. Larsen | 50 | " " |
| Nat'l Gov't. and Congressional Relat'ns | 350 | Visa & Embassy Contact Service |
| Touche Ross & Co. | 5,500 | Preliminary MIS |
| Touche Ross & Co. | 3,000 | Audit cost from inception to 1972 |
| H. Sehah Selassi | 1,502.90 | Guest Speaker (Travel $1,302.9 plus per diem of $200) member of ECA (Economic Comm.of Afric |
| - | 3,923.10 | Pending receipt of Luckas Tucke |
| - | 559.04 | work sheet details, costs |
| | $17,735.04 | should be held in suspension |

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RESPONSE TO AUDIT REPORT NO. 76-301

ENTITLED "CONSOLIDATION OF COST INFORMATION"

| Line Item | Consultant Costs Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | Reference Schedule B-3 Page 1 OICI Comments |
|---|---|---|---|---|---|---|
| 1.1. (1) continued | Consultants Not Approved By AID continued | | | | | It is requested that AID provide OICI adequate reference as to nature of entry per last two items i.e., $3923.10 and $559.04. Pending receipt of Luckas Tucker work sheet details, it is requested that determination on allowability of these items be held in suspension. Since costs were made to enhance OICI's overall operations, retroactive approval is requested for all other items. |

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RESPONSE TO AUDIT REPORT NO. 76-301

ENTITLED "CONSOLIDATION OF COST INFORMATION"

| Line Item | Consultant Costs Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost |
|---|---|---|---|---|---|
| 1.1. continued | (1) Consultants Not Approved By AID | 7325 | 7325 | | |
| 1.2. | (1) Misc. Costs Not Approved | 500 | 500 | | |
| | (1) By AID | 2000 | 2000 | | |
| | Total | | $9825 | | |

(See Breakdown in Comment Column)

Reference
Continued:
Schedule B-3
Page 1

OICI Comments

74-75 Consultants approved by USAID.

| | |
|---|---|
| Touche Ross & Co. - '75 audit | $5000 |
| Touche Ross & Co., preliminary MIS | 500 |
| | $5500 |

Retroactive approval requested per same comments on Schedule B-2, page 1, item 1.1.

Consultant Fees:

| | | |
|---|---|---|
| John M. Beeson | $ 25 | |
| Clara Brock | 50 | |
| David Conrath | 200 | |
| Gloria Decker | 12.50 | |
| Nat'l Gov't & Congressional Relt'ns | 1000 | |
| Afiong Nkanta | 25 | |
| Hyginos Kofie Norgah | 12.50 | |
| Touche Ross | 2000 | $3325.00 |

Consultant Travel

| | | |
|---|---|---|
| David Conrath | 132.32 | |
| Touche Ross & Co. | 180 | 312.32 |

Consultant Per Diem

| | | |
|---|---|---|
| David Conrath | 62.50 | |
| J.D. Silvera | 105.00 | 167.50 |

| | | |
|---|---|---|
| Other: Uyi Sibetta See audit re: Travel & Trans. Schedule B-4, B-4 page 5/6 #2.91 | 520 | 520 |
| | | $4324.82 |
| Total per Audit | | $9824.82 |

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RESPONSE TO AUDIT REPORT NO. 76-301

ENTITLED "CONSOLIDATION OF COST INFORMATION"

Reference
Continued
Schedule B-3
Page 1

| Ins. Item | Consultant Costs<br>Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | OICI Comments |
|---|---|---|---|---|---|---|
| 1.3 (1) | Evaluation Sub-Contract Not Approved By AID | 4742 | 4742 | | | Cost is requested as reimbursable due to contract Amendment #2 which authorized "to obtain an evaluation of OIC activities in Philadelphia and at demonstrated Centers in Africa". Also, budget level was approved at firm level, $45,000, and subsequently, various amendments issued to change budget level through out project service up to budget period ending June 30, 1974, (re: Contract Amendments, #2, 6, 9, and 11). Note, that final total actual cost of evaluation service, which was performed exclusively by Community Science Service from inception to completion, was an amount of $51,258. This amount is below budget level, amount $76,258. |

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| Line Item | Travel and Transportation Costs: Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | Reference: Schedule B-4 Page 1 of 6 — OICI Comments |
|---|---|---|---|---|---|---|
| | No AID Approval Obtained: | | | | | |
| 1.1.1. (2) | Shipment of Foreign-Flag Vessel | 844 | 844 | | | OICI agrees that proper approval requests were not submitted for foreign made vehicle shipments. This inadvertant oversight primarily stems from the general logistical problems of arranging international shipments and of trying to expedite shipment for employee. Costs were however used within budgetary limitations and were not flagrantly abused. It is therefore requested that costs be retroactively approved as reimbursable. |
| 1.1.2. (3) | " " " | 973 | 973 | | | See comment on item 1.1.1., schedule B-4 (P1/6) |
| 1.1.3. (3) | " " " | 1098 | 1098 | | | " " " " " " " |
| 1.1.4. (3) | " " " | 809 | 809 | | | " " " " " " " |
| 1.1.5. (5) | " " " | 916 | 916 | | | " " " " " " " |
| 1.1.6. (5) | " " " | 388 | 388 | | | " " " " " " " |
| 1.1.7. (5) | " " " | 693 | 693 | | | " " " " " " " |
| 1.1.8. (6) | " " " | 564 | 564 | | | " " " " " " " |
| 1.1.9. (6) | " " " | 383 | 383 | | | " " " " " " " |
| 1.1.10 (2) | " " " | 505 | 505 | | | " " " " " " " |
| 1.1.11 (3) | " " " | 1058 | 1058 | | | " " " " " " " |
| 1.1.12 (3) | " " " | 718 | 718 | | | " " " " " " " |
| 1.1.13 (3) | " " " | 492 | 492 | | | " " " " " " " |
| 1.1.14 (3) | " " " | 495 | 495 | | | " " " " " " " |
| 1.1.15 (3) | " " " | 507 | 507 | | | " " " " " " " |
| 1.1.16 (5) | " " " | 783 | 783 | | | " " " " " " " |
| 1.1.17 (2) | Shipment of foreign-made vehicle | 2117 | 2117 | | | " " " " " " " |
| 1.1.18 (3) | " " " | 798 | 798 | | | " " " " " " " |
| 1.1.19 (3) | " " " | 1098 | 1098 | | | " " " " " " " |
| 1.1.20 (5) | " " " | 702 | 702 | | | " " " " " " " |
| 1.1.21 (5) | " " " | 379 | 379 | | | " " " " " " " |
| 1.1.22 (5) | " " " | 289 | 289 | | | " " " " " " " |
| 1.1.23 (5) | " " " | 709 | 709 | | | " " " " " " " |
| 1.1.24 (5) | " " " | 158 | 158 | | | " " " " " " " |

