
Rhode Island
Economic Development Corporation

**Review of
Travel and Entertainment Expenses**

February 2000

Ernest A. Almonte, CPA, CFE
Auditor General

State of Rhode Island and Providence Plantations
General Assembly
Office of the Auditor General



State of Rhode Island and Providence Plantations

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JOINT COMMITTEE ON LEGISLATIVE SERVICES

SPEAKER John B. Harwood, Chairman

Senator Paul S. Kelly
Senator Dennis L. Algieri
Representative Gerard D. Martineau
Representative Robert A. Watson

We have completed a review of the travel and entertainment expenses of the Rhode Island Economic Development Corporation. Our findings and recommendations are contained herein as outlined in the Table of Contents.

Sincerely,

Ernest A. Almonte, CPA, CFE
Auditor General

**RHODE ISLAND
ECONOMIC DEVELOPMENT CORPORATION**

TABLE OF CONTENTS

I. INTRODUCTION

SCOPE AND PURPOSE.....1

II. FINDINGS AND RECOMMENDATIONS

BUSINESS PURPOSE2
MEALS WITH NON-EDC INDIVIDUALS3
MEALS WITH EDC PERSONNEL4
OTHER EXPENDITURES5
LACK OF FORMAL WRITTEN POLICIES6
OUT-OF-STATE TRAVEL7
SUPPORTING DOCUMENTATION.....8
PARKING TICKETS10
PETTY CASH10

III. APPENDICES

I. INTRODUCTION

SCOPE AND PURPOSE

We have reviewed all the credit card billings for the six corporate credit cards issued to the Rhode Island Economic Development Corporation (EDC) from inception in October 1997 to cancellation of the credit cards in December 1999. Total charges to these credit cards totaled \$99,972.77; individual totals for the six persons who held credit cards at the EDC are summarized below:

<u>Title</u>	<u>Amount</u>
Executive Director	\$ 20,878.38
Deputy Director	17,352.51
General Counsel	20,645.89
Associate Director, Corporate Services	7,086.64
Associate Director, Strategic Marketing Development (since May 1999 only)	5,813.96
Director of Tourism	<u>28,195.39</u>
TOTAL	<u>\$ 99,972.77</u>

See Appendix A for a summary of charges by category.

For each transaction listed on the monthly credit card bills, we examined supporting documentation (restaurant receipts, hotel bills, etc.) provided to us to determine whether the charge was an appropriate business expense. In the absence of such documentation, we reviewed handwritten notations on credit card bills, and personal calendars of the cardholder to determine whether a charge appeared reasonable. While this type of evidence was of use to us, it should not be used as a substitute for objective documentation, such as receipts.

We reviewed employee reimbursement requests for fiscal years 1999 and 2000 (through January 6, 2000) as well. As with credit card bills, we reviewed the documentation submitted with the reimbursement requests to determine reasonableness of the reimbursement. We considered also the policies of the EDC with regard to travel and entertainment expenses for the period of our review.

The purpose of our review was to determine the appropriateness and reasonableness of the travel and entertainment expenses charged to corporate credit cards issued to EDC personnel, as well as those expenses reimbursed through the EDC accounting system. We relied on documentation provided to us by the EDC to make these determinations. We could not confirm in the time available to us the attendance of non-EDC personnel at specific meetings or events, what specific individuals at these events consumed or what costs may have been borne by others.

We interviewed five of the six persons who were issued corporate credit cards (and the legal representatives of the sixth person) and reviewed certain credit card charges with them.

II. FINDINGS AND RECOMMENDATIONS

BUSINESS PURPOSE

We reviewed each credit card charge and the associated documentation provided by the EDC. This documentation included receipts and billings from restaurants and hotels, receipts from other vendors, credit card statements, and the personal calendars of the six credit cardholders. We utilized this documentation to assist us in determining the acceptability and reasonableness of these credit card charges. Our interviews with the credit cardholders also afforded an opportunity for us to gain an understanding of the business purpose, if any, of these charges.

We noted numerous occasions when documentation for charges on EDC credit cards held by the Executive Director, Deputy Director, General Counsel, and the Associate Director for Corporate Services was inadequate to objectively confirm the business purpose of the charges. We were informed by some cardholders that these were for meals with staff at which business matters were discussed, for interviews which management desired to keep private or confidential, or for meals for staff members working additional hours on special projects.

