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United States
Environmental Protection
Agency

Office of
Inspector General (2441)
Washington DC 20460

April 1994

350R94004

Office of Inspector General Semiannual Report to the Congress

October 1, 1993
through March 31, 1994



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*On the cover: A tranquil scene
along the Potomac at Alexandria,
VA (photo by Christine
Baughman, OIG Financial Audit
Division)*

Foreword



The Vice President's National Performance Review recommended that all Inspectors General place a greater emphasis on working cooperatively with managers to promote greater efficiency and integrity of government programs. The President's Council on Integrity and Efficiency established a task force, of which I was a member, to develop an "Inspectors General Vision Statement." This statement, which was unanimously adopted by all Inspectors General, is included in Section 4 of this report.

We believe that the OIG has always taken a cooperative approach with management in conducting our audits and investigations. But we have begun to place even greater emphasis on building relationships with Agency program managers based on a shared commitment to improving program operations. The OIG has taken a number of initiatives to enhance this cooperation including: soliciting input from Agency managers to ensure that our strategic work plans focus on critical areas of Agency concern; directing more OIG resources to conducting performance audits to analyze how well programs are meeting their goals and to recommend needed changes; and producing reports that, where possible, identify corrective actions and expand on examples of successful program practices that can be adapted in other Agency programs.

We have also developed a plan for implementing the President's orders on streamlining our internal operations and have nearly completed our process of staffing to our approved ceiling, with minorities and women accounting for 73 percent of our hires and promotions during this reporting period.

These changes, along with the leadership shown by the Administrator and a spirit of cooperation with Agency management, are resulting in decisive actions to resolve the systemic causes of long term Agency problems. While this report summarizes new and existing problem areas identified by our work, it also highlights many of the corrective actions that the Agency management is taking. Long time problems will require long term solutions. However, I am extremely encouraged that the success of the cooperative efforts between the Office of Inspector General and Agency management will result in a more efficient and effective EPA.


John C. Martin
Inspector General

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Executive Summary

Section 1-- Significant Findings and Recommendations

1. EPA's Information Resources Management (IRM) Program Needs Top Management Attention.

EPA was not maximizing the usefulness of information in implementing the Agency's environmental programs. The Agency's IRM problems were basically attributable to EPA not treating information as a valuable, strategic resource. (page 10).

2. Follow Through Is Key to EPA Resolving Financial Management Issues.

Differing views and perceptions have made it difficult for EPA to effectively carry out its financial management activities. Although appropriate initial steps have been taken to improve these activities, EPA needs to follow through to ensure that the serious concerns evident throughout the Agency are adequately addressed (page 11).

3. Improvements Still Needed in EPA's Financial Reporting.

During the past year, EPA improved its financial reporting. However, additional improvements are needed before unqualified opinions can be rendered on all of the Agency's financial statements, and EPA can have more confidence in the financial information used in managing its programs (page 12).

4. Limited Competition for Many EPA Contract Awards.

Most of EPA's contracts were awarded using competitive procedures. However, many

of the awards were made when only one proposal was within the Agency's acceptable technical and cost range (competitive range). Therefore, EPA could not be assured that it was receiving the highest quality products and services at the lowest costs (page 14).

5. Most Large Contracts Awarded To ICF Had Limited Competition.

There was limited competition in EPA's award of over half of the larger contracts to ICF, Inc., and in ICF's award of subcontracts. In addition, EPA did not evaluate ICF's performance on cost-plus-award-fee contracts timely. As a result, EPA did not receive the full benefits of competition, such as potentially lower prices and higher quality products (page 15).

6. Over \$17.8 Million of Questionable In-Kind Costs Claimed Under Contracts.

Due to the absence of appropriate guidance, the Agency accepted over \$17.8 million in potentially questionable costs as part of contractors' proposed cost share contribution. Also, EPA did not require contractors to submit adequate documentation with their invoices for evaluating the reasonableness of claimed charges under cost sharing contracts (page 16).

7. EPA Agrees to Improve Controls Over Corvallis Laboratory's Extramural Research Program.

EPA's Environmental Research Laboratory, Corvallis, Oregon, did not have adequate internal controls over its extramural research program to ensure

that grants, cooperative agreements, and interagency agreements (IAGs) were used appropriately, projects were managed effectively, and IAG costs were monitored properly (page 17).

8. Improvements Needed in Gulf Breeze Laboratory's Management and Control of Assistance Agreements.

EPA's Environmental Research Laboratory, Gulf Breeze, Florida, did not effectively manage, control, and document the award and use of assistance agreements to ensure the proper and efficient use of extramural funds (page 18).

9. Good Management Practices Exercised Over Extramural Resources at Ann Arbor Laboratory.

EPA's National Vehicle and Fuel Emissions Laboratory, Office of Mobile Sources, Ann Arbor, Michigan, generally was following good practices in managing its contracts, grants, cooperative agreements, interagency agreements, imprest fund, and integrity program to prevent conflicts of interest (page 19).

10. Continued Efforts Needed to Improve EPA's Pesticide Program.

For years EPA's pesticide program has had significant problems in managing its programs, maintaining information systems, and developing and revising regulations, policies, and procedures. As a result, EPA cannot be assured that the public and the environment are being effectively protected from potentially harmful pesticides (page 20).

11. Greater Emphasis Needed by EPA Offices on

Implementing the Federal Managers' Financial Integrity Act.

The Offices of Water and Solid Waste and Emergency Response had not always ensured that managers scheduled and conducted evaluations necessary for properly assessing and improving management controls over resources available for accomplishing their missions (page 21).

12. Operations and Usefulness of EPA Advisory Council Questioned.

The National Advisory Council for Environmental Policy and Technology's (NACEPT) recommendations were often too broad to be tracked to implementation, so the impact of the Council's advice was difficult to assess. Further, NACEPT's member organizations sometimes received EPA funds under noncompetitive assistance agreements to implement NACEPT committee recommendations (page 22).

13. EPA Improving the Adequacy and Availability of Data Supporting its Quality Assurance Materials.

In a survey at the Environmental Monitoring Systems Laboratory in Cincinnati, Ohio (EMSL-Cin), we identified several instances of inadequate analytical data supporting the quality of materials distributed for calibrating and testing sample analysis instruments. EMSL-Cin initiated immediate and appropriate corrective actions (page 22).

