

636-0101
Sierra Leone
Rural Roads(I)
Audit Report
FY78

UNITED STATES GOVERNMENT

Memorandum

*AFR/DR/CANA,
GThompson
Barbara*

TO : SER/CM, Mr. Hugh Dwelley

DATE: 23 JUN 1978

FROM : AAG/W, *Rolland J. Deschambault*

SUBJECT: Audit Report No. 78-117, Cooperative for American Relief Everywhere, Inc. (CARE), Grant Nos. AID/ne-G-1223, AID/la-G-1107, AID/ta-G-1233, AID/afr-G-1154, and AID/ta-G-1119.

The Office of the Area Auditor General/Washington has reviewed a report issued by the Defense Contract Audit Agency on an examination of the subject grants, under projects shown on Exhibit F.

The primary purpose of the examination was to determine the propriety of expenditures incurred by the grantee under the terms of the grants as well as the degree of compliance with established standards and principles.

A summary of grant data is shown on Exhibit F.

The status of grant funds is shown on Exhibit G.

FINDINGS AND RECOMMENDATION

Grant Costs

As shown on Exhibits A through E, costs claimed and reimbursed totalling \$1,362,613 have been audited. As a result an additional (\$5,564) is due the contractor, and the amount of \$1,368,177 may be accepted as proper. These amounts are summarized below, and detailed in the referenced exhibits.

<u>Grant Number</u>	<u>Costs Claimed Reimbursed</u>	<u>Audit Adjustments</u>	<u>Costs Accepted</u>	<u>Exhibit</u>
AID/ta-G-1223	\$ 60,887	\$ (344)	\$ 61,231	A
AID/la-G-1107	50,000	---	50,000	B
AID/ta-G-1233	120,245	(553)	120,798	C
AID/afr-G-1154	1,039,437	(4,667)	1,044,104	D
AID/ta-G-1119	92,044	---	92,044	E
	<u>\$1,362,613</u>	<u>\$ (5,564)</u>	<u>\$1,368,177</u>	



Recommendation No. 1

Office of Contract Management (SER/CM) review the above and take appropriate action to settle the amount due the contractor of \$5,564.

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

Please advise this office within 30 days of the action taken with respect to the recommendation shown in the report.

cc: CM/COD/DSAN, Mr. Morton Darvin
CM/ROD/AFR, Mr. James Anderson
CM/ROD/LA, Mr. Gary Dwoskin
CM/ROD/NE, Mr. Franklin Moulton

EXHIBIT A

COOPERATIVE FOR AMERICAN RELIEF EVERYWHERE, INC.

Grant No. AID/ne-G-1223
Summary of Reimbursements and Audit Adjustments
For the Period February 1, 1976 through June 30, 1977.

	<u>Reimbursements</u>	<u>Audit Adjustments</u>	<u>Costs Accepted</u>
Salaries & Related Benefits	\$ 10,557	\$ --	\$ 10,557
Per Diem	4,163	--	4,163
Travel	1,687	--	1,687
Consultant Fees	9,363	--	9,363
Other Direct Costs	8,104	--	8,104
Material and Equipment	14,617	--	14,617
Overhead	<u>3,700</u>	<u>(344) 1/</u>	<u>4,044</u>
Reimbursable Costs Portion for:			
FY 1977	\$ 52,191		\$ 52,535
FY 1976	8,524		8,524
FY 1976 Overhead Adjustment	<u>172</u>		<u>172</u>
	<u>\$ 60,887</u>	<u>\$ (344)</u>	<u>\$ 61,231</u>

Explanatory Note:

1/ Represents overhead adjustment based on negotiated overhead rate for FY 1977. The amount was determined as follows:

<u>Fiscal Ending</u> <u>Ending</u>	<u>Total Direct</u> <u>Costs</u>	<u>Overhead</u> <u>Rate</u>	<u>Amount.</u>
	<u>Grantee Reimbursements</u>		
6/30/77	<u>\$48,491</u>	7.63% (A)	<u>\$3,700</u>
	<u>Allowable Overhead</u>		
6/30/77	<u>\$48,491</u>	8.34% (B)	<u>\$4,044</u>
Amount Due CARE	(A - B)		<u>\$ (344)</u>