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| Item | Travel and Transportation Costs: Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | OICI Comments |
|---|---|---|---|---|---|---|
| 1.1.25.(2) | International Trip of Employee | 818 | 818 | | | Retroactive approval is requested for Mr. Jacobs' travel, i.e., Accra/Philadelphia/Accra trip costs which occurred primarily due to early home leave, home leave would have normally occurred in May 1974. However, Mr. Jacobs made a special request for early home leave. Due to inability to determine presently exact unused ticket cost, i.e., Phi/NY/Accra, it is requested that determination of allowability of this item be held in suspension (Re: ticket No. 026-4300-650-817/18) |
| 1.1.26.(2) | International Trip of Employee | 1462 | 1462 | | | Program Advisor of the time and Mr. Sparks have acknowledged receipt of cable whose true origin could not be determined subsequently. Mr. Sparks arrived in Rome on a Saturday and returned to Accra on Sunday immediately after learning of incorrectness of story from their telephone conversation (in Rome) with family in Philadelphia. It should be noted that Mr. Sparks had attempted, unsuccessfully, to communicate with Philadelphia prior to flying to Rome. It should also be emphasized that urgent communication in particular between Accra and the States has rarely been opportune. Mr. Sparks did inform, prior to departure, both AID Mission project officer and OIC International office about his need to travel. However, time was simply too short for the Sparks to await approval from either end. Error is acknowledged. However, it is requested that case be viewed relative to the circumstances and that cost be considered reimbursable and retroactively re-instated. |
| 1.1.27.(2) | International Trip of Employee | 958 | | 958 | | The justification for assigning the traveler can be ascertained from the attached field report which was submitted to OICI central office upon his return. Failure to seek prior travel authorization was in error. In view of the entire OICI program related official nature of assignment, it is requested and reclassified to travel and transportation line item of Task Order 5. |

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|---|---|---|---|---|---|---|
| 1.1.28.(2) | Intern'l Trip | 735 | 735 | | | Basis was for the closeout of T.O.#5. Contracts was alerted (in writing) of the need for Mr. Jacob's services. |
| 1.1.29.(2) | Intern'l Trip | 1287 | 1287 | | | Same as 1.1.28. |
| 1.1.30.(3) | Intern'l Trip | 643 | 643 | | | USAID authorized travel to post of assignment. Reference letter dated 11/2/73. |
| 1.1.31.(3) | Intern'l Trip | 1951 | 1951 | | | Request for shipment was made to AID, but no response. However for travel for Mr. Jackson was authorized. (See 1.1.30) |
| 1.1.32 (3) | Intern'l Trip | 918 | 918 | | | Same as 1.1.31. |
| 1.1.33.(3) | Intern'l Trip Of Employee | 2205 | 2205 | | | Failure to secure prior travel authorization is in error. However, the circumstances and difficulties that led to the unauthorized travel have been delineated by Mr. Diallo to Mr. Caticchio in a subsequent communication dated May 3, 1974. However, OICI received no response to the letter of reconsideration. It is here again requested that retroactive approval be granted based on the contents of the above cited letter. |

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|---|---|---|---|---|---|---|
| 1.1.35.(2) | Post Assignment Air Fare | 1229 | 1229 | | | See 1.1.1., Schedule B-1, Page 1 of 2 |
| 1.1.36 (2) | Household Effects | 277 | 277 | | | See 1.1.1., Schedule B-1, Page 1 of 2 |
| 1.1.37.(2) | Household Effects | 1041 | 1041 | | | See 1.1.1., Schedule B-1, Page 1 of 2 |
| 1.1.38.(2) | Household Effects | 393 | 393 | | | See 1.1.1., Schedule B-1, Page 1 of 2 |
| 1.1.39.(3) | Household Effects | 934 | 934 | | | Audit explanation in error. Trip is Nigeria to Baltimore, not vice-versa. As confirmed by auditor, a request for approval was sent by OICI but no response was received from AID |
| 1.1.40.(2) | Excess Baggage | 230 | 230 | | | See 1.1.1., Schedule B-1, Page 1 of 2 |
| 1.1.41.(1) | Consultants | 300 | | 300 | | Dr. Gardiner, Secretary General UN/Economic Commission for Africa, acted as consultant to OICI. Dr. Gardiner's demonstrated good will toward the United States and his African and International economic and manpower expertise proved valuable to OICI. Thus, these costs should be reinstated as reimbursable. It should be noted that these costs represent just travel and lodging costs. No consultant fee was paid. |
| 1.1.42.(1) | Consultants | 1097 | | 1097 | | In addition to comments on 1.1.41., it should be noted that the OICI Convocation was a gathering of particularly responsible personnel and distinguished guests. Of special significance to OICI current and future programs was the participation of such personages whose past assistance and guidance merited recognition. |
| 1.1.43.(1) | Consultants | 1041 | | 1041 | | See comment 1.1.41. and 1.1.42. on Schedule B-4, Page 2 of 6 |
| 1.1.44.(1) | Resettlement Costs | 329 | 329 | | | If salary considered approved per OICI personnel policy, then associated expenses deserve same consideration. See 1.1.6., Schedule B-1, Page 1 of 2. |