14. Noncommunity Water Systems in EPA Region 2 Need Closer Attention.

Region 2 and the States of

New York and New Jersey were effectively enforcing Safe Drinking Water Act requirements for community public water supply systems that serve the vast majority of the year round residential population. However, more attention was needed on enforcing those requirements for smaller noncommunity systems (page 23).

15. Over \$44.4 Million in Questioned Costs Claimed by Philadelphia, Pennsylvania.

The City of Philadelphia, Pennsylvania, claimed \$10,959,010 of ineligible force account, engineering, construction, and indirect costs for the expansion of an existing wastewater treatment facility. An additional \$32,663,495 of unsupported costs and \$794,684 of unnecessary costs were questioned (page 26).

16. Over \$7.2 Million of Ineligible Costs Claimed for Woodstock, New York, Project.

The Town of Woodstock, New York, claimed \$7,207,865 of ineligible architectural engineering, construction, force account, and innovative and alternative technology costs for the construction of a wastewater treatment facility. (page 26).

17. Westchester County, New York, Claimed Over \$4.1 Million of Questioned Costs.

Westchester County, New York, claimed \$3,945,961 of ineligible architectural engineering and construction costs for the Port Chester Sanitary District project. An additional \$214,203 of unsupported costs were questioned (page 26).

18. EPA Taking Actions to Improve Critical Superfund Data Quality.

EPA Headquarters and Regions are implementing actions that could effectively correct persistent problems with the accuracy and reliability of data in the Comprehensive Environmental Response, Compensation, and Liability Information System critical to the implementation of the Superfund (page 27).

19. Agreed Upon Improvements Could Accelerate Superfund Site Assessment and Cleanup.

While final program guidance for the Superfund Site Inspection Prioritization program was delayed, some regions implemented the draft guidance inconsistently and did not always ensure that the worst sites were given priority for cleanup. EPA has initiated a state deferral pilot program that may reduce the National Priorities List backlog (page 29).

20. Improvements Would Enhance Superfund Revitalization Program's Chances of Success.

EPA conducted some innovative pilot projects with the potential for reducing both time and cost for cleanups. However, the Agency did not sufficiently publicize pilot project success to encourage use of the new techniques, nor did the Regions always adequately plan for using available funds (page 30).

21. Superfund Accelerated Cleanup Model (SACM) Pilot Project Succeeding in Oklahoma.

Using the SACM, Region 6 had accelerated the cleanup process at the National Zinc hazardous waste site in

Bartlesville, Oklahoma (page 31).

Section 2--Report Resolution

At the beginning of the semiannual period, there were 326 reports for which no management decision had been made. During the first half of fiscal 1994, the Office of Inspector General issued 730 new reports and closed 807. At the end of the reporting period, 249 reports remained in the Agency followup system for which no management decision had been made. Of the 249 reports, 124 reports remained in the Agency followup system for which no management decision was made within 6 months of issuance (page 32).

For the 273 reports closed that required agency action, EPA management disallowed \$44.9 million of questioned costs for recovery and agreed with our recommendations that \$8 million be put to better use (page 33). In addition, cost recoveries in current and prior periods included \$3.5 million in cash collections, and at least \$26.9 million in offsets against billings (page 6).

Section 3--Prosecutive Actions

During this semiannual reporting period, our investigative efforts resulted in 7 convictions and 8 indictments. Also, during this semiannual period, our investigative work led to \$1.6 million in fines and recoveries (page 37).

A bribery attempt resulted in a \$1 million fine; a North Carolina man was sentenced for illegally writing insurance contracts on an EPA-funded project; an EPA Region 4 employee pleaded guilty to

defrauding the Agency; two men were sentenced in a case involving false claims for asbestos removal; and a battery company owner pleaded guilty to making false statements to EPA (page 38).

Section 4--Fraud Prevention and Resources Management

During this semiannual period, **we reviewed 6 legislative and 45 regulatory items.** The most significant were comments on the proposed Federal Acquisition Streamlining Act of 1993, an OMB policy letter on management oversight of service contracting, and reauthorization of the Safe Drinking Water Act (page 39). The Office of Grants and Debarment completed action on **44 OIG suspension and debarment cases** during this reporting period, resulting in 28 suspensions, 10 debarments, and 6 compliance agreements (page 40).

The EPA Committee on Integrity and Management Improvement (CIMI), chaired by the *Inspector General*, developed and distributed a leaflet to heighten employee awareness of microcomputer security and a bulletin to inform employees about the Program Fraud Civil Remedies Act (page 44).

Twenty-one **Hotline** cases were opened and 29 were closed during the reporting period. Of the closed cases, 6 resulted in environmental, prosecutive, or administrative corrective action (page 44).

Major Laws Administered by EPA

Statute

Provisions

Pollution Prevention Act

Provides that pollution should be prevented or reduced at the source, recycled safely when not preventable, treated safely when not preventable or recyclable, and as a last resort, disposed of or otherwise released into the environment in a safe manner.

Toxic Substances Control Act

Requires EPA notification of any new chemical prior to its manufacture and authorizes EPA to regulate production, use, or disposal of a chemical.

Federal Insecticide, Fungicide, and Rodenticide Act

Authorizes EPA to register all pesticides, specify the terms and conditions of their use, and remove unreasonably hazardous pesticides from the marketplace.

Federal Food, Drug and Cosmetic Act

Authorizes EPA in cooperation with FDA to establish tolerance levels for pesticide residues on food.

Resource Conservation and Recovery Act and Solid Waste Disposal Act

Authorizes EPA to identify hazardous wastes and regulate their generation, transportation, treatment, storage, and disposal.

Comprehensive Environmental Response, Compensation, and Liability Act

Requires EPA to designate hazardous substances that can present substantial danger and authorizes the cleanup of sites contaminated with such substances.

Clean Air Act

Authorizes EPA to set emission standards to limit the release of criteria pollutants and hazardous air pollutants.

Clean Water Act

Requires EPA to establish a list of toxic water pollutants and set standards.

Safe Drinking Water Act

Requires EPA to set drinking water standards to protect public health from hazardous substances.

