UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF INSPECTOR GENERAL

THE INSPECTOR GENERAL

The Honorable Frank S. Holleman, III
Deputy Secretary
FB6, Room 7W310
400 Maryland Avenue, SW
Washington, D.C. 20202

ED-OIG/A11-A0014

SEP 1 5 2000

Dear Mr. Holleman:

This **Final Audit Report** (Control Number ED-OIG/A11-A0014) presents the results of
our audit of the U.S. Department of Education's Controls Over Cellular Phones. The
objective of our audit was to determine whether the U.S. Department of Education
(Department) had adequate controls over purchases and management of cellular phones
(cell phones).

AUDIT RESULTS

To assist the Department's current efforts to address longstanding weaknesses and
develop an auditable asset management process, the Office of Inspector General (OIG)
has undertaken several initiatives, including a Department-wide review of internal
controls over the procurement of assets and services. Preliminary results of this
particular review indicated some weaknesses in the area of telecommunications,
specifically cellular phones. We therefore determined that a separate audit of the
Department's internal controls over cell phones was appropriate.

Overall, our cell phone audit revealed weaknesses and inadequacies in controls over
cellular phone purchases and management, including inventory processes, vendor
selection and billing procedures. In our opinion, these weaknesses result in more than a
relatively low risk that errors, irregularities and other inefficiencies may occur, resulting
in inefficient and/or ineffective performance. Our audit did not disclose any fraud.

You provided comments on our draft report in a letter dated September 6, 2000, noting
concurrence with our findings and recommendations, with a slight modification to
Recommendation 2.1. Cell phones are planned for purchase as a service rather than a
product. They will therefore remain the property of the contractor as opposed to
becoming government-owned and barcoded equipment. The Department plans to
account for its cell phones through a specific enterprise database that is separate from the
government-owned asset management database recommended by OIG. We believe that
the Department's plans will still achieve the desired results and have revised our
recommendation accordingly. A copy of the complete text of the response is included in
Appendix C.

Our mission is to ensure equal access to education and to promote educational excellence throughout the Nation.

Finding No. 1   Cell Phone Policies and Procedures are Needed

Our discussions with each principal office revealed there are no Department-wide policies and procedures relating to purchases and management of cell phones, other than a general policy statement issued by the Office of the Chief Information Officer (OCIO) pertaining to the personal use of government furnished property. In addition, all of the principal offices (POs) noted that they did not have any of their own written policies and procedures.

The General Accounting Office's (GAO) *Standards for Internal Control in the Federal Government* states:

> "Internal control and all transactions and other significant events need to be clearly documented, and the documentation should be readily available for examination. The documentation should appear in management directives, administrative policies, or operating manuals and may be in paper or electronic form."

The lack of written policies and procedures has hindered efficient cell phone management throughout the Department. During our review, we noted weaknesses and inadequacies related to inventory controls, billing processes, vendor selection and documentation maintenance that may have been prevented with the existence of applicable documented policies and procedures. These weaknesses and inadequacies are specifically discussed in the findings that follow.

Finding No. 2   Reliable Cell Phone Inventories Need to be Maintained

Principal offices do not have reliable inventory systems in place to account for their cell phones. Our review revealed that none of the seventeen POs included in our audit maintain a reliable inventory system. Two POs compiled their cell phone inventories by taking a poll of who had cell phones in the office. Three additional offices specifically noted they were not certain that all cell phones were accounted for in their inventories. In addition, some phones were purchased for the POs by OCIO. However, the POs do not keep an inventory of these phones and, therefore, cannot account for them.

GAO's *Standards for Internal Control in the Federal Government*, states:

> "An agency must establish physical control to secure and safeguard vulnerable assets. Examples include security for and limited access to assets such as cash, securities, inventories, and equipment that might be vulnerable to risk of loss or unauthorized use. Such assets should be periodically counted and compared to control records."

A lack of Departmental and PO policies and procedures has contributed to the lack of accountability over cellular phones.

Poor inventory controls can hinder accountability over cell phones. For example, at least one PO has cell phone users with more than one cell phone. Office officials and staff responsible for the PO's cell phone management could not explain why this has occurred. This could be the result of the inability to determine who already has a phone. In addition, the risk of errors, theft, fraud and abuse in the POs is increased when there are poor inventory controls.

