



Independent Auditor's Report on Agreed-Upon Procedures Relating to Recreational and Convenience Services

AUD/FM-06-01

In response to a request from the Chief Financial Officer, OIG contacted representatives from 14 cabinet-level agencies to identify and report on the methods they used to provide and fund recreational and other convenience services to their employees. OIG found that all 14 agencies provided fitness facilities for their employees. Although three agencies operated their own fitness facilities, the majority of the agencies had agreements with employee/recreation associations or contracts with external contractors to operate the facilities. Most agencies provided space, with some of those also providing utilities and cleaning services, and three agencies provided fitness facility equipment. In most cases, the facility operator provided the equipment, as well as managed day-to-day operations and provided staff. Two agencies funded their facilities with appropriated funds, while the remaining agencies funded their facilities with user fees or a combination of appropriated funds and user fees. All agencies reported that the method they used to operate the facility had been effective.

OIG also found that 12 agencies provided other services, such as concessions, barber shops and hair salons, and dry cleaning services to their employees. As with fitness facilities, most agencies used employee/recreational associations or external contractors to operate these services. Only one agency used minimal appropriated funds for their concessions.

The fieldwork for OIG Report AUD/FM-06-01 was conducted by the Office of Audits from March to July 2005. This is an unclassified summary of a full report, which may receive limited official distribution.

Office of Inspector General

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