



U.S. Department of Agriculture
Office of Inspector General
Midwest Region
Audit Report

FISCAL YEAR 2001
RURAL DEVELOPMENT FINANCIAL
STATEMENT AUDIT – MINNESOTA



**Report No.
85401-0003-Ch
November 2001**



UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF INSPECTOR GENERAL
Midwest Region
111 North Canal Street – Suite 1130
Chicago, IL 60606-7295



DATE: NOV 28 2001

REPLY TO
ATTN OF: 85401-0003-Ch

SUBJECT: Fiscal Year 2001 Rural Development Financial Statement Audit - Minnesota

TO: Steve Wenzel
State Director
Rural Development
410 AgriBank Building
375 Jackson Street
St. Paul, MN 55101

This report presents the results of our audit of the fiscal year 2001 financial statements for Rural Development in Minnesota. Rural Development's response to the official draft report, dated November 14, 2001, is included as exhibit B, with excerpts and the Office of Inspector General's position incorporated in the Findings and Recommendations section of the report.

We agree with corrective actions taken and have reached a management decision on Recommendation No. 3. We can reach management decision on Recommendations Nos. 1, 2, 4, and 5 when RD advises us of its timeframe for completing its proposed corrective actions. In accordance with Departmental Regulation 1720-1, please furnish a reply within 60 days advising when you plan to implement the corrective actions you proposed for these recommendations. Please note that the regulation requires a management decision to be reached on all recommendations within 6 months of report issuance.

Ed Krivus
EDWARD R. KRIVUS
Regional Inspector General

EXECUTIVE SUMMARY

RESULTS IN BRIEF

This report presents the results of our fiscal year (FY) 2001 audit of Rural Development (RD) in the State of Minnesota. This audit was performed in conjunction with the Office of Inspector General's (OIG's) audit of RD's FY 2001 Financial Statements. The objectives of our audit were to determine if RD's system of internal control provides reasonable assurance that control objectives were met, and that RD has complied with laws and regulations for transactions and events that may have a material effect on its financial statements.

Our review of RD's internal controls over various loan and grant programs, collection activities, property and equipment, and the Purchase Card Management System (PCMS) disclosed no material problems. RD's internal controls were in place and functioning, and, coupled with our test reviews, only eligible borrowers were approved for loans and grants.

However, while RD had established sufficient internal controls, we concluded that some controls needed strengthening. We determined that two of the three area offices visited had not adequately separated the duties of determining eligibility and approving single-family housing loans. We also identified two area offices that had not adequately separated the functions of collecting, recording and transferring to the Centralized Servicing Center funds received from single-family housing borrowers.

The Local Agency Program Coordinator (LAPC) in the State office had not maintained evidence of supervisory review of purchase card transactions by cardholders in area offices. Also, the State office and one area office were unable to account for all the personal property listed on its PROP Inventory Management System (PROP) inventory listing. Further, we located 10 laptop computers at the State office that were not located on its inventory listing.

KEY RECOMMENDATIONS

We recommended RD implement control procedures over the single-family housing loan-making process to reduce the risk of ineligible and improper loans. We also recommended RD develop procedures to ensure that area offices are handling the collection of payments and fees in accordance with agency

requirements. In addition, the LAPC should be required to maintain a log of cardholder transactions reviewed. Lastly, the State office should perform a physical inventory for the entire State, reconcile all missing items, and add to the PROP Inventory Management System any items identified during the review that were not previously included in the system. RD should provide training to staff on the requirements of accounting for personal property that includes, as a minimum, what constitutes accountable personal property, and how to document transfers of this property.

AGENCY RESPONSE

In its November 14, 2001, response, RD generally agreed with the recommendations and has proposed procedures which will show how responsibilities for collection activities have been separated among employees and will document that there has been a second party review of collections. (See exhibit B for RD's transmittal memorandum and a summary of the corrective actions that have been taken or proposed. We did not include all of RD's attachments in exhibit B.) RD issued an administrative notice that requires the LAPC to maintain a log of cardholder transactions reviewed. RD agreed to perform a physical inventory of all personal property in Minnesota, to reconcile all missing items, and to add to its inventory any property identified that meets the requirements for inclusion. RD agreed to provide training to staff on the requirements of accounting for personal property.

OIG POSITION

We agree with corrective actions taken and have reached management decision on Recommendation No. 3. We can reach management decision on Recommendations Nos. 1, 2, 4, and 5 when RD advises us when it plans to complete its proposed corrective actions.