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| Line Item | Travel and Transportation Costs: Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | OICI Comments |
|---|---|---|---|---|---|---|
| 1.2.1. (1) | No Purpose Mentioned | 59 | | | 59 | Auditors findings are considered correct due to insufficient recording, but we recognize that the inadvertant omission of the purpose of the trip on the expense report and the travel authorization to be an oversight. |
| 1.2.2. (1) | No Purpose Mentioned | 25 | | | 25 | Same comment as 1.2.1., Schedule B-4, (P2/6) |
| 1.2.3. (F) | No Purpose Mentioned | 56 | 56 | | | Supporting document attached. Essentially it is travel to USAID meeting in Washington. (Expense report 3/25/75 att'd) |
| 1.3.1. (1) | No. of Days Authorized Exceeded | 144 | | 144 | | Additional time required for the trip purpose, i.e., 2 days travel time required each way. |
| 1.3.2. (1) | No. of days Authorized Exceeded | 144 | | 144 | | See comment on 1.3.1., Schedule B-4, (P2/6) |

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| Line Item | Travel and Transportation Costs Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | OICI Comments |
|---|---|---|---|---|---|---|
| 1.4. | (F)No Supporting Documentation | 51 | 51 | | | Supporting document attached. See expense report, Stanley Jones dated March 27, 1976. is attached. |
| 1.5. | (F)Feasibility Team Int'l Travel Costs-Not Authorized | 36168 | | | | See supporting two documents USAID. attention Mrs. Bullock and Mr. Caticchio, dated August 4, 1975 and December 1, 1975 respectively. These letters request consultant approval and indicate that the rendering of the consultant service entails international travel per feasibility contract. See AID/afr C1110. |

| | Recommended Cost Disallowances | Total | Total | Concurred Disallowance | |
|---|---|---|---|---|---|
| 2.1.1. | (1)Per Diem-No Overnight Stay | 1000 | 1000 | | All these stated costs were paid in error. However, it was not until August 1975 that OICI was formally made aware of and received the written USAID Travel and Transportation Per Diem Guideline which explained the per diem rate and procedure. Previous to this, OICI was paying a flat per diem rate, $25.00 when staff engaged in travel outside of Philadelphia area and it entailed eight (8) hours or more of a wor. day. The daily rate, $25.00 was established by OICI only as a result of receiving verbal input from other government sponsored organizations, since OICI received no travel guidelines from USAID. Also note, previous USAID audit, 1972, did not question same kinds of costs. Hence OICI assumed there was no mistake in its approach at the time. But since this audit indicated error in approach, we have subsequently developed guidelines on the subject of per diem in conformity with those of USAID. It is therefore requested that these costs be reinstated |
| to | " " | | | | |
| 2.1.55. | (F) " " | 26 | 26 | | |
| | | 1026 | 1026 | | |

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| Line Item | Recommended Cost Disallowances | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Disallowance | OICI Comments |
|---|---|---|---|---|---|---|
| 2.2.1. (1) | Differences- Per Diem | 786 | | 786 | | See comment on 2.1.1. to 2.1.55. on Schedule B-4, Page 4/6 |
| to | | | | | | |
| (5) | " " | 15 | | 15 | | |
| 2.2.17. (F) | " " | 90 | | 90 | | |
| | | 891 | | 891 | | |
| 2.3.1. (1) | Expenses of Director Related to Side Trips | 3982 | 3982 | | | All the designated costs are requested for retroactive approvals. Again, it is recognized that proper travel authorization, for those countries may not have been previously requested. However, it was the International Director's understanding per "Guidelines for Aid Support et al" January 1972, that it is "the Central staff's responsibility for: 1. identifying the needs and readiness of African Countries for OIC Organizations, 2. making Feasibility studie 3. establishing pilot projects for promoting OIC concepts and OIC type of non-formal training programs, and 4. setting up and administering approved operational field programs. All such costs were incurred in performing such stated and agreed responsibilities. It is on the same fundamental basis that the International Director engaged in preliminary survey of potential interest groups in the cited countries which were all in Africa. It should be noted that that task would have necessitated another independent trip (and hence a much higher cost) all th way from the U.S. to Africa. Certainly in this sense the co of his alleged side trips should be viewed as a savings to contracts rather than a disallowance. Whether the auditors were aware or not of the above guideline is not known; what is certain is that in the light of the above referred mutually binding guideline, the International Director did not in principle engage in side trips. The trips merely lac ed travel authorization. OICI feels that concurrence with the above facts warrants retroactive approval. |
| to | | | | | | |
| 2.3.17. (3) | " " | 164 | 164 | | | |
| | | 4146 | 4146 | | | |