Marine Protection, Research and Sanctuaries Act

Regulates ocean dumping of toxic contaminants.

Asbestos School Hazard Abatement Act and Asbestos Hazard Emergency Response Act

Authorizes EPA to provide loans and grants to schools for abatement of asbestos hazards and to establish a comprehensive regulatory framework for controlling asbestos hazards in schools.

Emergency Planning and Community Right-to-Know Act

Requires States to develop programs for responding to hazardous chemical releases and requires industries to report on the presence and release of certain hazardous substances.

Oil Pollution Act of 1990

Makes EPA responsible for oil spill prevention, preparedness, response, and enforcement activities associated with non-transportation-related onshore oil facilities.

Environmental Research, Development, and Demonstration Authorization Act

Authorizes all EPA research and development programs.

National Environmental Education Act

Provides for a program of education on the environment through activities in schools, institutions of higher education and related educational activities, and to encourage students to pursue careers related to the environment.

EPA's Progress in Improving High Risk Areas

This section of our report presents the Office of Inspector General's (OIG) perspective on significant problems which the Agency must continue to address to ensure its programs are conducted in an effective, efficient, and economical manner. The OIG's semiannual report for the period ended September 30, 1993, presented the OIG's perspective on five major areas which EPA had not yet sufficiently addressed: Management of Extramural Resources, Information Resources Management, Financial Management, Data Integrity, and Enforcement. These areas continue to be of concern to the OIG and Agency management.

OIG and EPA personnel have cooperated extensively to address these problems. The Agency has also taken a number of actions either independently or in prompt response to our reports to improve its operations. EPA's most significant problems were created over a long period of time, and resolution will require long term commitments and constant attention throughout the Agency. Therefore, it is too soon to determine whether EPA management's corrective actions will fully solve the problems.

The following presents the areas that are still of significant current concern to the OIG, and some of EPA's actions taken during this semiannual reporting period to address them.

Management of Extramural Resources

OIG Concerns

EPA relies extensively on contractors and other outside entities to assist in carrying out its mission to clean up past pollution problems, develop national policy, and set the environmental agenda for the future. Commercial firms have contracts with EPA to provide goods and services. Public organizations, such as universities or State and local organizations, are funded by EPA to pursue areas of mutual environmental concern through cooperative agreements. Other Federal agencies may provide assistance through interagency agreements.

The pervasive nature of EPA's resource management problems, which detract from the effectiveness of EPA's programs, is shown by the following significant issues identified from our recent work.

• Contract Award Process

EPA officials did not always ensure that contracts were awarded in the best interest of the government. There were many instances where large dollar contracts were awarded without adequate competition, and incumbent contractors appeared to receive preferential treatment in the award of some follow-on contracts.

• Cooperative Agreements (CAs) and Interagency Agreements (IAGs)

Numerous instances were found where EPA organizations improperly used CAs and IAGs. One Office of Research and Development

(ORD) laboratory shifted on-site contractor staff to off-site cooperative agreement staff, allowing the people to stay on-site doing the same work, to appear to comply with an ORD Headquarters mandate to reduce on-site support personnel. Even when used appropriately, some offices frequently awarded CAs with little or no competition.

• Conflicts of Interest

Some ORD laboratory officials, with possible conflicts of interest, participated in a panel to award a contract, increasing the possibility for favoritism in the award.

Agency Actions

In response to previous criticisms of its contract management practices, the Agency established a Standing Committee on Contracts Management (now called the Resource Management Committee). In June 1992, the committee made 40 recommendations to address EPA's contracting problems. EPA reports that it has completed action on 22 of those recommendations, and is in the process of completing actions on the others.

The Agency has also taken a number of other actions to address concerns in this area. For example, in a recent OIG survey of an Office of Air and Radiation (OAR) laboratory, we found that OAR had assessed its own contracting activities and that this laboratory was following good practices in managing its extramural resources. In another case, the Acting Assistant Administrator for Research and Development responded

to our report on extramural resources management by one of ORD's laboratories by stating that many of the corrective actions to our recommendations should be implemented office-wide. In numerous other cases, EPA has responded promptly to our concerns and recommendations regarding extramural resources management.

Information Resources Management (IRM)

OIG Concerns

IRM is critical to the success of all program activities. For a number of years, EPA's IRM program has been hampered by numerous problems, including data quality deficiencies; significant cost overruns and delays in developing information systems; development of duplicate information systems; uneconomical management of mainframe storage devices; exposure of the Agency's most sensitive information systems to access by unethical users; and lack of assurance that ADP support services contracts are implemented effectively, efficiently, and at the lowest cost to the government. These problems materially impact the effectiveness of EPA's programs.

In response to a Congressional request, during this period we conducted a broad, top-level review of EPA's IRM program. Working cooperatively as a team with Agency personnel, we cataloged all significant causes of EPA's problems in this area, the most important being that EPA did not treat information as a valuable, strategic resource. We also jointly developed

recommendations to the Administrator for effective solutions.

Agency Actions

In response to this review, Agency officials are taking a number of far-reaching corrective actions, such as designating a Data Administrator and creating a strong Executive Steering Committee for IRM. EPA's steps are very positive and, in time, should dramatically improve its IRM program.

Financial Management

OIG Concerns

As with IRM, we responded to a Congressional request by performing a broad, top-level review of EPA's financial management program. Working cooperatively as a team with Agency personnel, we cataloged all significant causes of EPA's problems in this area, such as a widespread lack of understanding of the importance of good financial management, and a lack of appropriate data and reporting tools managers need to effectively run their programs. We also jointly developed recommendations to the Administrator for effective solutions.

During this period we completed our audits of EPA's second set of financial statements prepared in accordance with the Chief Financial Officers Act. While there were some improvements from fiscal 1992, we still noted many concerns in fiscal 1993, with accounting for such things as Superfund accounts receivable and Agency property.

We will continue performing

audits in the financial management area and working closely with the Agency to ensure that an effective organization is established that provides the Chief Financial Officer with the responsibility and authority to correct EPA's longstanding financial management problems.

Agency Actions

EPA has taken appropriate initial steps to improve its financial management activities, such as improving the timeliness of its financial reporting, establishing goals for improving Agency-wide accountability and service, and reorganizing the Office of Administration and Resources Management to improve management accountability. If EPA aggressively implements its plans and new initiatives, financial management should be improved throughout the Agency.

