

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT



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Missouri AN No. 1447 (2006-M)

November 18, 2008

TO: All Employees

FROM: Morris Westfall
Missouri State Director

SUBJECT: FY 2009 Management Control Process

PURPOSE/INTENDED OUTCOME:

This Administrative Notice establishes the FY 2009 Management Control Process, SIR Teams and SIR Schedule for FY 2009.

COMPARISON WITH PREVIOUS AN:

REPLACES Missouri AN NO. 1442 (2006-M) dated August 28, 2007, which expired October 1, 2008.

IMPLEMENTATION RESPONSIBILITIES:

REVIEW SCHEDULE:

The management control regulations of Rural Development Instruction 2006-M establish the State Internal Review (SIR) process. It requires a review to be completed in every office at least every five years or more frequently if determined necessary by the State Director or State Senior Management Team. Attachment A is Missouri's 5-Year Management Control Schedule.

With the above parameters and based on the two tier delivery system implemented in March 2008, Missouri has six area offices. Two area offices (Area 4 and 6) were reviewed in FY 2008. For FY 2009, Area 5 is scheduled for a review including the Sub Area Offices in Area 5 of Carthage, Houston, Neosho, and West Plains. This FY 2009 plan is subject to revision based on personnel changes and other scheduling factors.

EXPIRATION DATE: October 1, 2009

FILING INSTRUCTIONS: Preceding
Rural Development Inst. 2006-M

Based on the Reorganization Plan as approved in August 2007, the Local Offices of Columbia, Lebanon and Ozark were closed during FY 2008 and their territory was absorbed by other offices. The reorganization was fully implemented and completed by March 31, 2008. In the past, Local Offices were reviewed separate from Area Offices. Due to reorganization, only Area Offices will be reviewed. However, all Sub Area Offices will be reviewed in conjunction with the review of an Area Office Review. Some former Local Offices were closed. The remaining Local Offices are called Sub Area Offices. All of these name changes will be incorporated into the FY 2009 plan.

There are no Centralized functions to schedule. The Multi-family Housing payments are handled out of the Centralized Payment Center in St. Louis.

PROPOSED OFFICES AND DATES FOR FY 2009 REVIEWS:

OFFICE	LAST REVIEW	FY 2009 REVIEW
Springfield Area Office	April 2004	April 13-17, 2009
Carthage Sub Area Office		
Houston Sub Area Office		
Neosho Sub Area Office		
West Plains Area Office		

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 2009 will be:

1. Management Control Officer (Team Leader) & Director, Program Support Staff
2. Director, Multi-Family Housing & Community Development
3. Director, Business and Community Programs & Civil Rights Coordinator
4. Director, Single Family Housing
5. Assistant to the State Director & Environmental Coordinator
6. Contract Program Manager

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 dockets and information necessary to complete the review; (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 docket/folder inspections, conducting employee and customer/partner interviews, document findings and holding the exit conference.
5. Coordinate the final review to the State Director.

Program Directors and State Office Specialists will be available to assist the team with questions concerning the programs or administrative requirements. Questions concerning the process, management control requirements, 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 SIR Review Guides are on the Missouri Shared Server and can be found at \\mocolumbiac001\missouri_shared\RD\SIR_MCR\SIR Handbook 2009.

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 are to be completed on each program or administrative area reviewed. Weaknesses found should be identified with Automated Review Tracking System (ARTS) finding codes. ARTS Finding Codes can be found in a directory of codes on the Missouri Shared Server or at the following site: \\mocolumbiac001\missouri_shared\RD\SIR_MCR\Finding Codes FY 09 - Appendix B.

In addition to the completion of review guides and finding codes, team members are to complete compliance review reports within 10 working days after the date of the exit conference. The compliance spreadsheets for FY 2009 are to be inputted in the Springfield database found on the Missouri State Office "S" drive at S:\Service_Center\RD\2009SIR.

For team members, all review guides, weaknesses identified with corresponding finding codes, compliance reports and related supporting documents are to be completed and turned into the Management Control Officer within 10 days of the date of the exit conference per Rural Development Instructions 2006-M 2006.609 (e) (1).

The Area Director is required within 10 days of the date of the SIR exit conference to submit an action plan in response to the SIR team's findings addressing each weakness identified and include proposed corrective actions for each weakness to eliminate or prevent the weakness from occurring in the future and identify specific timeframes for implementation of the corrective actions per Rural Development Instructions 2006-M 2006.609 (e) (2).

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