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B-161980, Nov 23, 1971

Number: B-161980

Date: 1971-11-23

B-161980, NOV 23, 1971

UPWARD BOUND - PROGRAM EVALUATION - REIMBURSEMENT OF EXPENSES DENIED DECISION DISALLOWING $1,250 SALARY ITEM PAID TO DR. EDWARD STEVENS UNDER UPWARD BOUND PROGRAM FOR TESTING AND EVALUATION OF PARTICIPATING STUDENTS, SINCE THE ITEM WAS NOT IN THE APPROVED BUDGET FOR THE PROGRAM AND BECAUSE OF THE SPECIFIC DENIAL OF USE OF FUNDS FOR EVALUATION OF THE PROGRAM UNDER PARAGRAPH VII OF POLICY GUIDELINES AND APPLICATION INSTRUCTIONS ISSUED BY OEO FOR THE UPWARD BOUND PROGRAM.

TO MR. JOHN D. PHILLIPS:

FURTHER REFERENCE IS MADE TO YOUR LETTER OF AUGUST 16, 1971, WITH ENCLOSURES, CONCERNING THE DISALLOWANCE OF A $1,250 SALARY ITEM PAID TO DR. EDWARD STEVENS UNDER THE UPWARD BOUND PROGRAM. AS YOU WERE ADVISED BY OUR LETTER OF AUGUST 31, 1971, B-161980, WE REQUESTED A REPORT ON THE MATTER FROM THE OFFICE OF EDUCATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE. THE REQUESTED REPORT HAS NOW BEEN RECEIVED.

YOUR LETTER OF AUGUST 16, 1971, STATES THAT THE $1,250 SALARY ITEM WAS PAID TO DR. STEVENS FOR TESTING AND EVALUATION OF STUDENTS. YOUR LETTER OF JUNE 7, 1971, TO THE OFFICE OF EDUCATION, ENCLOSED WITH YOUR LETTER OF AUGUST 16, 1971, INDICATES THAT IN ADDITION TO TESTING AND EVALUATING THE STUDENTS, DR. STEVENS' WORK ALSO INCLUDED RESEARCH ON THE LOCATION OF FORMER STUDENTS AND THE EFFECT OF THE UPWARD BOUND PROGRAM ON THESE STUDENTS. MEASUREMENT OF THE EFFECT OF THE PROGRAM ON THESE STUDENTS CONSTITUTES EVALUATION OF THE PROGRAM. THE LETTER OF JUNE 7 ALSO ACKNOWLEDGES THAT THE SALARY FOR DR. STEVENS WAS NOT IN THE APPROVED BUDGET.

THE REPORT RECEIVED FROM THE OFFICE OF EDUCATION STATES THAT THE SALARY PAID TO DR. EDWARD STEVENS DURING JUNE 1969, WAS AN ADDITIONAL SALARY PAID FOR EVALUATION OF THE PROGRAM; THAT SUCH SALARY WAS NOT INCLUDED IN THE APPROVED OEO BUDGET; AND THAT THE GRANT DOCUMENT DOES NOT CONTAIN ANY PROVISION FOR SUCH AN EXPENDITURE OR FOR RETROACTIVE APPROVAL OF IT. IT IS NOTED THAT PARAGRAPH VII OF THE POLICY GUIDELINES AND APPLICATION INSTRUCTIONS ISSUED BY THE OFFICE OF ECONOMIC OPPORTUNITY FOR THE UPWARD BOUND PROGRAM DURING THE PERIOD HERE INVOLVED PROVIDES FOR NATIONAL RATHER THAN LOCAL CHARACTERIZATION OF UPWARD BOUND AND TO THAT END STATES THAT " *** NO REQUEST FOR FUNDS FOR LOCAL RESEARCH, EVALUATION, OR STATISTICAL WORK WILL BE GRANTED." THE OFFICE OF EDUCATION OBVIOUSLY FOLLOWED THIS GUIDELINE IN ADVISING YOU THAT PERSONNEL WHO ARE NORMALLY HIRED TO WORK IN THE UPWARD BOUND PROGRAM ON AN ESSENTIALLY FULL-TIME BASIS ARE RESPONSIBLE FOR BOTH TESTING AND EVALUATION OF STUDENTS, AND THAT THE SALARY OF A PERSON HIRED SPECIFICALLY FOR TESTING AND EVALUATION IS NOT AN

ALLOWABLE EXPENSE UNDER THE UPWARD BOUND GUIDELINES. AN EXAMINATION OF THE TABLE OF ALLOWABLE COSTS (APPENDIX A TO THE GUIDELINES) SHOWS THAT SUCH AN EXPENSE IS NOT LISTED AS AN ALLOWABLE COST.

IN VIEW OF THE ABOVE, WE HAVE NO ALTERNATIVE BUT TO SUSTAIN THE ACTION TAKEN BY THE OFFICE OF EDUCATION IN DISALLOWING THE ITEM OF SALARY PAID TO DR. EDWARD STEVENS.