Data Integrity

OIG Concerns

The accuracy and reliability of scientific, programmatic, and management data have always been crucial to EPA's mission, because they form the basis for decisions that affect all major American industries and national policies to prevent hazards and risks to human health and the environment. Accurate, reliable, timely data play a key role in the effectiveness of EPA's programs.

However, our audits have continued to show that various kinds of EPA data systems, such as the Comprehensive Environmental Response, Compensation and Liability

Information System (CERCLIS) and the information systems in the pesticides program, frequently contain incomplete, inaccurate data; duplicate other systems; and are not integrated. During this period we also found that some data supporting the quality of materials EPA distributed for calibrating and testing analytical instruments were inadequate.

Agency Actions

EPA has recognized its overall data integrity problems. In response to OIG reviews during this period, the Office of Solid Waste and Emergency Response, the Office of Pesticides Programs, and the Environmental Monitoring Systems Laboratory in Cincinnati, Ohio, are all taking substantive actions to address our concerns.

Enforcement

OIG Concerns

During the past 2 years, OIG audits of EPA's water, pesticide, hazardous materials, and Superfund programs have reported continuing instances of ineffective Federal and State enforcement. During this period, we found problems with enforcement of Safe Drinking Water Act requirements in small, noncommunity water systems in Region 2.

Agency Actions

In response to our report, Region 2 agreed to work with the affected State to improve its overall enforcement of these water systems.

Profile of Activities and Results

Office of Inspector General

October 1, 1993, to
March 31, 1994

October 1, 1993, to
March 31, 1994

Audit Operations

OIG Managed Reviews:

- Reviews Performed by EPA, Independent Public Accountants and State Auditors

- Questioned Costs
 - Total \$90.8 Million
 - Federal Share * \$65.7 Million
- Recommended Efficiencies
(Funds be Put to Better Use)
 - Total Efficiencies* \$2.1 Million
 - Federal Share Efficiencies* \$2.1 Million
- Cost Disallowed to be Recovered
 - Federal Share (costs which EPA management agrees are unallowable and is committed to recover or offset against future payments) \$42.9 Million
- Cost Disallowed as Cost Efficiency
 - Federal Share (funds made available by EPA management's commitment to implement recommendations in OIG performance and preaward audits) \$0.0 Million

Other Reviews:

- Reviews Performed by another Federal Agency or Single Audit Act Auditors

- Questioned Costs
 - Total \$4.5 Million
 - Federal Share * \$4.5 Million
- Recommended Efficiencies
 - Total Efficiencies* \$6.0 Million
 - Federal Share Efficiencies* \$6.0 Million
- Cost Disallowed to be Recovered
 - Federal Share \$2.0 Million
- Cost Disallowed as Cost Efficiency
 - Federal Share \$0.8 Million

Agency Recoveries:

- Recoveries from Audit Resolutions of Current and Prior Periods (cash collections or offsets to future payments)** \$30.4 Million

Reports Issued:

- OIG Managed Reviews:

- EPA Reviews Performed by the OIG 67
- EPA Reviews Performed by Independent Public Accountants 39
- EPA Reviews Performed by State Auditors 1

- Other Reviews:

- EPA Reviews Performed by another Federal Agency 208
- Single Audit Act Reviews 408

Total Reports Issued

730

Reports Resolved (agreement by Agency officials to take satisfactory corrective action)*** 270

Investigative Operations

- Fines and Recoveries (including civil) \$1.6 Million
- Investigations Opened 13
- Investigations Closed 14
- Indictments of Persons or Firms 1
- Convictions of Persons or Firms 1
- Administrative Actions Against EPA Employees 1

Fraud Detection and Prevention Operations

- Debarments, Suspensions and Compliance Agreements 4
- Hotline Cases Opened 2
- Hotline Cases Processed and Closed 2
- Personnel Security Investigations Adjudicated 66

*Questioned Cost (Ineligible, Unsupported, and Unnecessary/Unreasonable) and Recommended Efficiencies (Funds be Put to Better Use) are subject to change pending further review in the audit resolution process.

**Information on recoveries from audit resolution is provided from the EPA Financial Management Division and is unaudited.

***Reports resolved are subject to change pending further review.

Establishment of the OIG in EPA--Its Role And Authority

The Inspector General Act of 1978 (Public Law 95-452), as amended, created Offices of Inspector General to consolidate existing investigative and audit resources in independent organizations headed by Inspectors General.

EPA established its Office of Inspector General (OIG) in January 1980. As an agency with a massive public works budget, EPA is vulnerable to various kinds of financial abuses. The OIG's role is to review EPA's financial transactions, program operations, contracts, and administrative activities; investigate allegations or evidence of possible criminal and civil violations; and promote economic, efficient, and effective Agency operations. The OIG is also responsible for reviewing EPA regulations and legislation.

The EPA Inspector General reports directly to the Administrator and the Congress and has the authority to:

- Initiate and carry out independent and objective audits and investigations,
- Issue subpoenas for evidence and information,
- Obtain access to any materials in the Agency,
- Report serious or flagrant problems to Congress,
- Select and appoint OIG employees,
- Fill Senior Executive Service positions,
- Administer oaths, and
- Enter into contracts.

The Inspector General is appointed by, and can be removed only by, the President. This independence protects the OIG from interference by Agency management and allows it to

function as the Agency's fiscal and operational watchdog

Organization and Resources

The Office of Inspector General functions through three major offices, each headed by an Assistant Inspector General: Office of Audit, Office of Investigations, and Office of Management. Nationally, there are eight Divisional Inspectors General for Audit and seven Divisional Inspectors General for Investigations who direct staffs of auditors and investigators and who report to the appropriate Assistant Inspector General in Headquarters.

For fiscal 1994, the Agency was appropriated \$6,658,927,000 and authorized 18,625 full time equivalent (FTE) positions to conduct the environmental programs authorized by Congress to restore and protect the environment. As a separate appropriation account, the Office of Inspector General (OIG) received \$44.6 million to carry out the provisions of the Inspector General Act of 1978, as amended. Nearly \$16.3 million of the OIG's appropriation was derived from the Hazardous Substance Superfund trust fund and \$669,100 was derived from the Leaking Underground Storage Tank trust fund. The OIG has a funded staffing level of 449 FTE positions. The funding and FTE available to the OIG represent 0.7 percent and 2.4 percent, respectively, of the Agency's totals.