We believe that issuance of the corporate credit card placed on the cardholder a responsibility to use it only for EDC-related activities, and to retain appropriate documentation for each charge. Charges for which no reasonable documentation existed should have been rejected for payment by the EDC and regarded as personal expenses until the cardholder furnished acceptable documentation.

Seventy charges totaling \$4,628.40 were categorized as supported by “collateral documentation” in a review performed by the EDC’s outside auditors. This category indicates that no documentation existed; each cardholder signed a “Certificate of Business Related Expenses” certifying that these charges were related to EDC business. We were able to locate documentation for 28 of these charges, which in aggregate totaled \$2,230.58.

Although the six corporate credit cards issued to EDC personnel have now been cancelled, the policies and procedures formulated by EDC in October 1999 remain in effect. In addition, gasoline credit cards are still being used at both the Quonset Point and Providence locations of the EDC, and these policies and procedures apply to use of gasoline credit cards as well. The October 1999 policies and procedures require the Executive Director of the EDC to limit distribution of general or gasoline credit cards to “personnel who have a frequent need to expend appropriate sums directly associated with the Corporation’s business, such that without such credit card of the Corporation the business of the Corporation would be stalled, frustrated or hampered.”

The EDC has its own accounting system and checking accounts. Employees who incur business expenses can be reimbursed within a few days by submitting appropriate documentation to the accounting section of the EDC. Therefore, we see little, if any, difficulty attached to having employees incur out-of-pocket expenses related to business expenses associated with travel and entertainment, and subsequently being reimbursed on a timely basis by the Corporation.

We believe that use of corporate credit cards can be beneficial to the Corporation in certain circumstances; however, use of corporate credit cards should only be allowed in accordance with the current policies and procedures of the EDC. These policies and procedures restrict use to those expenditures “directly associated with the business of the Corporation,” prohibit personal use, and require expenses incurred to be “reasonable, directly associated with business of the Corporation and consistent with all other expenditure policies of the Corporation.”

Lastly, we believe that the amount of business transacted over the Internet will continue to grow and become more prevalent for government agencies in the near future, especially given the wide range of choices available and the demonstrated cost-savings that can be achieved. Companies who sell goods and services over the Internet almost exclusively require that all purchases be made with a credit card.

RECOMMENDATIONS

1. Restrict use of corporate credit cards to circumstances directly associated with corporate business; prohibit any personal use.
2. Reimburse employees for all other allowable expenses incurred in the conduct of corporate business.

MEALS WITH NON-EDC INDIVIDUALS

The EDC offices are located in the dome building within the Westin Hotel in Providence. We regard this office space as more than suitable for the mission of the Corporation. However, our review disclosed several instances when cardholders held meetings with local business representatives and with government officials at area restaurants and charged the entire restaurant bill to the corporate credit card. For example, the Executive Director charged meals with other state department directors, legislative and municipal officials, and local business leaders at a variety of restaurants.

We also noted that certain EDC employees were reimbursed for in-state meals with non-EDC local officials. Some of these were designated as “relationship-building” events, while others were part of normal business activities.

While these restaurants may have provided a relaxing and congenial atmosphere, we believe the offices and conference rooms of the EDC are also eminently suitable and should have been utilized for these meetings. The Corporation’s current policies on entertainment expenses do not address these situations. We believe these policies should be revised to allow for meals with local business representatives with the advance approval of designated management representatives; however, meals with Rhode Island government officials should only be reimbursable under conditions specifically defined by EDC policy.

We noted also that EDC personnel were reimbursed for meals with federal government officials, both in Rhode Island and out-of-state. EDC personnel would share the total cost of the event equally, including the costs of the non-EDC attendees. EDC management should determine the propriety of paying for the meals of federal government employees, regardless of the location of the meals.

RECOMMENDATIONS

3. Revise the current policies on entertainment expenses to allow for meals with local business representatives only with advance approval of designated EDC personnel.
4. Develop specific criteria defining when charges incurred for meals and entertainment expenses during meetings with other Rhode Island government officials will be reimbursed.
5. Determine the propriety of paying for the meals of federal government employees.

MEALS WITH EDC PERSONNEL

Our review also noted instances in which cardholders charged meals with other EDC staff members. For example, the Executive Director incurred charges for staff lunches and dinners on various occasions. In other instances, meals with individual employees were charged. We believe these meetings should have been held in the offices or conference rooms of the EDC.

