



May 10, 2002

OIG REPORT 02-31

**MEMORANDUM FOR: JEFFREY EVANS
PROJECT DIRECTOR
GEORGIA INSTITUTE OF TECHNOLOGY**

SUBJECT: Memorandum Survey Report
Review of Northwest Georgia Strategic
Telecommunications Design Project
GA-13544

PURPOSE

The purposes of our review were to determine; (1) the allowability of the costs claimed under the ARC grant, (2) if the grant objectives were met and (3) 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, 1999 to June 30, 2001.

We reviewed the grantee's reports, examined records, and held discussions with grantee officials in Atlanta, Georgia, on April 19, 2002. 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-21 and A-110, and the ARC Code. Audit work was performed in accordance with Government Auditing Standards.

BACKGROUND

ARC Grant GA-13544 was awarded to the Georgia Technical Applied Research Corporation. The project was to underwrite the development of a regional strategic telecommunications plan for a 10 county area in NW Georgia. The project was also to support the development of 2-3 demonstration projects between business and the education sector in the area of workforce training.

The total project costs was estimated at \$115,300. The ARC grant was for \$85,300 (74%) and the grantee was to pay or cause to be paid the non-federal matching contribution of \$30,000 (26%).

RESULTS

Financial Review

During our visit, we reviewed the grantee's accounting records, including invoices and supporting documentation for the grant costs charged to the project. 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. The grantee appears to have met their requirements for matching funds.

The grantee's last reimbursement request, dated December 11, 2002, claimed total costs of \$116,381, which included grant costs of \$85,300 (73%) and matching costs of \$30,913.57 (27%). The final report has been received and the grant was closed on February 15, 2002.

Program Review

The grantee completed the strategic plan and fulfilled the goals of the grant. The plan will be distributed to the counties involved and other interested parties. The plan could also be used as a guide for other rural areas experiencing similar problems as northwestern Georgia.



Clifford H. Jennings
Inspector General



May 10, 2002

Jeffrey Evans
Senior Research Engineer
Georgia Institute of Technology
400 Tenth St, NW
Atlanta, GA 30332

re: OIG Report 02-31
ARC Grant GA-13544

Dear Mr. Evans:

Enclosed is a copy of our report dealing with the subject grant. We have closed the report based on the absence of any reportable conditions.

A copy of the report has been provided to the Federal Co-Chairman, ARC Executive Director, Program Operations, and Georgia State Alternate.

The courtesies and cooperation afforded the auditor were appreciated.

Sincerely,

Clifford H. Jennings
Inspector General

Enclosure

cc: Federal Co-Chairman
ARC Executive Director
Program Operations
Georgia State Alternate