



Denali Commission
Office of Inspector General
Anchorage, AK 99501

March 31, 2016

Ms. Meera Kohler, President and CEO
Alaska Village Electric Cooperative, Inc.
4831 Eagle St
Anchorage, AK 99503

Dear Ms. Kohler,

We have scheduled an audit of the New Stuyahok Bulk Fuel Facility Award Number 1190, awarded to the Alaska Village Electric Cooperative (AVEC). The audit will cover the award performance period of September 1, 2009, through December 31, 2014. It will also include the close-out period through August 12, 2015.

The objectives of the audit are to determine whether:

- costs incurred under the award were allowable, allocable, and reasonable; and
- the construction of the bulk fuel facility was completed and is operating as intended.

The auditors will call to arrange a mutually accepted time and location to hold our entrance conference with you or your designated representatives, where we will discuss in greater detail our objectives, scope, and methodology, as well as answer questions you may have regarding the audit. Our goal is to hold this meeting and conduct fieldwork in April 2016. We request the presence of key personnel and that the basic documents listed in the enclosure are provided at the entrance conference. We may request access to any contractor and consultant records and personnel; the auditor will determine whether access is necessary after reviewing any contracts, consulting agreements, and other supporting documentation available at AVEC offices.

The auditors will require working space and access to a copy machine. We estimate site work will take approximately 1 week.

If you have questions regarding this audit, please contact the audit manager, Gillian Brinkman, at (907) 271-1779, or me at (206) 220-7970.

Regards,



David Sheppard
Inspector General, Denali Commission

Enclosure

cc: Joel Neimeyer, Federal Co-chair, Denali Commission
Corrine Eilo, Chief Financial Officer, Denali Commission
Jay Farmwald, Director of Programs, Denali Commission

LIST OF BASIC DOCUMENTS

1. A copy of the signed award, including all attachments, terms, modifications, and other pertinent data.
2. All award-related correspondence between the Denali Commission and AVEC or its contractors, including letters, meeting memorandums, reports, calls, and approvals of specific costs or actions.
3. All reports and documents submitted to the Denali Commission in accordance with award terms.
4. AVEC organization charts, policy and procedure manuals, and chart of accounts relevant to the award.
5. A listing of all AVEC employees working on or charging time to the award.
6. All contractual agreements between AVEC and its project contractors or consultants, subgrantees, or other third parties to the award as well as all amendments, modifications, and change orders.
7. All performance-related documents including internal and external progress assessments and evaluations, notices to proceed, and certificates of final inspection and acceptance related to the award.
8. Copies of prior audit reports, including A-133 single audits and those by other public accountants or government agencies covering the period of September 1, 2009 through August 12, 2015.
9. Copies of all prior internal or management reports covering the period of September 1, 2009 through August 12, 2015.
10. A listing of nonexpendable property purchased with award funds or furnished by the government, including current location and condition.