EXHIBIT B

COOPERATIVE FOR AMERICAN RELIEF EVERYWHERE, INC.
Grant No. AID/1a-G-1107
Summary of Grant Costs Reimbursed and Accepted
For the Period April 1, 1975 through June 30, 1977

	<u>Costs Previously Reimbursed</u>	<u>Current Period Costs</u>	<u>Total Costs Accepted</u>
Salaries and Related Benefits	\$ 350	\$ 22,245	\$ 22,595
Travel	180	514	694
Other Direct Costs/Project Costs	4,667	18,571	23,238
Overhead	<u>390</u>	<u>3,083</u>	<u>3,473</u>
	<u>\$ 5,587</u>	<u>\$ 44,413</u>	<u>\$ 50,000</u>

EXHIBIT C

COOPERATIVE FOR AMERICAN RELIEF EVERYWHERE, INC.
Grant No. AID/ta-G-1233
Summary of Grant Costs Claimed and Audit Adjustments
For the Period September 1, 1975 through June 30, 1977

	<u>Costs Claimed</u>	<u>Audit Adjustments</u>	<u>Costs Accepted</u>
Salaries	\$ 21,557	\$	\$ 21,557
Travel	26,574		26,574
Per Diem	25,723		25,723
Consultant Fees	25,182		25,182
Other Direct Costs	<u>12,685</u>	<u> </u>	<u>12,685</u>
Total Direct Costs	\$111,721	\$	\$111,721
Overhead	<u>8,524</u>	<u>(553) 1/</u>	<u>9,077</u>
	<u>\$120,245</u>	<u>\$ (553)</u>	<u>\$120,798</u>

Explanatory Note:

1/ Overhead adjustment based on negotiated overhead rate for FY 1977 is determined as follows:

	<u>Total Direct Costs</u>	<u>Overhead Rate</u>	<u>Amount</u>
Grantee's Claim	<u>\$ 77,791</u>	7.63% (A)	<u>\$ 5,935</u>
Allowable Overhead	<u>\$ 77,791</u>	8.34% (B)	<u>\$ 6,488</u>
Amount Due CARE (A - B)			<u>\$ (553)</u>

EXHIBIT D

COOPERATIVE OF AMERICAN RELIEF EVERYWHERE, INC.
 Grant No. AID/afr-G-1154
Summary of Reimbursed Costs and Audit Adjustments
For the Period January 1, 1975 through June 30, 1977

	<u>Costs</u> <u>Previously</u> <u>Accepted</u>	<u>Current</u> <u>Period</u> <u>Costs</u>	<u>Audit</u> <u>Adjustments</u>	<u>Costs</u> <u>Accepted</u>
Local National Personnel Costs	\$ 7,520	\$ 242,681	\$	\$ 250,201
Maintenance Repair and Rehabilitation of Equipment	11,669	359,098		370,767
Commodities	45	344,997		345,042
Overhead	<u>1,183</u>	<u>72,244</u>	<u>(4,667)</u> 1/	<u>78,094</u>
	<u>\$20,417</u>	<u>\$1,019,020</u>	<u>\$(4,667)</u>	<u>\$1,044,104</u>

Explanatory Note:

1/ Represents overhead adjustment based on negotiated overhead for FY 1977. The amount was determined as follows:

<u>Fiscal Year</u> <u>Ending</u>	<u>Total Direct</u> <u>Costs</u>	<u>Overhead</u> <u>Rate</u>	<u>Amount</u>
		<u>Grantee Reimbursement</u>	
6/30/77	<u>\$657,377</u>	7.63%	<u>\$50,158</u>
		<u>Allowable Overhead</u>	
6/30/77	<u>\$657,377</u>	8.34%	<u>\$54,825</u>
Amount Due CARE (B - A)			<u>\$(4,667)</u>

EXHIBIT E

COOPERATIVE FOR AMERICAN RELIEF EVERYWHERE, INC.
Grant No. AID/ta-G-1119
Summary of Grant Costs Reimbursed and Accepted
For the Period May 20, 1974 through June 30, 1977