Purpose and Requirements of the Office of Inspector General Semiannual Report

The Inspector General Act of 1978 (Public Law 95-452), as amended, requires the Inspector General to keep the Administrator and Congress fully and currently informed of problems and deficiencies in the Agency's operations and to recommend corrective action.

The IG Act further specifies that semiannual reports will be provided to the Administrator by each April 30 and October 31, and to Congress 30 days later. The Administrator may transmit comments to Congress along with the report, but may not change any part of it.

The specific reporting requirements prescribed in the Inspector General Act of 1978, as amended, are listed below.

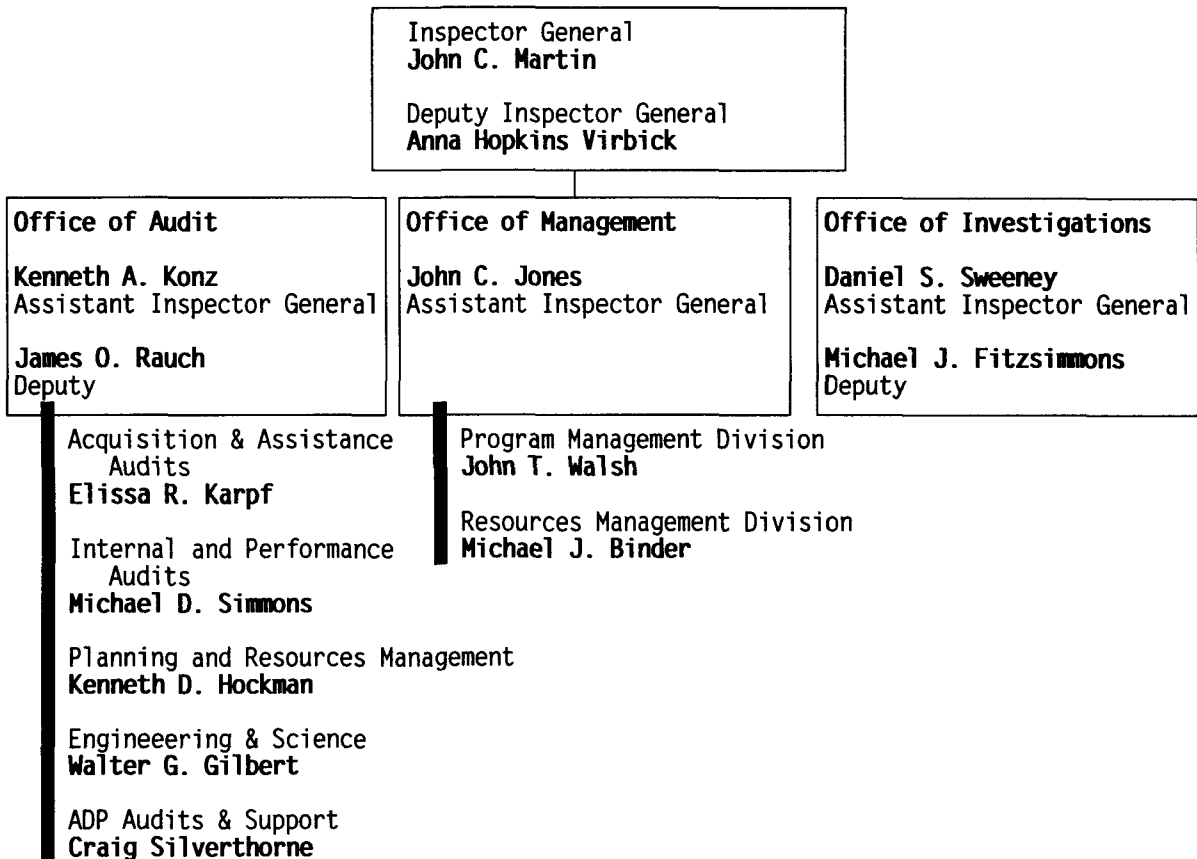
Source		Section/Page	
Inspector General Act, as amended.			
Section 4(a)(2)	Review of Legislation and Regulations	4	39
Section 5(a)(1)	Significant Problems, Abuses, and Deficiencies	1	9
Section 5(a)(2)	Recommendations with Respect to Significant Problems, Abuses, and Deficiencies	1	9
Section 5(a)(3)	Prior Significant Recommendations on Which Corrective Action Has Not Been Completed	Appendix 2	56
Section 5(a)(4)	Matters Referred to Prosecutive Authorities	3	37
Section 5(a)(5)	Summary of Instances Where Information Was Refused	*	*
Section 5(a)(6)	List of Audit Reports	Appendix 1	45
Section 5(a)(7)	Summary of Significant Reports	1	1
Section 5(a)(8)	Statistical Table 1-Reports With Questioned Costs	2	34
Section 5(a)(9)	Statistical Table 2-Reports With Recommendations That Funds Be Put To Better Use	2	35
Section 5(a)(10)	Summary of Previous Audit Reports Without Management Decisions	Appendix 2	56
Section 5(a)(11)	Description and Explanation of Revised Management Decisions	Appendix 2	56
Section 5(a)(12)	Management Decisions with Which the Inspector General Is in Disagreement	**	

* There were no instances where information or assistance requested by the Inspector General was refused during this reporting period.