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|---|---|---|---|---|---|---|
| 2.4. | (1) Shipment of Personal Effects by Director | 401 | 401 | | | Serving as acting Program Advisor in Nigeria the subject would be entitled to normal unaccompanied air-shipment allowance of 100lbs under OICI's previous personnel policy. However, the weight of the shipment was only 48lbs. See attached. It is requested that the cost be retroactively approved and be re-classified to Task Order #3, travel and transportation line item. |
| 2.5.1. to 2.5.5. | (1) Expenses for Fund Raising | Total 256 | Total 256 | | | As per January 1972 AID "Guidelines for AID Support in Establishing an OICI Central Office and current activities in Africa under basic agreement No. AID/AFR-653,"Page 4, para. 1, which state the AID objectives in supporting OICI activities as (1) "Development of initiative, self reliance and cooperation in the private and business sectors to encourage private involvement in national development." |
| 2.6.1. to 2.6.2. | (1) Difference Between 1st Class & Economy Fares | Total 61 | | Total 61 | | Error accepted be reinstated. Difficult to explain possible extenuating scheduling problems especially for Board Chairman. |
| 2.7.1. to 2.7.3. | (1) Unauthorized Invitational Travel From Zambia | Total 1880 | Total 1880 | | | Mr. Sibetta was invited by the former OICI Director as a participant/consultant for OICI Program initiation in Zambia. Mr. Sibetta served as carrier of OIC ideals and concepts to the local country. Subsequent result is the formation of the local interest group and the undertaking of OICI's Zambia Project. Currently, Mr. Sibetta is a member of the Zambia OIC Board. It is requested that costs associated with this invitation be retroactively approved. |

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| Line Item | Recommended Cost Disallowances | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Disallowance | OICI Comments |
|---|---|---|---|---|---|---|
| 2.8.1. (5) | Duplicate Payment | 70 | | | 70 | Duplicate payment to J. Eddleton is confirmed per auditor's findings; the full amount will be refunded. |
| 2.8.2. (6) | Duplicate Payment | 1489 | | | 1489 | The amount shown re: audit is incorrect. Correct duplicate payment is $1296.70 (voucher F-0262) which was refunded to OICI on 11/25/75 and in turn returned to contracts through November 1975 vouchered business. |

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| Line Item | Travel and Transportation Costs: Recommended Cost Disallowance | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Disallowance | OICI Comments |
|---|---|---|---|---|---|---|
| 2.9.1. (5) | Traffice Violation | 14 | | | 14 | Concurred Disallowance |
| 2.9.2. (6) | Traffic Violation | 5 | | | 5 | Concurred Disallowance |
| 2.10.1. (1) | Latin American Costs | 39 | 39 | | | Deputy Director was engaged in meetings and discussions with USAID Mission desks, in Washington, because of expressed interest of Brazil, Jamaica and Haiti citizens. These costs were only railroad fare and half day per diem costs normally allowable. |

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| Line Item | Travel and Transportation Costs<br>Recommended Cost Disallowance | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Disallowance | OICI Comments |
|---|---|---|---|---|---|---|
| 2.10.2.(1) | Latin American Costs | 42 | 42 | | | Same comment as 2.10.1., Schedule B-4, Page 6 of 6. |
| 2.11. (1) | Unsupported Expenditures | 61 | | 61 | | We concur that no train fare receipts for Reverends Sullivan and Roman were provided with expense report. (See document attached) The questioned cost consists of two round-trip train fares at $26 each, plus taxicab cost of $8.75 (receipt attached). Due to the oversight of Board members to furnish receipts the International Director has certified that the expenses did occur. Thus, these costs should be considered reimbursed. |
| 2.12. (5) | Air Ticket Refund | 1048 | | | 1048 | Amount has subsequently been adjusted as a credit to travel expense in February 1976 voucher #35. |
| 2.13.1.(2) | Others | 54 | 54 | | | Auditors erred in questioning cost. Document attached indicates that excess baggage i.e., 44lbs. or 20 kilos was for employee and spouse at 22lbs. each which was the legitimate applicable cost. Hence, cost should be considered approved. |
| 2.13.2.(5) | Others | 50 | 13 | | 37 | It is agreed that overpayment was made but only at an amount of $37.50. Employee and spouse were on per diem status for debriefing return from duty from 4/6/75 at 11.00am to 4/9/75 at 1.30pm. i.e., 3 1/4 days on the quarterly per diem system. Thus 3 1/4 X 25 X 2 = $162.50. This amount i.e., $162.50 + $37.50 = $200.00 which was amount paid. See attached document. |
| 3.0. to 4.0. | | | | | | Inter-Task Order Transfers and Reclassification between cost category will be made per audit schedule. |

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| Line Item | Participant Training Costs Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | OICI Comments |
|---|---|---|---|---|---|---|
| 1.1.1. to 1.1.25. | (2) No AID Approval | 6500 | 6500 | | | Retroactive approval is requested for costs associated with the travel and per diem of Mr. Odoi who was the newly elected Chairman of OIC Ghana. Mr. Odoi was invited to Philadelphia to meet with other OICI Board members and to attend the Convocation so as to gain exposure to OIC of America nation-wide leaderships, and their operations. In addition to this all other participant costs are requested to be retroactively approved per letter request to Mr. Caticchio on 3/10/75. |
| | (3) Same as above | 3973 | 3973 | | | |
| | | 10473 | 10473 | | | |

| | Recommended Cost Disallowance | | Concurred Disallowance | |
|---|---|---|---|---|
| 2.1.1. to 2.1.7. | (2) Non-Supported Payments to the Private Fund | 1500 | | Reference is made to OICI's explanation for this training cost per 1972 audit response, page 4, item 4. Contract office has sustained the disallowance for 1972 and OICI has appealed the sustainance. It is regretted that OICI did not act promptly enough to obtain final ruling in accordance with Appelate Guidelines. However, OICI adheres to the same arguments submitted per 1972 response with the following additional observations<br>(a) During the initial phase of OICI's Contract negotiations it was mutually agreed between USAID's contract office personnel and OICI that some training cost would be reimbursed to OICI.<br>(b) Based on this understanding and acting in good faith, OICI subsequently charged contract for a rather reasonable cost factor, $300 per each local participant and U.S. staff member engaged in orientation training and credited, as a grant, USAID, training income to OICI's Private Books of Record.<br>(c) Reasonableness, as to minimal cost factor, $300, was demonstrated by the attached letter copy of Opportunities Academy of Management Training Inc., - which denoted training cost, $644 per trainee at the time. |
| | (3) " " | 1500 | | |
| | (5) " " | 900 | | |
| | (6) " " | 900 | | |
| | | 4800* | | |

* Cost held in suspension, pending determination by the Armed Services Board of Contract appeals.