We cross-checked these charges to insure that meals were not charged to more than one credit card, or reimbursement request. We found one instance in which the Executive Director incurred a charge for lunch with two staff members at a local restaurant. On that same date, one of these staff members charged for lunch with the Executive Director at another local restaurant. The personal calendars of these individuals both listed lunch with the other on that date. Seemingly contradictory charges should have been reviewed and cleared by EDC staff before payment was approved.

Corporate policies require entertainment expenses to be “directly associated” with the business of the EDC and incurred in association with business travel. We believe that meals and entertainment expenses incurred by employees in meetings with one another do not meet these requirements, and should not be considered reimbursable.

RECOMMENDATION

6. Prohibit the reimbursement of meals and entertainment expenses incurred by EDC employees in meetings with one another.

OTHER EXPENDITURES

We found charges to corporate credit cards for items we believe should have been procured by the EDC using corporate purchasing procedures. For example, a classified advertisement costing \$206.50 was charged to one credit card, while \$275 for a leadership directory was charged to another.

We found similar charges in our review of various employee reimbursement requests. For example, \$128.39 was reimbursed for software; \$423 for various professional dues and subscriptions; \$128.85 for a drill and related items; and \$53.49 for a bookcase.

These kinds of transactions should have been processed through the purchasing office of the EDC. Using credit cards for these purchases, or reimbursing employees for expenses incurred, can result in circumventing the purchasing and budgeting functions of the corporation, and lead to excessive or unnecessary costs.

Our review also determined that expenditures for persons other than the assigned cardholder were charged to these credit cards. On January 31, 1998, a Chicago hotel bill of \$1,004.84 was charged to the credit card of the Deputy Director of the EDC. The hotel room was actually used by another EDC employee. This charge was initiated by the EDC, and was supposedly necessary because the traveler was a last-minute substitute for another employee, and did not have a personal credit card.

In another instance, an EDC employee used the credit card of the Associate Director for Corporate Services to charge \$48 at the United States Postal Service office and \$5.97 at an office supply store, both in Cranston. On that same date (December 17, 1998), \$187.84 was charged to the same corporate card at a greeting card store located in the same Cranston shopping center. The receipt for this transaction did not indicate who made the purchase; however, we were informed by the cardholder that this was for the purchase of Christmas cards to be sent out from the EDC.

On May 12, 1998, the EDC charged \$403.61 for the airfare of an employee of the Lieutenant Governor's office to an EDC credit card, and on June 15, 1998, also charged a hotel bill of \$502.71 in Oklahoma City to the same card. These costs were incurred for participation of the employee at the National Lieutenant Governor's Association annual meeting, and was considered to be related to economic development. EDC personnel informed us that these charges have not been reimbursed to the Corporation.

Allowing other persons to utilize an assigned credit card weakens internal control over these instruments and can lead to inappropriate transactions being charged to the cards.

Our review of employee reimbursement requests yielded similar charges that we regard as inappropriate. For example, we noted reimbursements for:

- a gasoline purchase for an employee who was receiving mileage allowance;
- a purchase of seven gift certificates of \$50 at a restaurant for the non-management members of a healthcare advisory committee;

- a \$10 parking ticket (this was reimbursed on February 8, 2000, following our inquiry); and
- a charge of \$99.83 for a hotel room charge (the employee stayed three nights but included four nights on the expense reimbursement request; this was repaid by the employee on February 9, 2000, following our inquiry).

EDC has not utilized a per diem allowance to reimburse employees for out-of-state travel. The current state per diem is \$24 for meals related to out-of-state-travel, an amount we regard as clearly inadequate when the employee travels to large cities, such as Washington, Philadelphia, and New York City. We believe the EDC should formulate a policy that would reimburse based on either (i) a per diem allowance suitable to the national and international locations where EDC personnel travel, or (ii) appropriate levels of actual expenditures incurred. The EDC may wish to utilize an outside consultant to assist in determining an objective basis for these amounts.

RECOMMENDATIONS

7. Require EDC employees to follow purchasing policies and procedures in procuring goods and services.
8. Formulate an appropriate meal reimbursement allowance policy for employees traveling to out-of-state locations.

LACK OF FORMAL WRITTEN POLICIES

The EDC has general policies governing travel, entertainment, and other reimbursable employee expenses. In many instances, however, these policies do not:

- provide specific criteria as to what is allowable and unallowable;
- define dollar limitations (i.e. the maximum amount that will be reimbursed in a given situation); or
- provide employees with any parameters as to what constitutes a “reasonable” business expense.

