



April 25, 1995

OIG Report No. 95-32(H)

Dr. John R. Mink
College of Dentistry
Department of Oral Health Practice
University of Kentucky
Chandler Medical Center
Lexington, KY 40536-0084

Re: ARC Contract 92-192,
KY-11171-92, Dental
Care for Appalachian
Children

Dear Dr. Mink:

As discussed with you during our visit of March 30-31, 1995, we are providing, through this letter, the results of our review of the Appalachian Regional Commission (ARC) grant for the Dental Care for Appalachian Children Project. No formal response is required.

ARC awarded a grant to the University of Kentucky Research Foundation to provide dental treatment for indigent, at-risk children in twelve Appalachian Kentucky counties. In addition to direct services to 3,000 children, dental education programs were to be developed for parents, teachers and health care workers in the schools and health departments served by the project. The dental treatment was to be delivered in a self-contained mobile dental facility. The grantee was also to provide a comprehensive evaluation of the effectiveness of the mobile dental facility in delivering these services.

The grant was for the lesser of \$140,000 or 61.7 percent of actual, reasonable and eligible project costs. The grantee was required to provide a non-federal share of \$86,730 or 38.3 percent in cash, contributed services, or in-kind contributions, as approved by ARC. The initial period of performance for the grant was September 1, 1992 through August 31, 1993. It was subsequently extended to November 30, 1993.

The purposes of our review were to (1) 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. 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, A-110, A-133 and the ARC Code.

During our on-site visit, we were pleased to tour the mobile dental van and to meet with you and Dr. Templeton to discuss the benefits


of the project to the children of Appalachian Kentucky and to the participating dental staff. During our visit, we also met with administrative and accounting personnel and reviewed applicable progress reports and the A-133 audit reports for the years ending June 30, 1993 and 1994.

According to our review:

- (1) The services specified by the grant agreement (contract 92-192) were provided to Appalachian children by project staff. Services provided included examinations, screenings and Health Fair visits, prophylaxis, sealants, x-rays, fillings, extractions and crowns. Although the total number of children receiving treatment was less than the 3,000 anticipated, we understand that the dental van operated at maximum capacity and that the grantee continues to receive more requests for treatment than can possibly be handled. During the grant period 2,761 dental appointments were provided to 1,528 children.
- (2) The grantee received a subsequent grant (contract 93-128) from ARC to continue the dental program. It was for \$111,898.90 but none of the funds had been disbursed by ARC at the time of our on-site review. The grant period is December 1, 1993 through May 31, 1995. We understand the project will be continued with funding from other sources upon completion of the current ARC grant.
- (3) We reviewed the grantee's accounting records, including invoices and related documentation, for both direct and matching costs claimed under the ARC grant. No deficiencies were noted as to the allowability of expenses or availability of supporting documentation.

The courtesies and cooperation extended during our visit were appreciated. No response to this letter is necessary; however, if you have any questions or comments, please call me or Jo Ann Brenner at (202) 884-7675.

Sincerely,


Hubert N. Sparks
Inspector General

cc: Sponsored Projects Administration and
Sponsored Projects Accounting of
University of Kentucky Research Foundation