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| Line Item | Participant Training Costs<br>Recommended Cost Disallowance | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Disallowance | OICI Comments |
|---|---|---|---|---|---|---|
| | | | | | | (d) Pending determination of the allowability of these costs by the Armed Services Board of Contracts Appeals, it is requested that decision on these costs be held in suspension. |
| 2.2.1.(2) | Differences Between Authorized and Paid Per Diem | 375 | 225 | | 150 | See comment on 1.1.1., Schedule B-5, Page 1 of 2. It is concurred that part of the $375, i.e., $150 is disallowed. The balance, $225 should be considered retroactively approved since it is based on a maximum per diem rate of $40 X 15 days i.e., $600. The maximum per diem rate was used due to the recipient's position as Board member. |
| 2.2.2.(3) | Differences Between Authorized and Paid Per Diem | 350 | 210 | | 140 | See comment on 1.1.1. Schedule B-5, Page 1 of 2. The concurred disallowance in this instance is $140, i.e., 14 X ($50 - $40). The balance, $210, should be considered retroactively approved. Same explanation is applicable as in comment on 2.2.1. |
| 2.2.3(5) | Difference Between Authorized and Paid Per Diem | 190 | 190 | | | The maximum per diem rate ($40) is applicable to both recipiants since they are both Board members. OICI has erred in applying a per diem rate of only $35. The $25 per diem rate considered allowable by the auditors is incorrect. It is therefore requested that retroactive approval be granted for total amounts paid i.e., $190 + $60 = $250. |
| 2.2.4(6) | Differences Between Authorized and Paid Per Diem | 60 | 60 | | | See comment on 2.2.3. Schedule B-5, Page 2 of 2. |
| 2.3.1(2) | Duplicate Payments | 75 | | | 75 | Duplicate payment to Messrs. Opaie and Kwabi, local staff is confirmed per audit finding. The full amount will be refunded by check. |
| 2.3.2(2) | Duplicate Payment | 75 | | | 75 | Same as 2.3.1. |
| 3.0. | Inter-Task Order Transfers | | | | | Inter-Task Order Transfers and Reclassification between cost categories is concurred. |
| 4.0. | Reclassification Between Cost Categories | | | | | Same as 3.0., Schedule B-5, Page 2 of 2. |

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| Line Item | Other Costs Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | OICI Comments |
|---|---|---|---|---|---|---|
| 1.1.1.(3) | No AID Approval | 4183 | 4183 | | | There is no basis as to why the procurement of these items needed AID approval. The cost of each item purchased is less than $2500. Above $2500 on any individual item is understood to be the cut-off point for seeking AID authorization. It is therefore requested that the cost of these items be considered retroactively approved. The attached voucher is an example of the purchased items. It is OICI's interpretation of AID regulation Title 41, para. 7-65205 that the $2500 upper limit applies to individual items purchased rather than the total dollar amount of various items appearing on a purchase order and/or invoice regardless of one or more vendors. |
| 1.1.2.(3) | " " " | 665 | 665 | | | |
| 1.1.3.(3) | " " " | 3221 | 3221 | | | |
| 1.1.4.(3) | " " " | 1800 | 1800 | | | |
| 1.2.1.(1) to 1.2.5. | Printing of Books | 4735 | 4735 | | | The book "Alternatives to Despair", is in no way unrelated to OIC's concepts, philosophy and program objectives. All local participants abroad and TCT U.S. staff preparing for OICI assignment abroad should be familiar with this relevent and valuable book. The book does add to a realistic understanding of what OIC is all about. The booklet "Towards A Greater Peoplehood" also depicts OICI's historic overview, training activity, resources, corporate structure and field objectives. This booklet further assists OICI in fulfulling USAID Guideline and evaluative benchmarks, namely "establishing pilot projects for promoting OIC concepts and OIC type of non-formal training programs and securing support from other sources than AID". However, it is agreed that since the purchase cost of "Toward A Greater Peoplehood" booklet was in excess of the $2500 limit per item OICI should have requested AID approval prior to transaction. The cost pertaining to the purchase of "Build Brother Build" text was allowed per 1972 USAID cost resolution. For the reasons stated above and for the same reason underlying the 1972 USAID allowed cost resolution, it is requested that the costs associated with items be considered reimbursable and retroactively approved. |

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| Line Item | Other Costs Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | OICI Comments |
|---|---|---|---|---|---|---|
| 1.3.1. (1) | Telephone Costs | 5416 | 5416 | | | Auditor's comment which state that "OICI does not maintain a telephone log whereby the purpose of calls could be determined", is correct. However, please note that it was not until late during year 1974, whereby OIC International was advised by Contract Office to maintain log. Currently, each manager's secretary is maintaining log for long distance calls. This log is compared with telephone bill on monthly bases and notation made on billing copies as to which department long distant call was originated. The secretary's log identifies caller, person called and location. Therefore, considering this cost was incurred prior to advice of Contractor's requirement, it is requested that cost be considered reimbursable and retroactively approved. |
| 1.3.2. (1) | Telephone Calls | 279 | 279 | | | Same comment as 1.3.1., Schedule B-6, Page 1 of 6. |
| 1.4.1. (1) | Production of Film | 3472 | 3472 | | | OICI agrees that proper authorization approval was not submitted prior to expenditure. It is therefore requested that retroactive approval be granted for this cost due to following:<br>(a) Film demonstrated OICI's development and foreign program's activities.<br>(b) Film is used as training reference for all U.S. staff and local staff during orientation sessions, also, as information reference for all international visitors and USAID's Student/Training international orientation. |