During our review, we noted that some POs are engaging in efforts to develop a more formalized, reliable inventory system for their assets. We are also aware of Departmental efforts to develop an asset management process, and have provided recommendations on property management controls in a memorandum dated February 16, 2000 (See Appendix A). We also documented the results of our analysis of the Department's current information technology inventory system and provided suggestions for improvement in a memorandum dated February 10, 2000 (See Appendix B). In the latter, we noted that the Department needs to give consideration to whether assets valued at less than $500, such as cell phones, will be included in the new asset management system. While the $500 limit is in accordance with Federal regulations, the results of our audit indicate there are operational advantages to supplementing the dollar limit with specific categories of items to be inventoried.

Finding No. 3   **Key Cell Phone Responsibilities Need to be Adequately Segregated**

Not all of the Department POs have an adequate separation of duties in the management of their cell phones. Five of the seventeen POs have the same employee performing the purchasing, receiving and payment functions for cell phones.

GAO's *Standards for Internal Control in the Federal Government*, states:

> "Key duties and responsibilities need to be divided or segregated among different people to reduce the risk of error or fraud. This should include separating the responsibilities for authorizing transactions, processing and recording them, reviewing the transactions, and handling any related assets. No one individual should control all key aspects of a transaction or event."

A lack of Departmental and principal office policies and procedures has contributed to this weakness. As a result of inadequate separation of duties, the risk of errors, theft, fraud and abuse is increased.

Finding No. 4   Cell Phone Vendor Selection Processes Need Consistency

POs are inconsistent in their cell phone vendor selection processes. Nine POs contact OCIO for vendor recommendations. OCIO recommendations are directed to the GSA Federal Wireless Telecommunications contract vendor. The remaining offices arbitrarily contact one or more cell phone vendors they are aware of on their own.

GAO's *Standards for Internal Control in the Federal Government* defines internal control as an integral component of an organization's management that provides reasonable assurance that objectives are being achieved, including effectiveness and efficiency of operations.

The lack of Departmental policies and procedures has contributed to inefficiency in this area. As a result of inconsistent vendor research and selection, the POs may not be selecting the most efficient cell phone plan available. In addition, from a Department-wide standpoint, volume discounts that may be available for bulk or repeat purchases from the same vendor may be lost.

We understand that OCIO is discussing the benefits of using the GSA Federal Wireless Telecommunications Services contract, already being used by several of the POs, as noted above. Some of the benefits OCIO has communicated to us are the economies of scale for cell phone purchases and services for both headquarters and regional employees/ This contract would also provide an option for trade in of phones with older technology for newer phones, without cost.

Finding No. 5   Cell Phone Billing Procedures Need Improvement

POs do not all have adequate or consistent billing procedures in place. Six POs do not receive or review bills for phones that the OCIO purchased for them. OCIO pays these bills directly. Seven POs do not have the actual cell phone users review and verify the accuracy of cell phone bills for phones purchased by the principal office. In addition, bills are not always paid promptly, as evidenced by nine POs that had consistent past due amounts on their bills.

GAO's *Standards for Internal Control in the Federal Government*, states:

> "Control activities occur at all levels and functions of the entity. They include a wide range of diverse activities such as approvals, authorizations, verifications, reconciliations, performance reviews, maintenance of security, and the creation and maintenance of related records which provide evidence of execution of these activities as well as the appropriate documentation."

The lack of Departmental and principal office policies and procedures has contributed to this weakness. Without the appropriate review and approval of bills, the risk of errors, theft, fraud and abuse is increased. In addition, principal offices may be subject to prompt payment penalties when bills are not paid timely.

Finding No. 6   **Documentation Supporting Cell Phone Purchasing and Billing Needs to be Maintained**

Not all POs maintain adequate documentation to support cell phone purchases and bills. Eight POs do not have copies of their cell phone service plan agreements. Four POs were unable to provide copies of all of their cell phone bills for the period under review.

GAO's *Standards for Internal Control in the Federal Government,* states:

> "Internal control and all transactions and other significant events need to be clearly documented, and the documentation should be readily available for examination... All documentation and records should be properly managed and maintained."

The lack of Departmental and PO policies and procedures has contributed to this weakness. Inadequate documentation can result in the PO not being able to adequately monitor the cell phone bill because they do not have the documentation supporting their service plan agreement. In addition, without requiring adequate documentation to be maintained, the risk of errors, theft, fraud and abuse is increased.