Our interviews with EDC officials along with our review of literature provided by EDC indicates that many states have adopted a quasi-public structure for their economic development agencies. One of the main reasons this type of organization has been favored is because it allows for greater flexibility in conducting efforts to recruit companies to relocate to the state, retain companies that are being recruited by other states, and assist companies wishing to expand in Rhode Island. These efforts include entertaining clients, which from time to time involves meals and the consumption of alcohol. Thus, EDC must develop policies that are flexible enough to ensure that it remains competitive with other states while at the same time instituting adequate controls to provide assurance that travel and entertainment expenditures are both reasonable and well documented.

Besides travel and entertainment, other types of business expenses incurred by employees have traditionally been reimbursed but are not governed by any official policies. Additionally, there are certain situations that can commonly occur during the course of conducting business for which no official guidance currently exists. The following list delineates examples of areas where EDC presently has no formal written policies:

- ❑ Criteria for the types of business meals that are eligible for reimbursement
- ❑ Payment of professional dues
- ❑ Spouses accompanying employees on trips
- ❑ Reimbursement of business calls made on personal cell phones
- ❑ Personal use of EDC computers, including Internet access
- ❑ Alcohol
- ❑ Rental cars
- ❑ Cash advances for travel
- ❑ Personal phone calls made on business trips

We wish to emphasize that in the majority of these areas EDC has always had informal policies governing reimbursements to employees and has generally applied them consistently. However, the lack of formal written policies is a weakness and leaves open the possibility that abuse could occur in the absence of any official and specific guidance.

In response to the recent controversy over EDC credit card usage, the Governor appointed a management team to oversee EDC operations until a new director is selected. This committee has given top priority to reviewing and revamping all of EDC's policies and procedures, which is clearly a needed and prudent course of action. We encourage the management team to include the subject areas we have identified in this report when compiling these new guidelines.

RECOMMENDATION

9. Establish formal written policies governing travel, entertainment, and other reimbursable employee expenses.

OUT-OF-STATE TRAVEL

In its December 13, 1999 report, *Review of Credit Card Expenses and Travel Activities*, the Bureau of Audits noted that EDC should have a uniform set of guidelines for out-of-state travel. According to the Bureau, EDC employees were responsible for arranging their own travel plans. Some employees booked their flights through travel agencies, those with corporate credit cards sometimes charged flights directly to their cards, and others used personal funds and sought reimbursement from EDC.

The Assistant Director for Fiscal Affairs informed us that the majority of airline travel is booked through one travel agency, although this agency was not selected as the result of any procurement process. During fiscal 1999, this travel agency handled the processing of approximately \$30,000 in airline tickets for the EDC.

On November 7, 1997, the State Controller's Office issued revised travel policies that consolidated all out-of-state travel activity for State departments and agencies by contracting with a single travel agency to coordinate all travel arrangements. We believe that EDC should determine whether it would be more cost effective and efficient to use the services of this travel agency.

RECOMMENDATION

10. Determine whether it would be more cost effective and efficient to use the services of the travel agency under contract with the state to coordinate all out-of-state travel.

SUPPORTING DOCUMENTATION

Our review disclosed a lack of consistency among the cardholders regarding the retention of documentation to support credit card charges. We found monthly credit card bills for which there was no supporting documentation of any kind, or for which the only support was handwritten explanations on the bill itself. For many restaurant bills, the receipt submitted disclosed the total of the bill, but did not delineate the number of persons present for the meal, or whether alcoholic beverages were included. We are aware that EDC regarded alcoholic beverages as acceptable for certain business meals; however, absent sufficient documentation, we could not determine whether other meals also included alcoholic beverages.

While we recognize that it is not practical to require detailed receipts for incidental small-dollar expenses, EDC needs to establish a strict policy that requires employees to submit detailed receipts for all business expenditures in excess of an established threshold (e.g. \$10). Furthermore, any subject expenses that are not accompanied by a detailed receipt should not be reimbursed.

We also noted many instances where agendas were not included as supporting documentation when employees submitted requests for reimbursement for attendance at conferences. Without the inclusion of agendas, EDC accounting personnel reviewing reimbursement requests cannot determine whether any meals were included in the cost of the registration fee for a particular conference.

During our review of employee expense reimbursement requests, we noted three instances where employees were reimbursed for certain meal costs incurred while attending conferences, even though the agendas for those conferences indicated that these meals were included as part of the registration fee. One employee was reimbursed for two breakfasts and one lunch. In another instance, the conference agenda indicated that the registration fee included an evening reception, but the employee was reimbursed for dinner on that same night. In the third instance, an employee was reimbursed for breakfast even though this meal was included as part of the registration fee.