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INTRODUCTION

BACKGROUND

Rural Development (RD) is the credit agency for rural development in the United States, Puerto Rico, the Virgin Islands, and trust territories. RD provides loans and grants and extends loan guarantees for housing, community development, and electric and telecommunication programs. The RD mission area consists of three program agencies, the Rural Housing Service, the Rural Utilities Service, and the Rural Business-Cooperative Service.

Nationwide, RD has an outstanding loan portfolio of \$82.4 billion. The loan programs are delivered through each agency's national office, 47 State offices, 266 area offices, and 686 local offices. At the State level, RD provides guidance and oversight of field office activities and administers program activities. A State office program specialist is assigned to each program. As part of its oversight function, the State office performs reviews of program areas and field offices. At a minimum, State offices are required to perform a review of each field office once every five years. In Minnesota, there are 15 field offices.

Before granting a loan, RD must ensure the applicant is eligible. Eligibility determinations vary by loan program. For housing loans, repayment of the loan is dependant on the applicant having stable income and no significant outstanding debt. RD will verify the applicant's income by contacting the applicant's employer and will verify existing debt by obtaining a credit report. RD generally has first lien on the subject property and in case of default, the house must be of sufficient value to cover the amount of the loan. An appraisal of the subject property must be completed prior to loan approval with only properties appraised at or above the loan amount being considered. Community development and rural utility loans are made only to municipalities where repayment of the loan is dependent on the tax base of the community or the use of the facility.

The management of the three RD agencies is responsible for establishing internal controls and for ensuring compliance with laws and regulations applicable to its programs. During the course of our review, we tested compliance with a number of these laws and regulations, including the Anti-Deficiency Acts of 1906 and 1950; Rural Utilities Service Instruction 1780; single-family housing instruction.....HB-1-3550; and Rural

Development Instructions 4279A, 4279B, 1980-A, 1980-D, 1980-I, and 1944-E.

OBJECTIVES

Our overall audit objective was to determine whether RD's financial statements present fairly, in all material respects, the financial results in accordance with prescribed accounting principles. Specifically, we were to determine if RD's system of internal controls provided reasonable assurance that control objectives were met, and that it complied with laws and regulations for transactions and events that might have a material effect on its financial statements.

SCOPE

We performed audit work at the Minnesota State office, and at the Waite Park, Willmar, Cambridge, and North Branch Area Offices. At the State, Waite Park, Willmar, and Cambridge offices, we reviewed controls over the borrower eligibility determinations and the loan approval functions for the direct single-family housing, community programs, and multi-family housing loan programs. We also reviewed similar controls over the guaranteed single-family housing and business and industry loan programs. In addition, we reviewed RD's internal controls over accounting for personnel property, use of the government purchase cards, computer security, graduation of direct single-family borrowers to outside credit, collection of payments and fees, and disbursements of grant funds. At the North Branch Area Office, we limited our review to borrower eligibility and loan approval controls over the guaranteed single-family housing loan making process. We performed fieldwork from March 2001 through June 2001.

In Minnesota, RD's loan portfolio consisted of 6,054 single-family housing borrowers with an outstanding unpaid principal balance of over \$237 million; 710 multi-family housing borrowers with an outstanding balance of over \$249 million; 7,689 single-family housing borrowers with loan guarantees of over \$493 million; 63 borrowers with guaranteed business and industry loan balances of over \$73 million; and 69 community facilities borrowers with outstanding unpaid principal balances of over \$22 million.

Our universe consisted of loans closed in fiscal year 2001. In the 5 offices visited, we reviewed 9 of 44 direct single-family housing loans totaling \$946,955 (out of \$2,666,640), 6 of 344 guaranteed single-family housing loans totaling \$815,748 (out of \$24,408,725), 3 of 5 guaranteed business and industry loans totaling \$15,530,000 (out of \$21,980,000), 1 of 1 multi-family housing loan totaling \$50,000, and 1 of 1 community facility loan totaling \$100,000.

We conducted this audit in accordance with Government Auditing Standards.

To accomplish the audit objectives we:

METHODOLOGY

- Reviewed applicable regulations;
- Examined case files and case file documents;
- Reviewed online history screens from RD's accounting systems;
- Conducted interviews with applicable RD personnel at the offices visited;
- Confirmed disbursements with grant recipients; and
- Performed a physical inventory of accountable property at the offices visited.