RECOMMENDATIONS

We recommend that the Deputy Secretary advise the appropriate Department officials to:

1.1   Prepare written policies and procedures for Department cell phone purchasing and management processes;

2.1   Establish a formal enterprise-wide inventory tracking system to account for cell phones;

3.1   Ensure key responsibilities related to cell phone purchasing and management are divided among different people;

4.1   Use a Department-wide contract for cellular phone purchases and service that would enable the Department to achieve greater economies of scale;

4.2   Centralize management of this contract within the Department's OCIO, similar to other telecommunications equipment contracts;

5.1   Require cell phone bills to be reviewed and approved for payment by the actual principal office using the phones as well as the individual users; and

6.1   Require documentation relating to cell phone purchases and billing to be maintained for a predetermined amount of time.

In implementing a Department-wide contract, the Deputy Secretary should ensure the resources required to centrally manage this contract are available, and that the contract can accommodate principal office needs in both headquarters and regional offices. It will also need to be determined whether current cell phone equipment and services will continue to be used or if they will be replaced. Costs associated with the disposition of this equipment and cancellation of the service contracts should be considered when making this decision.

BACKGROUND

Until recently, the Office of the Chief Information Officer purchased and paid for cellular phones and service for the Department's principal offices. In a memorandum issued in 1998, the former Chief Information Officer stated that OCIO would no longer perform this function and that principal offices would be responsible for cell phone purchasing and payment. As of the end of our audit fieldwork, there were approximately 30 phones still being used by the principal offices that were purchased and paid for by OCIO. In addition, OCIO initiated a pilot test for cellular phones purchased under Department of Transportation contract last summer. While there were some benefits noted, difficulties with these phones have resulted in a decision to start phasing them out. Approximately 35 of these phones are still in use by Departmental employees. When adding cellular phones purchased by individual principal offices, the Department has identified approximately 143 cell phones assigned to its employees.

AUDIT OBJECTIVE, SCOPE, and METHODOLOGY

The objective of our audit was to determine whether the Department has adequate controls over purchases and management of cellular phones.

To achieve our objective, we conducted interviews with Executive Officers and staff from each of the Department's principal offices. During our interviews, we discussed cell phone inventories, billing processes, purchasing procedures and general cell phone management.

As part of our work, we also obtained and reviewed the following documentation from each of the offices:

- Cell phone inventory;
- Cell phone bills for the period 10/1/1998 to 4/30/2000;
- Cell phone contracts for purchases and service for the time period 10/1/1998 to 4/30/2000; and
- Written cell phone policies and procedures.

We compared Departmental and PO processes and procedures to the criteria presented in GAO's *Standards for Internal Control in the Federal Government*, (GAO/AIMD-00-21.3.1, November 1999).

Fieldwork was performed at applicable Department of Education offices between April and June 2000. Our audit was performed in accordance with government auditing standards appropriate to the scope of the review described above.

STATEMENT ON MANAGEMENT CONTROLS

We have made a study and evaluation of the Department's current management control structure over the purchase and management of cellular phones. Our study and evaluation was conducted in accordance with Government Auditing Standards.

For the purpose of this report, we assessed and classified the significant management control structure into the following categories:

- Purchasing
- Inventory
- Billing

The management in the Department is responsible for establishing and maintaining a management control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of the system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that the transactions are executed in accordance with management's authorization and recorded properly, so as to permit effective and efficient operations.

Because of inherent limitations in any management control structure, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the degree of compliance with the procedures may deteriorate.

Our assessment disclosed weaknesses and inadequacies in the Department's current management control structure which, in our opinion, result in more than a relatively low risk that errors, irregularities and other inefficiencies may occur resulting in inefficient and/or ineffective performance. These findings and their effects are discussed in the Audit Results section of this report.
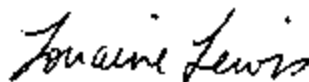
ADMINISTRATIVE MATTERS

In accordance with the Freedom of Information Act (Public Law 90-23), reports issued by the Office of Inspector General are available, if requested, to members of the press and general public to the extent information contained therein is not subject to exemptions in the Act. Copies of this audit report have been provided to the offices shown on the distribution list included with this report.

Please provide the Supervisor, Post Audit Group, Office of the Chief Financial Officer and the Office of Inspector General with semiannual status reports on promised corrective actions until all such actions have been completed or continued follow-up actions are unnecessary.