	<u>Costs Previously Reimbursed</u>	<u>Current Period Costs</u>	<u>Total Costs Accepted</u>
Travel	\$ 59,212	\$(3,667)	\$ 55,545
Per Diem	13,225		13,225
Consultant Fees	4,773	500	5,273
Conference Space Costs	1,761	3,252	5,013
Conference Materials	3,535	5,406	8,941
Other	<u>3,933</u>	<u>114</u>	<u>4,047</u>
Total	<u>\$ 86,439</u>	<u>\$ 5,605</u>	<u>\$ 92,044</u>

EXHIBIT F

COOPERATIVE FOR AMERICAN RELIEF EVERYWHERE, INC.

Summary of Grant Data

Grant Number	:	AID/ne-G-1223	AID/1a-G-1107
Ceiling	:	\$76,321	\$50,000
Expiration Date	:	May 31, 1978	June 30, 1977
Project Number	:	664-0289	521-15-560-077
Project Title/Purpose:		Tunis Sud Nutrition/Health Education	Nutrition Training
Type of Audit	:	Interim	Final

Grant Number	:	AID/ta-G-1233	AID/afr-G-1154	AID/ta-G-1119
Ceiling	:	\$426,590	\$1,145,757	\$108,980
Expiration Date	:	December 31, 1978	December 31, 1977	June 30, 1976
Project Number	:	931-11-560-023	636-11-199-101	931-11-560-023
Project Title/Purpose:		VOLAG Nutrition Capabilities	Road Construction Support Project	VOLAG Nutrition Capabilities
Type of Audit	:	Interim	Interim	Final

COOPERATIVE FOR AMERICAN RELIEF EVERYWHERE, INC.
Status of Grant Funds

	<u>AID/ne-G-1223</u>	<u>AID/1a-G-1107</u>	<u>AID/ta-G-1233</u>
Grant Ceiling	\$ 76,321	\$ 50,000	\$426,590
Amount Reimbursed- Costs Audited:			
Approved Prior Audit	\$	\$ 5,587	\$
Approved Current Audit	61,231	44,413	120,798
Unaudited Costs	<u>10,000</u>	<u>--</u>	<u>13,717</u>
Subtotal	\$ 71,231	<u>71,231</u>	<u>\$ 134,515</u>
Amount Questioned Due Contractor	<u>--</u> 344	<u>--</u> --	<u>--</u> 553
Total Reimbursed	<u>\$ 70,887</u>	<u>\$ 50,000</u>	<u>\$ 133,962</u>
Grant Balance Remaining	<u>\$ 5,090</u>	<u>\$ -0-</u>	<u>\$292,075</u>

COOPERATIVE FOR AMERICAN RELIEF EVERYWHERE, INC.
Status of Grant Funds

	<u>AID/afr-G-1233</u>		<u>AID/ta-G-1119</u>	
Grant Ceiling		\$1,457,757		\$ 108,980
Amount Reimbursed- Costs Audited:				
Approved Prior Audit	\$ 20,417		\$ 88,439	
Approved Current Audit	1,023,687		5,605	
Unaudited Costs	<u>49,156</u>		<u>--</u>	
Subtotal	\$1,093,260	<u>1,093,260</u>	\$ 92,044	<u>92,044</u>
Amount Questioned Due Contractor	--		--	
	<u>4,667</u>		<u>--</u>	
Total Reimbursed	<u>\$1,088,593</u>		<u>\$ 92,044</u>	
Grant Balance Remaining		<u>\$ 52,497</u>		<u>\$ 16,936</u>

LIST OF REPORT RECIPIENTS

Assistant Administrator, DS	5
Assistant Administrator, AFR	5
Assistant Administrator, LA	5
Assistant Administrator, NE	5
Office of Financial Management, FM/PAD	5
Office of Contract Management, Director	1
Office of Contract Management, CM/COD/DSAN	1
Office of Contract Management, ROD/AFR	1
Office of Contract Management, ROD/LA	1
Office of Contract Management, ROD/NE	1
Support Division, CM/SD/SUP	3
DCAA, New York Branch Office	1
Auditor General	1
AG/IIS	1
AG/PPP	1
AG/EMS (C&R)	12