We judgmentally selected the loans, grants, and transactions related to loan collections, graduations, and purchase cards included in our review. We selected loans with larger dollar values to be included in our review.

FINDINGS AND RECOMMENDATIONS

CHAPTER 1	LACK OF SEPARATION OF DUTIES INCREASED RISK OF MISUSE OF FUNDS
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At two area offices, one loan specialist determined eligibility and approved direct single-family housing loans. We also noted that two area offices had inadequate separation of duties over the collection, recording, and transferring of collections for single-family housing loans to the Centralized Service Center (CSO).

FINDING NO. 1

ONE EMPLOYEE DETERMINED ELIGIBILITY AND APPROVED SINGLE-FAMILY HOUSING LOANS

There was an inadequate separation of duties over the functions of determining borrower eligibility and approving single-family housing loans at two of three area offices visited. This occurred because the State office had not ensured that two employees performed these roles or implemented alternative controls. As a result, there is an increased risk that ineligible

or improper loans could be made without detection.

RD's procedures¹ state, "If the underwriting analysis indicates that the loan should be approved, the Loan Originator (LO) must submit a complete case file to the Loan Approval Official (LAO). The LAO should review all of the documents contained in the case file to ensure that they are completed properly, and must confirm that the LO's underwriting decision is sound."

The procedures clearly require, in our opinion, for a separation of duties as well as a second party review of the eligibility determination. The purpose of these controls is to prevent or detect errors and improper loans. However, our examination of the loan making process at two area offices disclosed an inadequate separation of duties. We observed that the respective loan specialist either initialed or signed the Eligibility Certification (as the Loan Originator) and signed the Mortgage Loan Commitments and the Loan Narrative for all sampled borrowers (as the

¹ Direct Single Family Housing Loans and Grants Centralized Servicing Handbook, HB-1-3550, Section 1, paragraph 8.2, dated May 28, 1998.

LAO). These procedures increase the risk that errors or improprieties could be made and go undetected. For example, we identified one loan totaling \$126,900 that was made for an amount that exceeded the State's limit of \$121,842.

A State official stated that they interpret the regulation to mean that the roles of LO and LAO are two different functions that can be performed by one individual. The State office primarily relies on a second party post-closing review of 10 percent of all loans to detect errors and improper loans. While this control may be sufficient in offices where an adequate separation of duties exists, it is not sufficient in offices where no separation of duties exist. The fact that the review did not detect the loan that exceeded the State's loan limit supports our opinion.

The State office does not always have more than one single-family housing loan specialist in each area office. In all three offices visited, there was only one single-family housing loan specialist. There was adequate separation of duties at one office because the Rural Development Manager (RDM) was located there and approved all loans. Unfortunately, RD Managers do not have sufficient time to review all loans at each office. However, there are alternative controls that could be implemented to reduce the risk of errors and irregularities. For example, RD could increase the percentage of second party post-closing reviews, cross train other loan specialists in the respective offices to review single-family housing loans, or forward the loans to the State office for final approval.

We reviewed controls over other loan programs during our review in Minnesota. We noted an adequate separation of duties existed in the multi-family housing, community programs, and guaranteed loan programs. For these loan programs, we noted the State office was responsible for final approval. The direct single-family housing loan program was the only loan program reviewed that did not always require State office involvement.

RECOMMENDATION NO. 1

Implement control over the SFH loan process to reduce the risk of ineligible and improper loans.

RD Response

RD's November 14, 2001, response referenced two proposed procedures; however, the timeframe for issuing and implementing the procedures was not shown. The response referenced a "Proposed 3550 SFH procedure to review SFH loans" which was not attached. The response also referenced a "Proposed 2006-M..." which was attached but did not address the separation of responsibilities in the loan-making process.

OIG Position

We can reach a management decision on this recommendation when RD advises how it will separate the responsibilities in the loan-making process and the timeframe for making that change.

FINDING NO. 2

LACK OF SEPARATION OF DUTIES OVER THE COLLECTION OF FUNDS

At two of four offices reviewed, RD had not followed the collection procedure requirements.

This occurred because one individual was performing the duties of collecting, recording, and transferring funds received from program participants. As a result, there is reduced assurance that the funds collected at these offices are being accounted for properly.