We appreciate the cooperation given to us during this review. Should you have any questions concerning this report, please call Michele Weaver-Dugan at (202) 205-9038.

Sincerely,

Lorraine Lewis

Attachments

UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF INSPECTOR GENERAL

FEB 16 2000

MEMORANDUM

TO : Frank S. Holleman, III
   Deputy Secretary

FROM : John P. Higgins, Jr.
   Acting Assistant Inspector General for Analysis and Inspection Services

SUBJECT : Recommended Controls for Property Management System

The recently formed property management team is taking steps to address longstanding weaknesses in the Department's property management systems and procedures. The team's goal is to develop an "auditable asset management process." To assist in this process, OIG has identified controls that should be included in the new property management process. We developed the attached list from previous OIG reports on the issue, our understanding of weak controls contributing to the recent loss of Department property, and discussions with the property management team and other Department employees.

The attached listing of controls is meant to assist in the development of the new property management process, but should not be considered all-inclusive. As you are aware, OIG has formed a team to review the Department's processes for procurement of assets and services. OIG will provide results of this review as they become available. Additionally, OIG will continue to monitor the efforts of the property management team.

CC: Willie Gilmore
   Craig Luigart
   Cathy Lewis
   Steve Moore
   Thomas Skelly

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Recommended Property Management Controls

- Procurement procedures should not allow the same employee to order, receive, and certify payment for purchases.

- Policies and procedures should be in place to ensure that vendor invoices submitted to the Contracts and Purchasing Office are supported with adequate documentation including a detailed listing of all assets purchased and where they were delivered.

- The Department needs to establish adequate supervisory review of procurement actions within the principal offices and within the Contracts and Purchasing Office. Managers should be held accountable for adequate supervision of procurement actions by including these responsibilities in their performance agreements (GPAS).

- Controls need to be established to reconcile assets purchased to items received and input into the inventory system.

- Need to control where purchased assets are delivered and to establish accountability for receipt. Procedures should require justification for off-site delivery of equipment and additional controls to ensure proper receipt of off-site deliveries. Contracts and Purchasing Office should not pay vendor invoices until receipt of assets is properly documented.

- Controls need to be established to ensure that assets are entered into the inventory system at time of receipt. After the baseline inventory is established, assets should be input into the system from receipt records rather than from a physical inventory.

- Controls need to be established to ensure assets are assigned to personnel responsible for their safekeeping. ED needs to ensure that assets are properly accounted for when an employee leaves the department, an employee transfers to a different Departmental office or equipment is transferred to another employee.

- Controls are needed to ensure that the inventory system records disposal of assets and that the disposals are authorized.

- Need to ensure management oversight of COTRs. Managers should receive training in contracts management.

- An annual physical inventory should be taken to validate the inventory records. Management should investigate when assets recorded in the inventory system are not located during the physical inventory.

- Inventory data on computers should include information on internal components such as memory, processor type and speed, and harddisk capacity.

- An inventory system needs to be established to track software licenses.

- The inventory system needs to identify and track leased equipment and ensure proper disposal.

- Controls need to be established to ensure that assets are barcoded as early in the acquisition process as possible, preferably before delivery.

UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF INSPECTOR GENERAL

MEMORANDUM

FEB 10 2000

TO   :   Frank S. Holleman, III
                     Deputy Secretary

FROM   :   John P. Higgins, Jr.
                     Acting Assistant Inspector General for Analysis and Inspection
                     Services

SUBJECT   :   OIG Analysis of Information Technology Inventory System

The recently discovered loss of U.S. Department of Education (ED) property has brought renewed visibility to lax management controls over information technology assets. Earlier this month the Office of Inspector General (OIG) performed a brief analysis of the status of the Department's information technology (IT) inventory and the current efforts to validate the inventory data and strengthen asset management controls. We spent a limited amount of time on this analysis and we will not provide a formal report. However, I would like to inform you of information we have gathered.

OIG reported on this issue in a 1994 Investigative Report, and ED has included ADP Inventory Control as a material weakness in its annual Federal Managers' Financial Integrity Report (FMFIA) since that time. In November 1998, OIG completed a management review of personal property management and provided recommendations for improvement. Attached to this memorandum are our November 1998 report, the Department's comments, and our response to the comments.