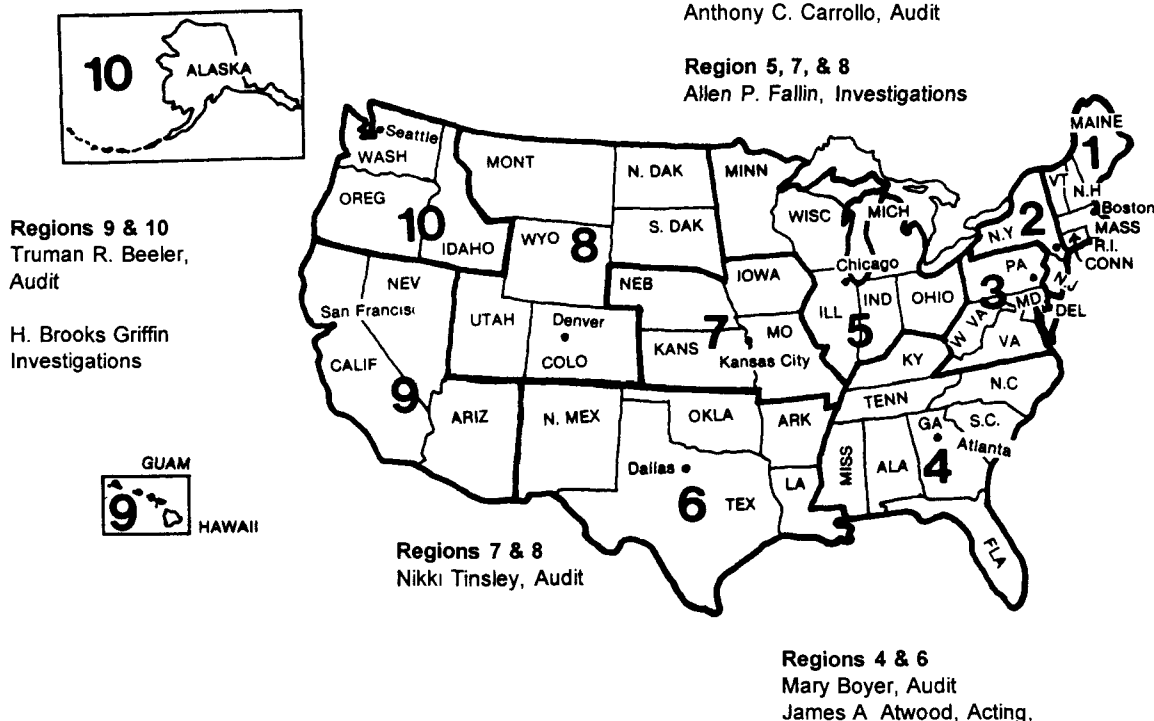
** There were no instances of management decisions with which the Inspector General was in disagreement.

Office of Inspector General-Who's Who

Headquarters



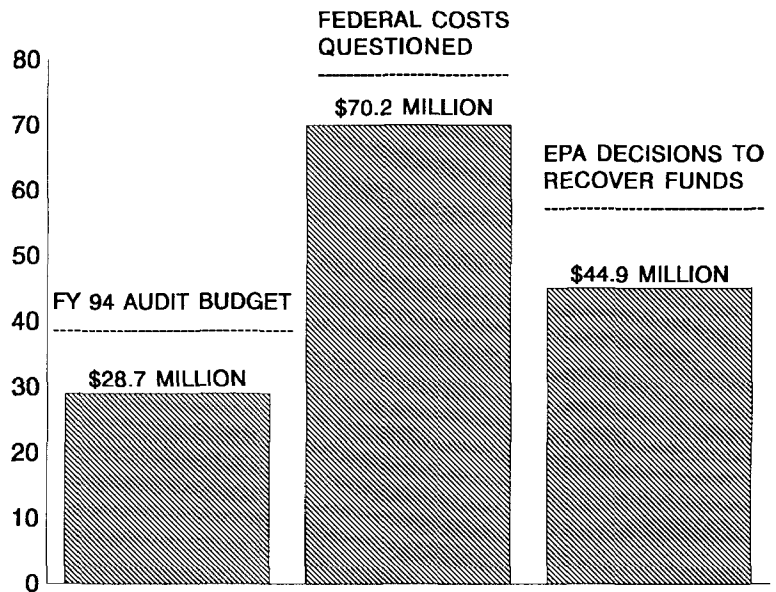
Divisional Inspectors General



Section 1 -- Significant Findings and Recommendations

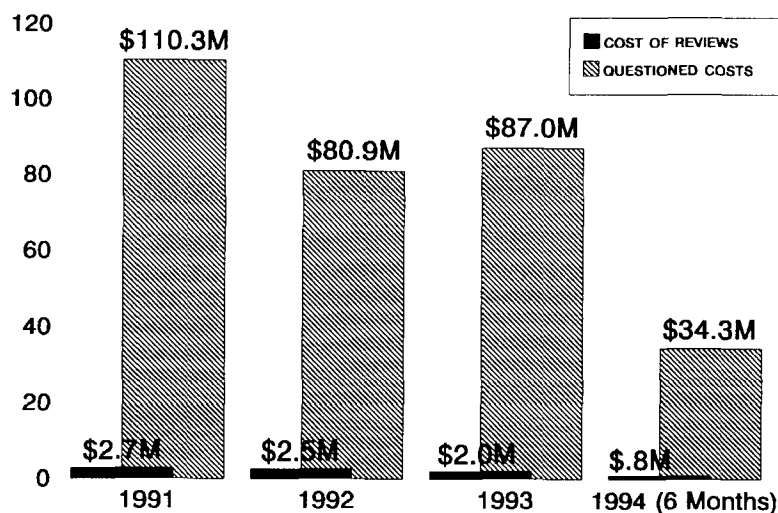
As required by sections 5(a)-(1) and (2) of the Inspector General Act of 1978, as amended, this section identifies significant problems, abuses, and deficiencies relating to the Agency's programs and operations along with recommendations for the current period. The findings described in this section resulted from audits and reviews performed by or for the Office of Audit and reviews conducted by the Office of Investigations. Because these represent some of our most significant findings, they should not be considered representative of the overall adequacy of EPA management. Audit findings are open to further review but are the final position of the Office of Inspector General. This section is divided into six areas: Costs and Benefits, Information Resources and Financial Management, Extramural Resources Management, Other Agency Management, Construction Grants, and Superfund.