We realize that in certain circumstances it would be reasonable for an employee to receive reimbursement for a meal even if it was included in the cost of the conference registration fee, particularly when the opportunity to make an advantageous business connection arises. However, any exceptions must be well documented, including a detailed rationale explaining the need for the meal.

RECOMMENDATIONS

11. Revise corporate policies on travel and entertainment expenses to require complete supporting documentation for reimbursable expenses, including the number of persons present, and, where applicable, the conference agenda.
12. Adopt a policy of not reimbursing any expenses in excess of a predetermined threshold unless detailed receipts support the expenses.
13. Include a detailed rationale explaining the business necessity for reimbursing the cost of meals that were included in the conference registration fee.

On November 14, 1997, an internal memo from EDC's human resources department stated that all expense reimbursement requests for travel and training activities needed to be accompanied by a concise "summary/outcome" report. This report, which employees have been directed to submit to their respective manager, should include (a) a one-sentence rationale for the employee's attendance or involvement in the activity; (b) brief bullet points listing the topics covered or issues addressed; and (c) a statement summarizing the benefits of the activity, as well as any recommended actions and follow-up.

EDC senior management officials informed us that this policy was still in effect, but employees have not consistently complied with it. Regarding the method of documentation, some employees submit paper copies, some store the information on their computers, and some convey this information verbally at meetings. No standardized form was developed for this requirement.

We believe that maintaining this type of information is an important and useful management tool, particularly given the amount of time, effort, and financial resources that EDC commits to business travel and training activities. Of particular importance are the rationale for the activity and the benefits that resulted. EDC needs to ensure that all employees comply with this essential record-keeping policy and maintain this documentation in a uniform manner by using a standardized form.

RECOMMENDATIONS

14. Ensure that all employees comply with policy of submitting summary reports for all travel and training activities.
15. Develop a standardized form to document travel and training activities.

PARKING TICKETS

In its December 13, 1999 report, *Review of Credit Card Expenses and Travel Activities*, the Bureau of Audits noted that between March 1998 and December 1999, a total of \$325 in City of Providence parking tickets had been paid by EDC. The Associate Director for Fiscal Affairs informed us that EDC had a long-time policy of paying employee parking tickets that were received during the course of conducting official EDC business.

We reviewed all available records pertaining to the payment of parking tickets and determined that between December 1992 and December 1999, EDC and its predecessor agencies had paid a total of \$830 for 56 parking tickets. Additionally, our review of employee reimbursement vouchers also disclosed another parking ticket that was paid for an EDC employee who had parked in a restricted area in East Providence on November 5, 1998. The employee subsequently reimbursed this item on February 8, 2000 after we brought this matter to the attention of EDC management.

Although none of the amounts paid in any of these instances were material, parking tickets are nonetheless a violation of law and should not be paid by a government agency. EDC needs to adopt a formal written policy prohibiting this practice.

RECOMMENDATION

16. Establish a formal written policy prohibiting the practice of paying parking tickets.

PETTY CASH

Government agencies frequently incur expenditures for such items as postage, supplies, and other small dollar items. Payment by check in these instances would result in delay, inefficiency, and the administrative expense of maintaining records, processing vouchers and issuing checks for relatively immaterial amounts. In these cases, it is standard practice to maintain a petty cash fund.

These funds are placed in the custody of a specific employee who is responsible for dispersing cash according to established guidelines regarding the maximum dollar amount allowed, as well as the types of allowable expenses. Each time a disbursement is processed from the petty cash fund, the details of the transaction need to be documented on a receipt form, and the form needs to be signed by the employees who conducted the transaction and the custodian of the fund. When the fund reaches a predetermined minimum amount, it is then replenished.

The Associate Director for Fiscal Affairs informed us that EDC maintains a \$200 petty cash fund at its Providence office and a \$100 petty cash fund at its Quonset Point office. Each fund has its own custodian who prepares an expense reimbursement request (backed up by petty cash receipt forms) whenever replenishment is necessary. Checks for both funds are processed and issued from EDC's Providence office.