Our current work consisted of discussions on February 2 and 3 with Quality Workplace Group (QWG) staff responsible for property management and with Office of Chief Information Officer (OCIO) managers responsible for EDNET. These discussions centered on control of IT assets, the conduct of the Department's 1999 physical inventory of IT assets, reliability of the current IT inventory data, inventory system capabilities, and the 1999 Federal Managers' Financial Integrity Act (FMFIA) Report.

Section 202(b) of the Federal Property and Administrative Services Act of 1949, as amended, 40 USC SS 483(b) states: "Each executive agency shall [1] maintain adequate inventory controls and accountability systems for property under its control." QWG representatives we spoke with agreed that inventory controls and accountability are currently not adequate.

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Since 1994, when OIG identified inadequate inventory controls on office automation equipment as a material control weakness, there has been inadequate support by ED senior officers to correct the weakness. QWG has been unable to implement an adequate inventory control system and is now evaluating the third major modification to the system in five years. In addition, ED components provided inadequate support for validating the physical inventory performed last year.

1999 Physical Inventory

The 1999 physical inventory of IT assets was the first since 1994. There was no attempt to reconcile to the earlier inventory or to review computer surplusing actions: The inventory included visits to all ED buildings in the District of Columbia and ED regional offices. They attempted to search all basements and storerooms. OIG and Office of Civil Rights sub-offices were not visited but QWG asked those offices to provide inventory information. The inventory team received information about home computers from the Office of the Secretary, Office of Special Education and Rehabilitative Services, Office of the Undersecretary, Office of Management (OM), and OIG. Contractor personnel entered the data collected into the inventory system.

The 1999 inventory data was never fully validated. Executive Officers were provided lists of their IT equipment by QWG and were asked to validate the IT assets. Only OIG, OM, and the Secretary's Regional Representatives in New York and Philadelphia responded back to QWG. OIG's response was to provide QWG a copy of our IT inventory for reconciliation by QWG. Executive Officers from two ED components responded that they thought the inventory was the responsibility of QWG and that they didn't have time to do it. This data will now be validated and will be the base data for a new inventory system. In addition, we believe a complete review of all ED IT purchases made in the past three years would also be a beneficial step.

Inventory Data

This inventory data had several notable weaknesses. First, the inventory does not include a complete description of internal computer components such as memory, processor type and speed, and hard disk capacity. This is a deficiency since the processor and memory constitute a significant portion of the computer's value and can be easily taken from the computer and removed from the building. Second, the inventory system maintains no data on software installed on each personal computer. As a result, it is not possible to determine if ED has licenses for all installed software. We were unable to determine in the time available whether responsibility for the software inventory is or should reside with QWG, along with the hardware inventory. Third, the database has a field to identify whether a computer is owned by ED or is leased. However, none of the over 13,000 line items is identified as leased. From July to September 1998, ED received over 2000 leased computers and a similar number of monitors. OCIO has a database of these leased computers but many ED barcodes and computer and monitor serial numbers are missing.

Finally, only items costing $500 or more were included in the inventory, which ignores low cost scanners and printers. While this is in accordance with Federal regulations,

there may be operational advantages to replacing the dollar limit with a more specific definition of items to be inventoried. We suggest the Department consider whether to use the $500 guideline or whether to specify categories of IT to be inventoried.

Inventory System

There is no real-time updating capability that would allow ED components to easily update the system to add purchases and record removals between physical inventories. OCIO is currently implementing Systems Management Server (SMS), a network management tool to assist with EDNET management. The EDNET network architect in OCIO indicates SMS will be operational this summer. We understand that SMS will provide complete inventory information on every computer attached to EDNET including all internal components. This information will be stored in a SQL Server database and can be made available to OM to provide daily updates to their inventory system. OCIO is also implementing a software license monitoring system that will be operational this month. We believe the Department should consider linking data from the two OCIO systems to the QWG inventory system to provide timely updates.

FMFIA Report

ED reported the ADP inventory as a material weakness in the most recent FMFIA report. Our discussions with QWG personnel responsible for maintaining the inventory system disclosed that the FMFIA report included some of the earlier, failed attempts to develop an adequate inventory control system as completed actions/events. This leads the reader to conclude that significant progress has been made over the past five years toward correcting the control deficiency when, in fact, there is little to show for many of those actions.

