



JANUARY 4, 2001

OIG REPORT 01-08(H)

MEMORANDUM FOR: JAMES ESTEP, PROJECT DIRECTOR
WEST VIRGINIA HIGH TECHNOLOGY
CONSORTIUM FOUNDATION

SUBJECT: Memorandum Survey Report
Review of West Virginia Technology Training Center
Grant No. WV-13265

PURPOSE

The purposes of our review were (1) to determine the allowability of the costs claimed under the ARC grant, (2) to determine if the grant objectives were met and (3) to determine the current status of the project.

SCOPE

Our survey included procedures to review costs incurred and claimed for reimbursement under the grant, as well as costs claimed as matching funds. The period of performance for the grant was October 1, 1998 through September 30, 2000. We reviewed the grantee's reports, examined records, and held discussions with grantee officials in Fairmont, West Virginia on October 31, 2000. As a basis for determining allowable costs and compliance requirements, we used the provisions of the grant agreement, Office of Management and Budget (OMB) Circulars A-122 and A-110, and the ARC Code. Audit work was performed in accordance with Government Auditing Standards.

BACKGROUND

ARC Grant WV-13265 was awarded to provide funds to the West Virginia High Technology Consortium to provide funding for assistance with non-construction start-up costs for the West Virginia High Technology Training Center in Marion County, West Virginia. This included training of employees of federal agencies.

The total project costs was estimated at \$1,300,000. The ARC grant was for \$650,000 (50%). The grantee was to pay or cause to be paid the non-federal share of \$650,000 (50%) in cash, contributed services, or in-kind contributions.

RESULTS

Financial Review

During our visit, we reviewed the grantee's accounting records, including invoices and supporting documentation for a sample of grant and matching costs charged to the project. Total claimed costs were supported by the grantee's accounting records and no deficiencies were noted as to the allowability of the expenses or the adequacy of the documentation for the expenditures we reviewed.

It was recommended that invoices be noted with an accounts payable code in order to readily determine which grant/funds the cost was expensed. The grantee agreed with the recommendation.

On the grantee's final request for reimbursement dated October 25, 2000 the grantee claimed total project costs of \$1,250,625, which included grant costs of \$600,625 (48%) and matching costs of \$650,000 (52%). Documentation shows the grantee has met their required non-federal match. The grantee has submitted their Final Report and the grant will be closed with \$49,375 deobligated.

Program Review

The grantee has successfully completed the tasks as required in the grant agreement, which included completion of the training facility and training of 200 participants. The grantee stated they did not have documentation for the 200 workers trained as the government agency retained those records. We recommended for future job training grants that some type of documentation and tracking be maintained on participants, including job follow-up. The grantee agreed with the recommendation.


Hubert N. Sparks
Inspector General



January 22, 2001

MEMORANDUM FOR The Federal Co-Chairman
ARC Executive Director
ARC General Counsel

SUBJECT: OIG Reports 01-8(H), 01-9(H), 01-11(H), and 01-18(H); ARC Grants
WV-13265, WV-12888B, WV-13268, and MD-13162

The subject reviews, which dealt with grants pertaining to training, tourism, expanding knitting businesses, and telecommunications, did not identify any issues needing further action.


Hubert N. Sparks
Inspector General

Enclosures

cc: Ms. Judy Rae, Program Director