RD procedures² require the separation of duties for the collection of borrower payments at field offices. It states that if there is sufficient staff then "at least two individuals are involved in collecting borrower payments – one to control the payments and one to control the data". It also requires that a collection log be "prepared by one employee" while "a second employee shall review, initial and date the form". Additional procedures³ require that RD record all payments received on an appropriate tracking form.

The field offices are no longer responsible to collect payments from direct single-family borrowers (the largest percentage of RD borrowers). However, State and field offices still collect funds for guaranteed loan fees, credit report fees, multi-family and community program loan payments, informal workout agreement payments for single-family housing loans, appraisal fees, and an occasional single-family housing loan payment. For the first 11 months of fiscal year 2001, the State office received an average of \$31,000 per month. In the area offices we visited, the estimated collections ranged from \$86,000 to over \$220,000 per

²Rural Development Instruction 1951 "Servicing and Collections, Section B "Collections", paragraph 1951.55 (j) (2), revision 1 dated June 19, 1991.

³ 7 Code of Federal Regulations, Chapter 18, Paragraph 1951.55 " Receiving and processing collections", Revised January 1, 2001.

month.

At one area office, the individual who received and recorded collections also mailed the funds to the lockbox. One staff member informed us that the separation of collection duties was discontinued when the CSC was implemented. At another area office, two employees received, recorded, and transferred collections to CSC; however, the RDM had not implemented a system of second party reviews. We also found at this area office that payments for direct single-family housing workout agreements were not included in the office's collection and outgoing check logs. The loan specialist said she placed a copy of the payment check in the borrower's file and considered this to be sufficient documentation to support the receipt of payment and the forwarding of the payment to CSC.

If the receipt of collections is not documented, duties are not properly separated, and no second party review is performed, there is an increased risk of collections being stolen or misplaced. There is also an increased risk of errors in the accounting for collections. These conditions increase the vulnerability of the entire collection process. The State office reviews the separation of duties in the collection process during the State Internal Review process. The State office did not review the offices in question during fiscal year 2001 (scope of our review).

We discussed the above-mentioned concerns with the Management Control Officer (MCO). The MCO agreed with our concerns regarding the lack of separation of duties, no second party reviews, and inadequate documentation for all collections. The MCO stated that she would develop procedures to document a second party review for each collection made and also suggested that the area office retain carbon copies of substitute payment coupons, and copies of the checks, in the outgoing file to provide a complete audit trail. The State already has procedures in place to review the separation of duties for collections as part of the State Internal Review process.

RECOMMENDATION NO. 2

Develop procedures to ensure that area offices are handling the collection of payments and fees in accordance with agency requirements.

RD Response

RD agreed with the recommendation and stated that they have proposed procedures that would require employees to complete a quarterly collection report that will show separation of collection duties. The draft procedures will document the second party review of collections.

OIG Position

We concur with the proposed corrective action; however, before we can reach a management decision, RD needs to advise us when the proposed procedures will be issued and become effective.

FINDING NO. 3

The Local Agency Program Coordinator (LAPC) had not documented her supervisory reviews of purchase card transactions by State and field office cardholders. As a result, there is reduced assurance that cardholders are using purchase cards in accordance with program requirements.

USDA's procedures⁴ state that, "The Local Agency Program Coordinator is responsible for monitoring cardholder purchases using the PCMS Alert System, ... and conducting statistical sampling reviews".

The LAPC stated that she periodically performs online reviews of cardholder transactions to determine if there are any unusual or improper transactions. We found no evidence that supervisory reviews were performed on any purchase card transactions by field office cardholders. The governing regulations⁵ do not require the LAPC document the supervisory review function. However, without evidence of a review, there is no way to determine if it was actually performed and that it adequately monitored cardholder purchases. The LAPC agreed to maintain a log of cardholder transactions reviewed.

RECOMMENDATION NO. 3

Require the LAPC to maintain a log of cardholder transactions reviewed.

RD Response

RD agreed with the recommendation and issued a State administrative notice (1477(2024-A)) requiring that a report of all transactions be prepared four times a year. The LAPC will review and reconcile the reports and retain copies as verification that the reviews have been performed.

⁴ USDA Agency Program Coordinator/Local Agency Program Coordinator Purchase Card Program Guide, Section II, Dated September 2000.

⁵ USDA Agency Program Coordinator/Local Agency Program Coordinator Purchase Card Program Guide, Section II, Dated September 2000.