For example, the FMFIA report lists the implementation of the Office Automation Equipment Inventory System to "monitor all equipment moves, excesses, replacements, and installs" as being completed in January 1995. However, this system was replaced by the current Asset Inventory Management System (AIMS), which is shown in the FMFIA report as being completed in July 1997. QWG stated that hardware and software conflicts prevented the AIMS system from being fully operational for almost two years.

Property Management Group

A departmental group has been formed "to develop an auditable asset management process that validates the effective/efficient investment of departmental resources and supports the overall Information Technology/information management strategies articulated by the Department and the Clinger-Cohen Act." Their short-term goals are to require OCIO approval of all IT purchases and to validate the inventory of IT assets taken from April to November of last year. Additional, longer term actions under consideration include restricting IT purchasing to OCIO approved items, limiting procurement to designated vendors holding blanket purchase agreements, purchasing additional IT inventory software, establishing a central receiving area for IT purchases, and new procedures for reviewing and reconciling IMPAC card purchases.

UNITED STATES DEPARTMENT OF EDUCATION

THE DEPUTY SECRETARY

September 6, 2000

TO   :   Lorraine Lewis
               Inspector General

FROM   :   Frank S. Holleman III

SUBJECT: Draft Audit Report (ED-OIG/A11-A0014) of Controls over Cellular Phones

I have reviewed the draft audit report and after consulting with Craig Luigart, CIO, direct the following:

Finding No. 1/Recommendation 1.1. I have assigned responsibility to the CIO to prepare written policies and procedures for Department cell phone purchasing and management processes, in consultation with Executive Officers, by November 30, 2000.

Concurrently, in agreement with Finding No. 4/Recommendation 4.1 and 4.2, I have also assigned responsibility to OCIO to acquire and centrally manage a Department-wide contract for cellular phone purchases and service that will enable the Department to achieve greater economies of scale. OCIO and OCFO/CPO are planning to have the contract in place by January 1, 2001.

Finding No. 2/Recommendation 2.1. Although cell phones clearly fall below the $500 nonexpendable threshold of GSA property accounting rules, the Department will "establish physical controls to secure and safeguard vulnerable assets… such as equipment that might be vulnerable to risk of loss or unauthorized use." The policies being developed by the CIO, as the delegated acquisition manager of the Department's cell phone contract, will require that Executive Officers and the OCIO Telecommunications Group share an Excel or Access Database to track the acquisition, deployment, and return to stock of the cell phones that we acquire under the contract. Target date for completion of that database is December 31, 2000.

The requirement that is being proposed to candidate vendors in order to get the best price and service is to include the phones as one of the services rather than a separate lease or buy of the cell phone as a product. Under this approach, the cell phones will remain property of the contractor. In other words, they will not formally become government property and will not be a candidate for tracking in the Department's computer equipment asset management database with government-owned equipment as the draft Recommendation 2.1 states. However, as stated in the previous paragraph, they will be accounted for through a specific, separate enterprise database to ensure inventory control. Furthermore, the database will be reviewed annually along with a physical inventory.

Finding No. 3/Recommendation 3.1. OCIO will establish a process wherein the Executive Officers and the OCIO will ensure key responsibilities related to cell phone purchasing and management are divided among different people. Target date for process completion is the same as the target date for the policy, November 30, 2000.

Finding No. 5. Cell phones service contracts are provided by number of minutes. The CIO is to work with the Executive Officers who will select those employees in their program offices to receive cell phone services and who will authorize their minutes of service to be received. Current business practice does not require a time-consuming, physical call-by-call itemization review but rather a timesaving automated review of incoming bills to determine if the cell phone usage is within or outside of the authorized limitation set between the user and the Executive Officer. The Executive Officer will then be responsible for discussing overages with the cell phone user. The billing process will be part of the overall process discussed in Recommendation 1.1 due November 30, 2000.

Finding No. 6/Recommendation 6.1. Policies under development will require that all relevant documentation be maintained for the appropriate periods.

Thank you for your continued support to the Department in its efforts to establish rigorous controls over procurement of assets and services. Your assistance is greatly appreciated.

cc: Craig Luigart, Chief Information Officer
      Willie Gilmore, Director, Office of Management
      Tom Skelly, Acting Chief Financial Officer
      Claudia Withers, Deputy General Counsel
      Jack Higgins, Deputy Inspector General
      Michele Weaver-Dugan, Director, Internal Operations Audit Team, Office of Inspector General