

**UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT**

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Missouri AN NO. 1397 (2006-M)

August 28, 2002

TO: Community Development Managers
Rural Development Managers
State Office Program Directors

FROM: Gregory C. Branum
State Director, Rural Development

SUBJECT: FY 2003 Management Control Process

PURPOSE/INTENDED OUTCOME:

This Administrative Notice is to establish the FY 2003 Management Control Process, SIR Teams and SIR Schedule for FY 2003.

COMPARISON WITH PREVIOUS AN:

REPLACES Missouri AN NO. 1378 (2006-M) dated September 6, 2001, which expires October 1, 2002.

IMPLEMENTATION RESPONSIBILITIES:

REVIEW SCHEDULE:

The management control regulations of 1996 established the State Internal Review (SIR) process. It requires a review to be completed in every office at least every five years or sooner if determined necessary by the State Director or State Senior Management Team. Attachment A is Missouri's 5-Year Management Control Schedule. An effort was made to spread out the reviews by having at least one office within an area to be reviewed during each year.

With the above parameters, there are 8 reviews during FY 2003. This plan is subject to revision based on personnel changes and other factors.

EXPIRATION DATE: October 1, 2003

FILING INSTRUCTIONS: Preceding
Rural Development Inst. 2006-M

PROPOSED OFFICES AND DATES FOR FY 2003 REVIEWS:

Maryville	November 6-7, 2002
Dexter L/O & A/O	January 14-16, 2003
Mexico	February 12-13, 2003
Sedalia	March 19-20, 2003
Farmington L/O & A/O	April 15-17, 2003
Carthage	June 17-18, 2003
Neosho	June 18-19, 2003
Lebanon	July 16-17, 2003

STATE SENIOR MANAGEMENT TEAM:

There will be a State Senior Management (SSM) team reporting to the State Director to be responsible to: (a) help determine the major areas to be reviewed; (b) review the report and recommendations and determine the corrective actions to be taken for the weaknesses identified; and (c) review the responses for the report and make recommendations to the State Director for closure of the report. The SSM team for FY 2003 will be:

1. Management Control Officer (Team Leader) & Director, Program Support Staff
2. Director, Community Development
3. Director, Community and Business Programs
4. Director, Rural Housing
5. Assistant to the State Director

STATE INTERNAL REVIEW TEAM:

The SIR team is responsible for the following: (a) conduct the on-site portion of the review and complete the appropriate section in the SIR handbook; (b) participate in an entrance and exit conference with each office reviewed; (c) review the loan docket and information necessary to complete the review; and (d) identify the weaknesses and strengths (e) identify the appropriate finding codes to input into the Automated Review Tracking System (ARTS) and (f) complete the computer generated reports as part of the review and submit a report to the Management Control Officer within 10 working days of the exit conference .

PROCESS:

The Team Leader (Management Control Officer) will coordinate the review with the following responsibilities:

1. Coordinate the lodging accommodations.
2. Notify the office being reviewed of the dates of the on-site visit.
3. Determine the review modules (area of reviews) that each team member will be responsible for.
4. Coordinate the file review. It is still thought that these files can be reviewed at the reviewer's office rather than on-site to reduce the interruption to the office reviewed, reduce the travel costs associated with the review, etc. With an increased number of computer generated reports and remote capabilities, on-site will be kept to a minimum. Adequate on-site time must be scheduled for on-site

may be adequate to conduct the interviews, complete the review, and hold the exit conference.

5. Coordinate the final review to the State Director.

State Office Specialists and Program Directors will be available to assist the team with questions concerning the programs or administrative requirements. Questions concerning the process, management control requirements, and etc., should be directed to George Thomas, Management Control Officer.

All team members should review the 2006-M regulations. The State Internal Review Handbook, contains the review guides. The Rural Development Managers have been furnished a copy of the SIR Handbook. The SIR Review Guides are also on the RD SNAP1 Server under the miscellaneous folder. The Management Control Officer will coordinate with each team prior to the scheduled review to cover the basic requirements.

Team members are required to comply with RD Instructions 2006-M. Review Guides, compliance reports (on the excel spreadsheets) and Automated Review Tracking System (ARTS) finding codes. Codes will be identified for each weakness found and for the approved corrective actions. The completed guides, compliance reports, and finding codes will be due 10 working days after the date of the exit conference. Corrective action codes will be identified on the approved corrective action for each weakness.

If you have any questions, please contact George Thomas, Management Control Officer.

**ATTACHMENT A
FIVE YEAR MANAGEMENT CONTROL SCHEDULE**

		LAST	FY 00	FY 01	FY 02	FY 03	FY 04	FY05	FY 06	FY 07	FY 08
AREA 1	CHILLICOTHE	Mar-00	X					X			
	MARYVILLE	Nov-97				X					X
	RICHMOND	Aug-02			X					X	
	ST. JOSEPH A/O	Jan-01		X					X		
	ST. JOSEPH L/O	Jan-01		X					X		
AREA 2	COLUMBIA	Feb-00	X					X			
	KIRKSVILLE A/O	Jan-02			X					X	
	KIRKSVILLE L/O	Jan-02			X					X	
	MEXICO	Jul-98				X					X
	MOBERLY	Nov-98					X				
	NEW LONDON	Nov-00		X					X		
	TROY	Feb-01		X					X		
AREA 3	BUTLER	Feb-99					X				
	CLINTON A/O	May-01		X					X		
	CLINTON L/O	May-01		X					X		
	ELDON	Jul-01		X					X		
	HIGGINSVILLE	Jan-00	X					X			
	SEDALIA	Feb-98				X					X
AREA 4	FARMINGTON A/O	Jun-98				X					X
	FARMINGTON L/O	Jun-98				X					X
	HILLSBORO	Jul-99					X				
	JACKSON	Jun-02		X					X		
AREA 5	CARTHAGE	Mar-98				X					X
	NEOSHO	May-98				X					X
	OZARK	Mar-02			X					X	
	SPRINGFIELD A/O	Mar-99					X				
	SPRINGFIELD L/O	Aug-02		X			X				
AREA 6	HOUSTON A/O	May-00	X					X			
	HOUSTON L/O	May-00	X					X			
	JEFFERSON CITY	Nov-99	X					X			
	LEBANON	Jan-98				X					X
	ROLLA	Apr-02			X					X	
	UNION	Nov-02			X					X	
	WEST PLAINS	May-99					X				
AREA 7	CHARLESTON	Apr-99					X				
	DEXTER A/O	Jul-99				X					X
	DEXTER L/O	Apr-98				X					X
	KENNETT	May-02			X					X	
	POPLAR BLUFF	Jul-00	X					X			