**COST BENEFITS OF TOTAL AUDIT EFFORTS
OCTOBER 1, 1993 THROUGH MARCH 31, 1994
(IG AUDIT BUDGET, AUDIT RESULTS, AND EPA MANAGEMENT DECISIONS)**



**BENEFITS FROM OIG MANAGED REVIEWS
FISCAL 1991 THROUGH MARCH 31, 1994**

MILLIONS OF DOLLARS



Information Resources Management and Financial Management

The OIG and others have reported extensively on the Agency's problems in the areas of information resources management and financial management, both of which are critical to the successful implementation of Agency programs and operations. Despite considerable effort by the Agency over the last several years to effect improvements, problems persist in these areas. Summaries follow of the most significant review findings and recommendations reported by the OIG during this semiannual period relating to information resources management and financial management.

EPA's Information Resources Management (IRM) Program Needs Top Management Attention

Findings in Brief

EPA was not maximizing the usefulness of information in implementing the Agency's environmental programs. The Agency's IRM problems were basically attributable to EPA not treating information as a valuable, strategic resource.

Background

In a letter dated September 27, 1993, the Chairman and Ranking Minority Member of

the Senate Subcommittee on Superfund, Recycling, and Solid Waste Management, Committee on Environment and Public Works, requested the Inspector General (IG) to perform a comprehensive management review of EPA's information systems. The review was conducted by a joint OIG/Agency team which relied heavily on interviews and focus groups to identify the root causes of EPA's IRM problems.

We Found That

Sound, efficient, and responsive information systems are critical to EPA's achievement of its mission. For example, EPA's information systems must provide accurate and reliable data on management and oversight of the Superfund program and on nationwide air and water quality.

EPA has had significant IRM problems concerning the quality, integrity, and completeness of its data and its usefulness in addressing cross-media pollution problems due to weaknesses in four key areas.

- **IRM Management and Organizational Structure.** EPA staff perceived upper management as not recognizing the criticality of or being accountable for IRM. The IRM Steering Committee has not fulfilled its important role as an executive-level decision-making body, and EPA's formal lines of authority and communication for IRM matters are confused. Also, the organizational placement, numbers, and apparent qualifications of the EPA employees with significant IRM responsibilities are inconsistent among Headquarters program offices.

- **Resource Planning and Performance Measurement.** The Agency has neither an Agency-wide IRM Strategic Plan nor a "Business Plan," although both are currently being developed. Not integrating its long-term IRM planning with its single-year budgeting process has historically contributed to funding shortages for systems development projects. IRM planning is greatly complicated by EPA's unbalanced emphasis on short-term vs. long-term results. EPA's IRM is generally reactive as a result of continually changing congressional information needs, new and changing environmental regulations, and poor communications with congressional staff. Also, EPA's information systems do not have the capability to measure environmental successes, accomplishments, and economic benefits. Further, EPA cannot account for its IRM expenditures on a system-by-system basis.

- **Information System Development.** Developers of EPA's systems do not always work effectively with EPA program officials, Congress, and the States (their users and customers) to understand the programs and define their information needs. Most national systems appear designed to meet Headquarters needs, but are not very useful and "friendly" to the Regions and the States and cannot answer some valid questions by the Congress about Agency accomplishments. In addition, EPA offices usually do not use a standard software development approach, primarily due to the extensive use of many contractors with widely varying methodologies which do not always meet Federal requirements.

- **Data Management.** Data sharing is crucial to the Administrator's four top priorities: ecosystems protection, pollution prevention, environmental justice, and partnership development. Yet, EPA does not have the IRM "structure" to link or share data Agency-wide, due partly to insufficient resources and EPA's media-based organizational structure. Data quality problems in many EPA information systems are often due to frequently changing definitions of data and lack of data "ownership" by those who input it.

We Recommended That

The Administrator:

- Establish a separate Chief Information Officer at the Assistant Administrator level with authority and responsibility for the Agency's IRM program and strengthen a number of components of the IRM program.
- Closely link the IRM planning process with EPA's Business Plan and integrate it with the Agency's budget process.
- Strengthen EPA's process for developing information systems and increasing user involvement during the development process.
- Develop an Agency-wide data architecture and data standards and establish a centralized data administration function.

What Action Was Taken

Agency officials generally agreed with our findings and recommendations and indicated they would take a number of far-reaching actions to address our concerns. For example, EPA plans to designate a Chief Information

Officer and a Data Administrator, to create a strong Executive Steering Committee for IRM, and to make a commitment to strong leadership and sound management in this area. The Agency also plans to establish key data standards, upgrade its IRM training program, more completely consider users' needs when developing systems, establish performance measurement criteria for the IRM program and IRM initiatives, and take many other actions we have recommended. The final report (4400038) was issued to the Administrator on March 25, 1994. A response to the final report is due by June 23, 1994.

Follow Through Is Key to EPA Resolving Financial Management Issues

Findings In Brief

Differing views and perceptions have made it difficult for EPA to carry out effectively its financial management activities. Although appropriate initial steps have been taken to improve these activities, EPA needs to follow through to ensure that the serious concerns evident throughout the Agency are adequately addressed.

Background

On September 27, 1993, the Senate Committee on Environment and Public Works, Subcommittee on Superfund, Recycling, and Solid Waste Management requested a comprehensive review of EPA's financial management program, with as much attention as possible to the Superfund program. Working cooperatively with EPA's Financial Management Division (FMD), we highlighted current issues and developed solutions based on input from representative EPA managers and staff through a series of focus group meetings and extensive interviews. We also analyzed over 130 OIG reports and over 60 General Accounting Office reports to identify financial management concerns.

We Found That

Although the Chief Financial Officer position was created to raise the visibility of financial management throughout the Agency, this has not yet been fully realized. EPA financial management in the program offices and regions suffered

from: (1) a widespread lack of understanding of the importance of financial management; (2) lack of the data and reporting tools that managers needed to manage their programs effectively; (3) a weak link between budgeting and planning; and (4) too many financial codes with interpretations that are confusing to program staff.

Agency personnel are concerned about the principal EPA finance and reporting systems. The Agency's Integrated Financial Management System (IFMS) cannot always be relied on to meet their financial management requirements effectively. Overall, there is a lack of integration and incompatibility of financial and reporting systems. Duplicate or alternate personal computer based systems were developed locally to meet regional financial management needs not provided by the Agency's systems.

EPA financial policies and procedures are often difficult to locate, out of date, incomplete, and confusing and therefore difficult to use. As a result, many policies and procedures are not always effective or conducive for good Agency-wide financial management.