During our review of employee expense reimbursement requests, we noted certain areas where controls over Quonset Point's petty cash fund could be improved. In many instances,

petty cash receipt forms were not signed by either the employee who conducted the transaction or the fund custodian, and in some cases, neither one. Without these signatures, an appropriate determination cannot be made regarding who made a particular purchase or whether the custodian granted approval. In order to maintain adequate control over petty cash transactions and ensure proper oversight, supporting documentation must include the signatures of the individuals conducting the transaction and the fund custodian.

RECOMMENDATION

17. Require both the custodian and the individual conducting the transaction to sign a petty cash receipt form every time a purchase is paid from the Quonset Point petty cash fund.

Although it is common practice to establish a maximum dollar amount threshold for an individual purchase paid from petty cash, we were informed by the Associate Director for Fiscal Affairs that EDC currently does not have a formal policy limiting the amount per transaction. We believe that the current funding level of EDC's Quonset Point petty cash fund should be increased to \$200 which would be equivalent to the Providence office's petty cash fund.

Even if the Quonset Point petty cash fund is increased to \$200, individual transactions should generally not exceed \$25. We noted 25 instances during fiscal 1999 and 2000 to date where individual transactions paid from the Quonset Point petty cash fund exceeded \$25, including \$82 for plants, \$50 for replacing a van window and \$49 for a senior staff lunch.

EDC needs to establish a formal policy setting a maximum limit for individual petty cash transactions. Otherwise, these funds will have to be replenished frequently, defeating one of the main purposes of establishing a petty cash fund--reducing the administrative expense associated with processing vouchers and issuing checks. If a \$25 individual transaction limit proves to be insufficient, then EDC can always opt to further increase the total value of the Quonset Point petty cash fund and set a higher individual transaction threshold.

RECOMMENDATIONS

18. Increase the funding level of the Quonset Point petty cash fund to \$200.
19. Establish a maximum dollar limitation for individual petty cash transactions.

We also noted numerous instances where staff lunches were paid from the Quonset Point petty cash fund. Additionally, this fund was used to pay for such items as flowers, engraved plates, fees for commercial driving license tests, and mileage reimbursement. We do not believe that the petty cash fund is intended to cover these types of transactions; however, EDC presently does not have a formal written policy that outlines petty cash guidelines. In order to avoid questionable purchases from the petty cash fund in the future, EDC needs to establish criteria regarding the types of expenditures that are eligible for payment.

RECOMMENDATION

20. Establish specific criteria for petty cash purchases.

EDC Credit Card Charges - Summary by Category of Expenditure

<u>CATEGORY OF EXPENDITURE</u>	<u>TOTAL CHARGES</u>	<u>TOTAL NUMBER OF CHARGES</u>
Hotel Rooms	\$26,276.41	56
Meals - Business	22,417.01	150
Travel Related (primarily airfare)	17,383.09	86
Personal (Note: all charges were reimbursed)	6,600.21	47
Dues, Fees & Subscriptions	6,353.37	89
Collateral	4,628.40	70
Meals - Staff	4,559.06	85
Meals - Non EDC	4,498.29	78
Display Rentals	4,092.92	6
Other #	<u>3,164.01</u>	<u>37</u>
	<u>\$99,972.77</u>	<u>704</u>

= Includes phone calls, supplies, equipment, promotional items, rentals, and sundry charges (under \$20) incurred while traveling



February 14, 2000

Mr. Ernest A. Almonte, CPA, CFE
Auditor General
Office of the Auditor General
1145 Main Street
Pawtucket, RI 02860

RE: Rhode Island Economic Development Corporation/Auditor General Report for
Senate Select Committee on Quasi-Public Corporations

Dear Mr. Almonte:

This letter will serve to confirm that your office has prepared a draft report for delivery to the Senate Select Committee on Quasi-Public Corporations (the "Committee") which has been reviewed by the Rhode Island Economic Development Corporation staff, interim executive director, and the management advisory group which was appointed by Governor Almond (collectively, the "RIEDC"). Additionally, you and your staff conducted an "exit conference" with the RIEDC regarding the draft report and its findings.

We thank the Office of the Auditor General for conducting a thorough review of credit card, travel, entertainment and related expenses of the RIEDC for the period of your review and as indicated in your draft report. Accordingly, this letter will confirm also that the RIEDC understands the substance and intent of the 20 recommendations set forth in the draft report, as discussed with the RIEDC, and the RIEDC will follow completely these recommendations.

We will confirm to the Committee and your office the acceptance of the recommendations upon issuance of your final report, and review by the RIEDC.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Paul Sams', is written over the word 'Sincerely,'.

M. Paul Sams Interim Executive Director