OIG Position

We concur with RD's management decision.

FINDING NO. 4

The State office and one area office could not account for all personal property listed on its respective inventory reports. We were unable to locate or verify the existence of 16 of 49 personal property items at the State office and 1 of 3 items at the area office. Further, we identified 10 sensitive items during our review at the State office that should have been included on the inventory listing, but were not. As a result, personal property, valued at \$40,296, may have been lost, stolen, or used for unintended purposes.

All property acquired by RD is required to be input into the PROP Inventory Management System (PROP).⁶ Accountable personal property is defined by RD's procedures⁷ as "all furniture and equipment with an acquisition cost of \$5,000 or more, including Information Technology equipment as well as sensitive and leased property, regardless of acquisition cost". Sensitive personal property is further defined as personal property, with an acquisition cost of less than \$5,000, that is highly susceptible to loss or theft and includes (regardless of cost) camcorders, cameras, laptop computers, and cell phones.

The State office had completed a physical inventory of all accountable personal property in all offices in the State on February 7, 2001. The State office certified that it had "made or caused to be made a physical inventory of all of the personal property items listed on the personal property inventory report and that the items as indicated on the report were on hand at the close of business on February 7, 2001". This certification was evident on inventory reports for both the State office and the area offices.

We obtained from the National Finance Center a PROP inventory report that listed 49 items of accountable personal property for the State office and 3 items for one of our sampled area offices. This inventory report was identical to the report the State office certified as accurate. We performed

⁶ National Finance Center Procedures Title IV "Central Accounting System Manual," Chapter 6 "Property Management Information System", Section 4 " Personal Property System (Prop)," Pg. 4. Agency Responsibilities dated March 1998.

⁷ Rural Development Instruction 2024-H, Custody, Control, Utilization, and Disposal of Accountable Personal Property, subsection 2024.352 dated May 2001.

a physical inventory of the items and checked all serial numbers against the inventory report. At the State office, we were only able to physically locate 33 items. The Property Management Officer (PMO) told us that 9 of the 16 remaining items were assigned to, and in the possession of, State office personnel whose official duty stations were area offices or their homes. The missing items were cell phones and laptop computers. There was no documentation to show that these State office employees had taken physical custody of the items and we were never provided any evidence to verify that employees had these items. Further, we were never able to locate the last seven items and State officials had no explanation as to why they were missing. These seven items should have been physically located at the State office and were listed on the inventory report as laptop computers.

We were able to locate and verify the serial numbers for two of the three items on the area office's inventory report. The remaining item was a laptop computer. The area office personnel were unaware they were assigned this computer.

We also located 10 additional laptop computers at the State office that were not included on the inventory report. An Information Resource Specialist told us that these computers were transferred to the State office from area offices for disposition to another agency. However, no documentation was available to show which area office sent the computers to the State office and when they were sent. RD's procedures state that copies of all completed forms for transfers or other disposition of inventoried or non-inventoried property will be immediately forwarded to the PMO.⁸

Based on discussions with State and area officials, they were not aware of the requirement of updating PROP, or of who to contact when equipment was received, disposed of, or transferred from the State and area offices. In one instance, the Information Resources Department provided documentation showing the transfer of seven laptop computers to another agency. However, the PMO, the official charged with maintaining the inventory reports, was unaware of these actions.

⁸ Rural Development Instruction 2024-H, Custody, Control, Utilization, and Disposal of Accountable Personal Property, subsection 2024.362 dated May 2001.

RECOMMENDATION NO. 4

Perform a physical inventory for the entire State. Reconcile all missing items, and add to the PROP any items identified during the review that was not previously included in the system.

RD Response

The State office will perform a physical inventory of all personal property in the State. Missing items will be documented by executing form AD-107, Report of Transfer, or Disposition or Construction of Property. Also, since some of the missing items stemmed from a flawed Order Tracking Inventory System report, corrections will be made to the physical inventory to correct these errors.

OIG Position

In order to reach a management decision, RD needs to advise OIG when the proposed corrective actions will be implemented.

RECOMMENDATION NO. 5

Provide training to staff on the requirements of accounting for personal property that includes, as a minimum, what constitutes accountable personal property, and how to document transfers of this property.

RD Response

RD will provide training to employees concerning accounting for the physical property and the use of form AD-107.