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| Line Item | Other Costs Questioned Cost | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Questioned Cost | OICI Comments |
|---|---|---|---|---|---|---|
| 1.5.1. (1) | Magazine Advertisement | 375 | 375 | | | Copy of ad is attached herewith. It is requested that it be considered reimbursable and retroactively approved Purpose of this ad was for recruitment |

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|---|---|---|---|---|---|---|
| 2.1.1. to 2.1.21. | (2) Medical Expenses Covered by Insurance Examination | 89 | 89 | | | Retroactive approval requested. Individual employees were incurring periodic health problems. For treatment costs normally covered by Blue Cross/Blue Shield was individual responsibility to submit claim as per our internal directive. However, medical examination was not covered by insurance and was normally provided free of charge by the U.S. Embassy through its regional medical examination service. This service was not available in some instances. |
| | (3) Same as above | 6644 | 6644 | | | |
| | | 6733 | 6733 | | | |

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| Item | Recommended Cost Disallowance | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Disallowance | OICI Comments |
|---|---|---|---|---|---|---|
| [illegible] | (2)Entertainment Lunch | 261 | | 261 | | Concur that there was no budgetary provision. However, cost incurred was necessary in order to meet the objectives of the PROP as to the formation of the Industrial Advisory Council. |
| [illegible] | (2)Buffet Lunch | 237 | | 237 | | See comment on item 2.2.1., Schedule B-6, Page 2 of 6. |
| [illegible] | (2)Bar Bills | 90 | 90 | | | Expenditure is a legitimate budgetary line item. Identification of persons (to whom hospitality was extended) was subsequently revealed to auditors. It is therefore requested that this cost be retroactively approved. |
| 2.2.4. | (2)Dinner and Drinks | 155 | 155 | | | Expenditure is justified since there was a provision in the budget for general expenditure falling under hospitality up to $600. |
| 2.2.5. | (2)Reception | 309 | 309 | | | Same as comment on 2.2.4., Schedule B-6, Page 2 |
| [illegible] | (2)Lunch/ Reception | 63 | 63 | | | No justifiable distinction is apparent between costs accepted and costs disallowed. Both are part of the expenditure for one and the same item. The item falls under general hospitality budgetary provision. |
| [illegible] | (2)Lunch/ Reception | 186 | 186 | | | Same as comment on 2.2.6., Schedule B-6, Page 2. |

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|---|---|---|---|---|---|---|---|
| 2.2.8. | (3) | Liquor | 153 | 153 | | | Such costs as relating to entertainment are primarily incurred on the occasion of the visit of OICI Board Chairman to respective programs. It should also be noted that cost of this nature is nominal and is budgetarily characterized as Hospitality within other direct cost line item. The level of such expenditure was restricted to a maximum of $600 a year. It is therefore requested that cost be considered reimbursable and retroactively approved. |
| 2.2.9. | (3) | Entertainment | 156 | 156 | | | See comment on 2.2.8., Schedule B-6, Page 3 of 6. |
| 2.2.10. | (3) | Entertainment | 311 | 311 | | | See comment on 2.2.8., Schedule B-6, Page 3 of 6. |
| 2.2.11. | (3) | Photo Album | 139 | 139 | | | These costs fall under the budgetary category of printing and reproduction within other direct cost line item. The specific nature of these costs had to do with the photo printing and assembling of program activity pictures which were used for display at local program office. It is therefore requested that cost be considered reimbursable and retroactively approved. |
| 2.2.12. | (3) | Photo Album | 25 | 25 | | | Same comment as 2.2.11., Schedule B-6, Page 3 of 6. |
| 2.2.13. | (3) | Entertainment | 59 | 59 | | | Same comment as 2.2.8., Schedule B-6, Page 3 of 6. |
| 2.2.14. | (3) | Entertainment | 45 | 45 | | | Same comment as 2.2.8., Schedule B-6, Page 3 of 6. |
| 2.2.15. | (3) | Business Cards | 157 | 157 | | | The 1971-72 audit has allowed printing cost associated with business cards. Therefore these costs should be considered reimbursable and retroactively approved. |
| 2.2.16. | (F) | Gary Robinson | 93 | 93 | | | These expenses were incurred during a feasibility tour as a token of goodwill toward the respective local program development. Here again, the cost was nominal and falls within miscellaneous other direct cost budgetary line item. Therefore, it is requested that cost be considered reimbursable and retroactively approved. |
| 2.2.17. | (F) | H. Boyer | 48 | 48 | | | Same comment as 2.2.16., Schedule B-6, Page 3 of 6. |

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|---|---|---|---|---|---|---|
| 2.3.1.(1) | Unsupported Expenditures Memo From Director | 250 | 250 | | | The additional support, as pertaining to these costs, is provided by subsequent explanation and attachment letter which refers to each cost reference. Essentially, the costs purpose was for the Sixth OIC of America Key Dinner. This is an annual affair whereby prominent businessmen are given recognition awards. Also, the affair assembles all prominent business representatives, OIC of America select personnel and U.S. Community action group representatives. OICI sends select staff in order to gain possible insight as to U.S.A's OIC domestic achievements and to engage in general dialogue among prominent U.S. business representatives who have assisted in developing the OIC's program. Considering that costs purpose was to engender additional awareness and insight to possible new operating approaches, the cost is requested to be considered reimbursable and retroactively approved. Actual expenditure can be verified from attached director's memo and used check. |
| 2.3.2.(1) | Memo From Director | 100 | 100 | | | Same comment as 2.3.1., Schedule B-6, Page 3 of 6. |
| 2.3.3.(2) | Household Items | 406 | 406 | | | It is agreed that not all vendors invoices were attached to voucher at the time of audit. However, cancelled paid check has been retrieved subsequently and is attached to verify total cost incurred. It is therfore requested that costs be considered reimbursable and retroactively approved. |
| 2.3.4.(2) | Telephone Calls | 18 | 18 | | | This telephone call was made to OICI Central Office in reference to program shipment. |
| 2.3.5.(2) | Immigration Fee | 27 | 27 | | | Cost verification could have been determined from passport since immigration fee, visa and residence fee are all indicated on slip stamped in individual passports. It is requested that the costs be retroactively approved. Auditor did not check the passport. |

