



Report In Brief

U.S. Department of Commerce Office of Inspector General

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Why We Did This Review

Our audit objectives included (1) identifying the reimbursable activities within Census, (2) determining whether reimbursable activity is consistent with the bureau's goals and objectives and whether applicable laws and regulations are being followed, and (3) assessing whether appropriate management controls are in place. We also assessed whether Census was recovering full costs for its work. Our audit scope included reimbursable agreements in place during FY 2003 & FY 2004.

Background

The U. S. Census Bureau performs surveys, data collections, data sales, and special censuses for federal, state, and local governments, and for other organizations. The bureau receives reimbursements from the entities it services to offset the costs of its work. For FY 2004, Census Bureau earned total revenue of approximately \$248 million through reimbursable activity with government agencies and fixed fee sales of products to the public.

To view the full report, visit www.oig.doc.gov/oig/reports/2005/Census-FSD-16824-5-0002-03-05.pdf.

U.S. Census Bureau

Management Controls Over Reimbursable Agreements at the U. S. Census Bureau Need Improvement (FSD-16824-5-0002)

What We Found

Our audit showed that the reimbursable activity is consistent with the bureau's mission and the cost of work performed under reimbursable authority is being fully recovered. However, our audit also identified that management controls over the reimbursable agreement process need strengthening.

Specifically, improvement is needed in the execution of reimbursable agreements; and the clarification of policy on legal reviews. We determined that the acquisition division needs a more effective tool to use in monitoring reimbursable agreement activity; and official reimbursable agreement files should maintain all required documentation.

We found reimbursable agreements were executed and signed after the start date of the period of performance specified in the agreement. In some cases, there was no temporary work agreement or modification to cover the period from the start of performance period until the agreement was formally executed. In addition, the *Census Policy and Procedures Manual* does not clearly establish criteria to determine which reimbursable agreements are specifically exempt from legal reviews.

Finally, we found that some reimbursable projects were not included in the Census acquisition division database. Also, project folders were incomplete, and official agreement documents were located in different divisions at the Census Bureau.

What We Recommended

We recommended the Census director should require that

- (1) Fully executed agreements are in place prior to the start of any reimbursable work or a Temporary Work Authority is prepared in advance to authorize work for federal customers for up to a 90-day period upon receipt of a letter of intent.
- (2) The *Commerce Policies and Procedures Manual* should be updated to clarify which agreements, products, and services are specifically exempt from legal review.
- (3) The acquisition division develop a more efficient tool for monitoring reimbursable activity.
- (4) All required documentation be included in each official agreement file.