OIG Position

We agree with the proposed corrective action; however, before we can reach management decision, RD needs to advise us when the training will be performed.

GENERAL COMMENTS

The LAPC improperly used a purchase card to pay for meals and lodging totaling \$4,162 for employees attending a training seminar. The employees should have paid for these costs with their personal travel credit cards or the LAPC should have obtained proper authorization to use the purchase card. Program Regulations⁹ state that, “The use of purchase card and convenience checks to purchase airline, bus, train, or other related tickets and purchase of meals and lodging are unauthorized uses of the card and checks unless authorized by the agency; and the Government Travel Card should be used for these items.”

In addition, we identified by our review of transactions that the LAPC had not maintained documentation such as receipts and invoices to support these charges, plus an additional \$5,000 for the seminar’s registration fee. Program Regulations¹⁰ state that, “It is the responsibility of cardholders to maintain documentation of all purchase card and convenience check transactions. This responsibility includes documentation such as invoices.”

Since the LAPC is responsible for monitoring the activities of other cardholders in the State, we believe that it is critical to understand and abide by program regulations. Consequently, we plan to discuss the issue with the agency program coordinator.

⁹ USDA PCMS/Micro-Purchase Guide, Section II dated September 2000.

¹⁰USDA PCMS/ Micro Purchase Guide, Section II, dated September 2000

EXHIBIT A – SUMMARY OF MONETARY RESULTS

FINDING NO.	DESCRIPTION	AMOUNT	CATEGORY
4	Unaccountable Personal Property	\$40,296	FTBPTBU/ Improper Accounting

EXHIBIT B – RD'S RESPONSE TO THE DRAFT REPORT



United States
Department of
Agriculture

USDA
Rural
Development

410 Farm Credit Bldg.
375 Jackson St..
St. Paul, MN 55101-1853
(651) 602-7800; fax (651) 602-7824

November 14, 2001

TO: Edward R. Krivus
Regional Inspector General

RE: 85401-0003-CH
FY2001 Rural Development Financial Statement Audit – Minnesota

FROM: Steven Wenzel, Minnesota State Director

A handwritten signature in blue ink that reads "Steven Wenzel".

Attached are responses to the weaknesses noted in the audit. We concur with the monetary amount presented.

If you have any questions, please contact Mary Moline, MCO at 763-679-4937, Extension 4 or mary.moline@mn.usda.gov.

Attachments: 4

USDA Rural Development is an Equal Opportunity Lender, Provider, and Employer.
Complaints of discrimination should be sent to: USDA, Director,
Office of Civil Rights, Washington D.C., 20250-9410

FINDING #1: One Employee determined eligibility & approved SFH Loans

DOCUMENTATION of Corrective Action attached:

Proposed 3550 SFH procedure to review SFH loans
Proposed 2006-M to review SFH loans (only review sheets for 502 and 504 loans are included; other review sheets for other areas are not).

FINDING #2: Lack of Separation of Duties over the collection of funds

DOCUMENTATION of Corrective Action attached:

Proposed 1951-B procedure (and exhibits) are attached. This directs employees to complete a quarterly collection report which will show separation of collection duties. The Draft RD 1951-49 MN form and Forms Manual Insert (FMI) will document the second party review of collections.

FINDING #3 Supervisory Reviews of Purchase Card Transactions not documented

Attached is a state AN which directs field offices to generate a cardholder transaction report quarterly. Local Agency Program Coordinator will review report, follow up where appropriate and sign off on the report. Reports will be filed in operational file.

FINDING #4 Accountability OF Personal Property Needs Improvement

State Office will perform a second physical inventory for the state. Reconciliation of missing items will be done by executing AD-107 Report of Transfer or Disposition or Construction of Property forms to document custodial responsibility of the equipment. Since some of the missing items stemmed from a flawed Order Tracking Inventory

System (OTIS) report, corrections will be made to the physical inventory report to correct these errors.

Finding #4/Recommendation #5: State will provide training to employees concerning accounting of physical property and use of the AD-107. Dates have not yet been set.

ABBREVIATIONS

CSC.....Centralized Service Center
LAO.....Loan Approval Official
LAPC.....Local Agency Program Coordinator
LO.....
Loan Originator
MCO.....Management Control Officer
PCMS.....Purchase Card Management System
PMO.....Property Management Officer
PROP.....PROP Inventory Management System
RD.....Rural Development
RDM.....Rural Development Manager