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|---|---|---|---|---|---|---|
| 2.3.6. (2) | Visa | 21 | 21 | | | Same comment as 2.3.5., Schedlue B-6, Page 3 of 6 |
| 2.3.7. (2) | Program Commodities | 38 | 38 | | | Items were purchased on the local open market. Vendors would not give any receipts. However, auditors have been shown receiving records verifying items purchased. For items 2.3.11. (household repairs) repairman (who neither wrote or read English) did not give any receipt. However, he had signed on receipt voucher acknowledging receipt of payment. Taking into consideration local market conditions the difficulty of securing fully recorded normal receipts should be understood and hence the inability to satisfy normal audit requirements. It is requested that retroactive approval be granted. |
| 2.3.8. (2) | Office Supplies | 214 | 214 | | | Missing invoice/receipt attached in the amount of 245.52 cedis, or $213.60. |
| 2.3.9. (2) | Draftman Material | 46 | 46 | | | Same as comment on 2.3.7., Schedule B-4 Page 6 of 6. |
| 2.3.10.(2) | Miscellaneous | 38 | 38 | | | " " " " " " " " " |
| 2.3.11.(2) | Household Repairs | 50 | 50 | | | " " " " " " " " " |
| 2.3.12.(2) | Household Furniture | 19 | 19 | | | " " " " " " " " " |
| 2.3.13.(2) | Telephone Calls | 26 | 26 | | | Purpose of telephone call was in reference to TCT-Phase out and Program conclusion as well as Fy 1976 budget. |
| 2.3.14.(2) | Program Commodities | 161 | 161 | | | Same as comment on 2.3.7., Schedule B-4, Page 6 of 6. |

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| Line Item | Recommended Cost Disallowance | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Disallowance | OICI Comments |
|---|---|---|---|---|---|---|
| 2.3.15. (3) | Vehicle Repair Advance | 328 | | | 328 | It is acknowledged that this cost was a cash transaction and should have been supported by receipt more so than cost incurred by check which can be verified from the cancelled paid check. In the absence of neither receipt nor used check, nor identifiable signature on voucher it is concurred that this cost should be disallowed. |
| 2.3.16. (3) | Office Curtain Advance | 156 | 156 | | | It is agreed that as back-up to voucher receipt should have been attached. However, since auditors had access to voucher on which the check No. 363307 dated May 30, 1974 was indicated, auditors could have examined same to verify cost incurred. It is therfore requested that cost be considered reimbursable and retroactively reinstated. |
| 2.4.1. (3) to 2.4.11. | Day Guard Service | Total 3573 | Total 3573 | | | Fy'74 and all other budget proposals and approval, budget for OIC Nigeria contained a provision for security expense in the allowance line item. It was understood that with the approval of such budgets, such costs as related to security (as long as costs remained within the approved budgetary limit) were considered reimbursable. It is therefore requested that these costs be retroactively approved. |

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| Line Item | Recommended Cost Disallowance | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Disallowance | OICI Comments |
|---|---|---|---|---|---|---|
| 2.5.1. (2) | Invitations | 33 | 33 | | | There is a budgetary provision for printing and resource materials. It is requested that retroactive approval be granted. |
| 2.5.2. (2) | Telephone Bills | 292 | 292 | | | Although the use of telephone was jointly shared by TCT and local staff, telephone cost was invariable assumed by local except in this instance. Local assumed cost in spite of the absence of any memorandum of agreement obliging it to bear this cost. Moreover, since the TCT budget provides for a "communication" budgetary line item, it is justifiable that OICI should assume this cost. Retroactive approval is therefore requested. |
| 2.5.3. (2) | Visas | 13 | 13 | | | This cost is associated with Ghana TCT staff member who was assigned as consultant under feasibility contract No. Afr.-C-1110 effective 12/31/74. Part of contract encompassed feasibility study in Sierra Leone and Ivory Coast. Also, due to Mr. Bunyon's presence in Ghana, visa was attained Ghana as a matter of convenience. Retroactive approval is requested for this reclassifiable cost to feasibility, i.e., other direct cost line item. |
| 2.5.4. (2) | French Lesson | 9 | | | 9 | Concurred disallowance. |
| 2.5.5. (3) | Advertisement | 417 | | | 417 | Concurred Disallowance |
| 2.6.1. (1) | Parking Violation | 15 | | | 15 | Concurred Disallowance |
| to (5) | Same as above | 162 | | | 162 | |
| 2.6.4. | | 177 | | | 177 | |

Other Costs

| Line Item | Recommended Cost Disallowance | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Disallowance | Reference Schedule B-6 Page 4 of 6 OICI Comments |
|---|---|---|---|---|---|---|
| 2.8.1. (2) | Lump Sum Payments - Employee Not Discharged | 625 | 625 | | | Retroactive approval is requested for the following reasons.<br>1. AID Auditor general has accepted OIC/Ghana personnel policy including its settlement provisions for accrued vacation. The Executive Director was requested by the Local Board to waive the use of his accrued vacation in order to carry out his unique and important responsibilities. Hence, it should be understood that he waived the use of his vacation involuntarily in compliance with the Board's instruction and in the interest of ensuring the implementation of program goals as stipulated in the PROP.<br>2. OICI supported through its grant fund the salary of the executive director throughout the period of vacation accrual. At the termination and transfer of the director's payroll to the local, OICI cannot transfer the accrued vacation obligation.<br>3. This case should be viewed in its particular light since both the assignment and the responsibilities thrust on the executive director are of an exceptional nature. Such cases we believe are not necessarily contrary even to AID policy since examples cannot be lacking totally. |
| 2.8.2. (2) | Lump Sum Payments - Employee not Discharged | 559 | 559 | | | See comment on item 2.8.1., Schedule B-6, Page 4 of 6. |

