

UNITED STATES
AGENCY FOR INTERNATIONAL DEVELOPMENT

THE
INSPECTOR
GENERAL



GRANT AUDIT
OF
MICHIGAN STATE UNIVERSITY
GRANT No. AID/AFR-G-1261
AUDIT REPORT No. 0-000-82-19
DECEMBER 3, 1981

Grant Audit
of
Michigan State University
Grant No. AID/AFR-G-1261
Audit Report No. 0-000-82-19

Introduction

The Office of the Regional Inspector General for Audit/Washington has reviewed a report issued by the Defense Contract Audit Agency on an examination of the subject grant with Michigan State University.

The purposes of the examination were to determine the propriety of expenditures incurred by the Grantee under the terms of the grant and to ascertain the degree of compliance with generally accepted accounting standards and principles.

Grant Information

A summary of grant data is shown below:

Grant Number	:	AID/AFR-G-1261
Grant Ceiling	:	\$442,539
Expiration Date	:	12/31/81
Project Number	:	625-0929
Project Title	:	Establish Sahel Secretariats Document Center
Audit Period	:	9/01/76 - 4/30/81
Type of Audit	:	Interim

The status of grant funds is:

Grant Ceiling		\$442,539
Amount Reimbursed		
Costs Audited		
Approved Current Audit	\$378,444	
Unaudited Costs	26,013	
Subtotal	\$404,457	<u>404,457</u>
Amount Questioned	---	
Total Reimbursed	<u>\$404,457</u>	
Grant Balance Remaining		<u>\$38,082</u>

Grant Costs

Costs claimed and reimbursed during the period totalled \$378,444 as shown in the attached DCAA audit report. These costs are considered allowable and reimbursable under the terms of the grant.

Copies of this report have also been sent to the offices shown on the attached list of report recipients,

Michigan State University
List of Report Recipients

Assistant Administrator, SER	2
Audit Liaison Office, AFR	1
Office of Financial Management, FM/PAD	2
Office of Financial Management, FM/ASD	1
Office of Contract Management, Director	1
Office of Contract Management, CM/ROD/AFR	1
Support Division, CM/SD/SUP	3
Inspector General	1
HHS, Chicago Regional Office	1
IG/II	1
IG/PPP	1
AFR/SWA	1

DEPARTMENT OF HEALTH AND HUMAN SERVICES
REGION V
300 SOUTH WACKER DRIVE, ROOM 3533
CHICAGO, ILLINOIS 60608

OFFICE OF
INSPECTOR GENERAL

September 15, 1981

SUBJECT: Letter Report on Interim Audit of Costs
Claimed Under Agency For International Development
Grant No. AID/afr-G-1261
For the Period September 1, 1976
Through April 30, 1981
Michigan State University
East Lansing, Michigan
Audit Control No. 05-17204

TO: Mr. A. A. LeBlanc
Office of the Regional Inspector General
For Audit/Washington
Agency for International Development
Washington, D.C. 20523

The purpose of this letter report is to apprise you of the RESULTS
OF OUR AUDIT of costs claimed by MICHIGAN STATE UNIVERSITY, East
Lansing, Michigan, under the subject grant.

INTRODUCTION

BACKGROUND

The University claimed costs, in the amount of \$378,444, under the grant for the period September 1, 1976 to April 30, 1981. The grant, which provides assistance to the University in establishing a Sahel Secretariat and Document Center to support various AID Sahel programs, is currently funded through December 31, 1981. The audit was conducted in response to your request dated April 27, 1981.

SCOPE

The objective of our audit was to determine whether costs claimed were reasonable, allocable, and allowable under applicable regulations and terms of the grant and were accounted for in accordance with generally accepted accounting principles. Our audit was performed in accordance with standards for Governmental auditing.

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RESULTS OF AUDIT

Costs claimed, in the amount of \$378,444, are recommended for acceptance. Details by element of expense are as follows:

<u>Element of Expense</u>	<u>Amount</u>
Salaries and wages	\$124,801
Fringe benefits	12,912
Consultants	7,815
Travel	25,039
Other direct costs	<u>123,842</u>
Total direct costs	294,409
Indirect costs	<u>84,035</u>
Total	<u><u>\$378,444</u></u>

We apprised University representatives of the results of our interim audit.

Original signed by
Asher Tenner
Regional Audit Director
HHS, OIG Audit Agency

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