

**MEMORANDUM REPORT ON REVIEW OF THE  
BLEDSOE COUNTY DENTAL PROJECT  
PIKEVILLE, TENNESSEE**

**BLEDSOE COUNTY DENTAL PROJECT GRANTS**

**ARC Grant Nos.: TN-12499-97-I-302 and TN-12499-98-I-302**

**October 1, 1997 through March 31, 2001**

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**Report Number: 01-24(H)**

**Date: February 27, 2001**

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PIKEVILLE, TENNESSEE**

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**October 1, 1997 through March 31, 2001**

**Prepared By:**

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TO: Appalachian Regional Commission (ARC)  
Office of Inspector General (OIG)

FROM: Tichenor & Associates, LLP  
Louisville, Kentucky

REPORT FOR: The Federal Co-Chairman  
ARC Executive Director  
OIG Report No 01-24(H)

SUBJECT TO: Memorandum Review Report on the Bledsoe County Comprehensive  
Dental Service Grants, Pikeville, Tennessee. ARC Grant Nos: TN-12499-  
97-I-302 and TN-12499-98-I-302.

PURPOSE: The purpose of our review was to determine if (a) the total funds claimed for reimbursement by Bledsoe County for its Dental Service Project were expended in accordance with the ARC approved grant budgets and did not violate any restrictions imposed by the terms and conditions of the grants; (b) the accounting, reporting and internal control systems provided for disclosure of pertinent financial and operating information; and (c) the objectives of the grants had been met.

BACKGROUND: ARC awarded to Bledsoe County Grant Number TN-12499-97-I-302 for the period October 1, 1997 through March 31, 1998 and Grant Number TN-12499-98-I-302 for the period April 1, 1998 through March 31, 2000; the period of this grant was later extended through March 31, 2001. The purpose of the grants was to provide funds to Bledsoe County at Pikeville, Tennessee, for the provision of dental services to low income and indigent residents of Bledsoe County in Appalachian Tennessee.

The ARC grant funding for Grant Number TN-12499-97-I-302 was for \$32,095, or 50% of actual, reasonable and eligible project cost. The Grantee was to provide local matching funds

totaling \$32,095, or 50%, in cash, contributed services or in-kind contributions. The ARC grant funding for Grant Number TN-12499-98-I-302 was for \$48,014 or 68% of actual reasonable and eligible project cost. The Grantee was to provide local matching funds totaling \$22,595 in cash, contributed services or in-kind contributions.

The specific task was to:

- Provide comprehensive dental services to low income and indigent residents of Bledsoe County through the local health department.

SCOPE: We performed a program review of the grants as described in the Purpose, above. Our review was based on the terms of the grant agreements and on the application of certain review procedures in accordance with the ARC, OIG Review Program. Specifically, we determined if the task listed above had been performed, if the accountability over ARC funds was sufficient as required by the applicable Office of Management and Budget (OMB) Circulars, and if Bledsoe County had complied with the requirements of the grant agreements. In addition, we discussed the program objectives and performance with Bledsoe County's personnel. Our results and recommendations are based on those procedures and were conducted in accordance with applicable Government Auditing Standards.

RESULTS: The following results were based on our review performed at Bledsoe County in Pikeville, Tennessee on October 23 and 24, 2000. Additionally, further work was performed February 16, 2001 to review additional costs incurred information that was provided to us at our office.

#### **A. Incurred Costs**

Bledsoe County, Tennessee incurred total program costs of \$72,170, of which they claimed direct reimbursable costs from October 1, 1997 through March 31, 1998 of \$32,095 from ARC. Additionally, Bledsoe County, Tennessee incurred total program costs of \$45,722, from April 1, 1999 through February 15, 2001. At the present time, Bledsoe County has claimed direct reimbursable costs totaling \$9,655 from ARC. The County will be completing a request for reimbursement from ARC for additional costs incurred through March 31, 2001, the end of the grant period. We reviewed the direct and in-kind costs incurred and determined that the funds had been expended as reported.

#### **B. Internal Controls**

We did not identify any internal control weaknesses that could have affected the accountability of costs or compliance with the terms of the grant agreements.

**C. Program Results**

Our review of the Bledsoe County Dental Project Grant Number TN-12499-97-I-302 indicated that the objective of the grants had been met. During the period of Grant Number TN-12499-98-I-302, the dentist serving Bledsoe County ended his employment and the County had difficulty obtaining the services of a new dentist. However, the County was able to hire a new dentist in September 2000 and is continuing to work towards meeting the objective of the grant.

*Tichenor & Associates, LLP*

TICHENOR & ASSOCIATES, LLP

Louisville, Kentucky

February 20, 2001