



Columbus Urban League, Inc.

788 Mount Vernon Avenue • Columbus, Ohio 43203-1408
Voice (614) 257-6300 • Fax (614) 257-6327 • www.cul.org

Attachment A

June 28, 2002

Preston Firman
Regional Inspector General for Audit
U.S. Department of Labor
Office of Inspector General
230 South Dearborn Street
Chicago, IL 60604

Dear Mr. Firmin:

This is our written response to your June 7, 2002, draft report - findings and recommendations.

1.A. Salaries of Staff Were Allocated Between WtW and Other Programs Based on a Predetermined Rate. Total questioned \$91,516.

Please find attached our March 21, 2002 letter to Mr. Paul Fredericks, Grant Officer's Tech Rep, requesting approval of the allocation.

1.B. Non personnel Cost Were Not in Compliance with Federal Regulations. Total questioned \$67,722.

Cellular Telephones – We have reviewed cell phone expenses charged to this program. We have determined that \$1,329.74 in cell phone expenses was incorrectly charged to this program. Detail schedule is attached.

Promotional Items – We did not realize that “promotional items and memorabilia” could not be charged to this program. Total amount is \$5,810.

Dinner Tickets - \$360 questioned.

Grocery Purchased - \$550 questioned.

We have made a journal entry in June 2002 to remove the above expenses from the program – Total \$8,049.07. Please see attached copy of journal entry and related backup.

“Ending racism through education, economic and social progress.”



Columbus Urban League, Inc.



Expenditure of Equipment Items Were Not Preapproved. – We did not realize that this expenditure needed to be preapproved. Please see copy of attached letter to Lynn Kinzer requesting written approval.

2. Participant MIS Was Not in Place

A. Enrollment of Participants Not Tracked

The Columbus Urban League's Internal Consolidated Information Tracking System (CITS), which was implemented April 2001, tracks Day One participations as it relates to 70/30 eligibility categories, employment history (subsidized to unsubsidized) and retention through case notes that are entered into the system on a current basis. Customer information entered into the system can be updated to document progress reports and numbers of participants that are active in the program.

B. Seventy Percent and Thirty Percent Expenditures Not Allocated Properly.

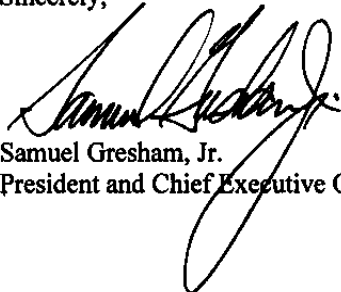
Accurate participant ratios are now used to allocate expenditures for the seventy percent and thirty percent categories on the QFSRs. The ratio of 83.7% seventy percenters and 16.3% thirty percenters was implanted on the report for the quarter ended September 2001. These percentages will be updated each quarter.

3. Procurement Policy Does Not Meet Minimum Federal Requirements.

Written procedures have been modified. Please see attached.

If you or your staff has any questions, please call Wanda Parker, Director Work Force Development 614-372-2311 or Ed Sweeney, Director of Finance/CFO, 614-372-2313.

Sincerely,



Samuel Gresham, Jr.
President and Chief Executive Officer