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| Line Item | Other Costs: Recommended Cost Disallowance | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Disallowance | Reference: Schedule B-6, Page 4 of 6, Page 5 of 6 — OICI Comments |
|---|---|---|---|---|---|---|
| 2.7.1. (3) to 2.7.4. | Repairs to Personal Vehicles | 2084 | 2084 | | | It is acknowledged that OICI have advised TCT. It should be noted that the indicated repair costs of personal vehicles resulted from damage during shipment. It is agreed that OICI should have advised TCT personnel to carry their own car shipment insurance. While it was conceded that such failure should never be permitted to recur, this repair cost as incurred should possibly be considered as retroactive approval of vehicle shipment insurance. |
| 2.9.1. (1) | Registration and Hotel | 611 | 611 | | | It should be noted that OICI did not derive any income from registration. Registration income was directly collected by local. It is therefore requested that the indicated conference expense be considered reimbursable and retroactively approved. |
| 2.9.2. (1) | Registration and Hotel | 387 | 387 | | | See comment on 2.9.1., Schedule B-6, Page 5 of 6. |
| 2.10.1.(1) | Telephone Calls to Non-AID Programs | 343 | 343 | | | Even though prior audit disallowed this type of cost, it should be noted that as a result of telephone calls made by OICI during the audited period, the growth of interest groups as well as current and future programs demonstrate the need and justification for incurring such cost. Again, this action was in compliance with AID's guideline "to identify needs and readiness of ..... countries for OIC Organizations". It is therefore requested that these costs be considered reimbursable and retroactively approved. |

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|---|---|---|---|---|---|---|
| 2.10.2. (1) | Telephone Calls to Non-AID Programs | 365 | 365 | | | Same as item 2.10.1., Schedule B-6, Page 5 of 6. |
| 2.11. (1) | Book-New Church For a New Day | 40 | | | 40 | Concurred Disallowance |
| 2.12. (1) | Newspaper Space For Non-AID Activities | 70 | | | 70 | Concurred Disallowance |

| Line Item | Other Costs<br>Recommended Cost Disallowance | Amount | Request Retroactive Approval | Error Accepted, Reinstate | Concurred Disallowance | Reference<br>Schedule B-6<br>Page 5 of 6<br>Page 6 of 6<br>OICI Comments |
|---|---|---|---|---|---|---|
| 2.13 (1) | Unauthorized Zambia Costs | 25 | 25 | | | See comment on travel and transportation line No. 2.7.1. to 2.7.3. It is requested that cost be considered reimbursable and retroactively approved. |
| 2.16.(3) | Excessive Salary Claim | 493* | | | | |
| 2.17.(3) | Rent on Sub-Leased House | 2166 | | | 2166 | The house was subleased furnished:<br>1. OICI Nigeria had four furnished houses. Rental fee for storage was too high. Moreover, the storage company would not even accept furniture for storage at that time. Due to port congestion, the company needed the space for other storage. In any case it was cheaper to leave the furniture in the house rather than in storage. As a final disposition, the furniture along with other TCT holdings is now turned over to the local OIC Program, with the knowledge and consent of AID Mission. Finally, it should be pointed out that the sublease has paid OICI/Nigeria N1,425, i.e., $2,166.00. The funds have been deposited in OICI/Nigeria TCT Operational account. It is therefore concurred that the amount in question is reimbursable to contracts. |

* It is requested that detailed input be provided and meantime be held in suspension.

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|---|---|---|---|---|---|---|
| 2.18.(1) | Private Fund Related Cost | 100 | | | 100 | It is agreed that Ms. Cornelius was not an OICI Central Office employee at that time and therefore expenditure associated with her should not have been charged to Contract. Disallowance is concurred. |
| 2.19.(1) | Per Diem - No Overnight Stay | 13 | | 13 | | See comment item 2.1.1. thru 2.1.55., Schedule B-4, Page 4 of 5 |
| 2.20.(1) | Difference in 1st Class and Economy | 18 | | 18 | | Same comment on 2.1.1. thru 2.1.55., Schedule B-4, Page 4 of 5 |
| 2.21.1. (3) | Personal Cable | 9 | | | 9 | Concurred Disallowance |
| 2.21.2. (3) | Postage, Cables | 53 | 46 | | 7 | Local market does not provide receipt for postage stamps. The postage replenishment sheet indicates the denomination of stamps purchased, the quantity and the cost. We are attaching a copy of this sheet for verification. It is agreed that the difference between 34.05 naira and 30 naira is a disallowance i.e., 4.05 naira which is approximately U.S. $6.64. It is requested that the $46.48 be considered reimbursable and retroactively approved. |
| 2.21.3. (3) | Sick Leave Pay | 168 | | | 168 | It is concurred that item is a disallowance. |
| 2.21.4. (3) | Personal Cable | 13 | | | 13 | It is concurred that item is a disallowance. |
| 2.21.5. (3) | Personal Cable | 107 | 53 | | 54 | It is concurred that $53.76 should be disallowed. (See attached voucher No. 247). It is therefore requested that the balance between $107 and $53.76 i.e., $53.30 be considered reimbursable and retroactively approved |

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|---|---|---|---|---|---|---|
| 2.21.6.(3) | Unused Sick Leave | 80 | | | 80 | It is concurred that item is a disallowance. |
| 2.21.7.(3) | Personal Cable | 10 | | | 10 | It is concurred that item is a disallowance. |