With respect to Superfund activities, cost recovery from responsible parties for the cleanup of hazardous waste sites is not always given the support or resources needed and is viewed as secondary to the mission of cleaning up hazardous waste sites. The Agency does not have information readily available to determine a feasible target or amount for cost recovery. Further, the Agency does not routinely analyze results to compare recoveries against

established targets. Some costs are not allocated to their specific sites, preventing the Agency from tracking and recovering the costs later from responsible parties. These costs are often recorded differently in IFMS and the Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS), sometimes leading Headquarters to ask the Regions to collect data manually for external reports.

EPA does not regularly offer courses essential for training Agency employees to accomplish their financial management responsibilities effectively. This has resulted in inexperienced and untrained personnel performing financial management duties.

We Recommended That

The Administrator:

- Identify and implement best or benchmark practices for financial management operations Agency-wide to help set standards of service and performance.
- Establish a joint effort between FMD and the program offices with client/customer teams to work out the interface problems associated with IFMS and other Agency finance and reporting systems.
- Review, update and consolidate EPA's financial management policies and procedures electronically and make them more user friendly.
- Ensure that clear and consistent EPA cost recovery goals and targets are established and assign a higher priority to Superfund financial management, specifically cost recovery.

- Have FMD establish an Agency-wide core of training courses that are mandatory for Agency employees involved in financial management activities.

What Action Was Taken

When EPA aggressively implements the recommendations in our report and its own established plans and new initiatives, financial management should be improved throughout the Agency. The special review report (4400042) was issued to the Administrator on March 31, 1994. A response to the final report is due by June 30, 1994.

Improvements Still Needed in EPA's Financial Reporting

Findings In Brief

During the past year, EPA improved its financial reporting. However, additional improvements are needed before unqualified opinions can be rendered on all of the Agency's financial statements, and EPA can have more confidence in the financial information used in managing its programs.

Background

The Chief Financial Officers (CFO) Act requires EPA to prepare financial statements for the Superfund, Leaking Underground Storage Tank (LUST) and Oil Spill Trust Funds, the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) and Tolerance Revolving Funds, and the Asbestos Loan Program. Fiscal 1993 was the second year for which EPA prepared these statements.

We Found That

The Agency used experience gained last year and better supporting documentation to improve its financial reporting. This allowed preparation of fiscal 1993 financial statements during December 1993, 3 months earlier than the fiscal 1992 financial statements. Following are the results of our audits of the financial statements for each of the funds described above.

Superfund Trust Fund. A determination could not be made of whether the financial statements for this fund were fairly presented primarily because:

- EPA personnel did not fully comply with the policies and procedures for recording and reconciling accounts receivable. As a result, at the regions audited: (1) \$57 million of valid accounts receivable were not recorded in the Agency's accounting system; (2) 26 receivables totaling \$15 million (from a non-statistical sample of 52 receivables totaling \$208 million) were not recorded timely; and (3) at two regions, there was a \$37 million overstatement of accounts receivable because the regions recorded the total amount due from states even though EPA had not performed the activities that entitled EPA to payment. Finally, an increase of \$153 million to the allowance for uncollectible accounts was needed to provide for potentially uncollectible Superfund receivables. These recommended adjustments were made to the financial statements.
- EPA does not have an integrated property system with complete historical cost data and other information needed to support capitalized property recorded in the accounting system.
- At four finance offices audited, accruals for grant expenses for recipients that used the Automated Clearing House payment system were not recorded.
- During the fiscal 1992 financial statement audit, EPA did not have an adequate method for determining the costs incurred under signed agreements with states to share in the cost of a Superfund site cleanup. This would enable recorded receivables and corresponding deferred revenue to be properly liquidated. During

fiscal 1993, Region 2 began a pilot program to develop such procedures. Based on information provided by Regions 2, 5 and 9, the Agency recorded \$35 million in adjustments for fiscal 1993 and prior years to show the deferred revenue that had been earned in these regions. The amount of adjustments needed at other regional finance offices was not determined.

LUST Trust Fund. We qualified our opinion on the Statement of Financial Position and disclaimed an opinion on the other financial statements for this fund primarily because:

- Accruals for expenses of grant recipients paid through the Automated Clearing House payment system were not made.
- EPA's accounting system did not correctly disclose the components of net position due to problems in the automated year-end closing process.

Oil Spill Fund. The fiscal 1993 Statements of Financial Position and Cash Flow for this fund were fairly presented. However, we qualified our opinion on the Statements of Operations and Changes in Net Position and Budget and Actual Expenses for the year, because we did not audit costs allocated from other Agency appropriations due to the substantial audit effort required.

FIFRA Fund. We were able to issue a qualified opinion on the Statement of Financial Position for the fund as a result of actions taken by the Agency and the expanded scope of our audit work. We were, however, unable to audit the \$533,000 property balance

shown in this statement due to the Agency's procedures for capitalizing property purchased with FIFRA and other Agency funds not identifying all property which should be capitalized. In addition, property that is capitalized cannot be uniquely identified. Consequently, when items of property are transferred, replaced or lost, the changes cannot be reflected in EPA's accounting system. We disclaimed an opinion on the statements of Operation and Changes in Net Position, Cash Flows, and Budget Actual Expenses because we could not audit the Statement of Financial Position as of September 30, 1992.

Tolerance Fund. We could not determine if the financial statements were fairly presented because:

- Weaknesses in controls in the Office of Pesticide Programs' fee tracking system resulted in significant errors in the office's tolerance fee records. For example, in the sample of records we reviewed, \$457,700 of fees and \$9,800 of earnings were recorded twice; \$163,800 of earnings were recorded even though the fees had been refunded; and \$288,100 of fees were refunded without adjusting the balance shown in the system
- Adequate supporting documentation was not available for \$24.3 million of adjusting entries.

Asbestos Loan Program. We qualified our opinion on the Statement of Financial Position and disclaimed an opinion on the other financial statements primarily because EPA's accounting system did not correctly disclose the components of net position

due to problems in the automated year-end closing process.

Tests of compliance with laws and regulations. EPA complied with applicable provisions that would materially affect the financial statements. However, during fiscal 1992 and 1993, EPA did not perform required biennial reviews of user fees to identify those which EPA could increase to help finance EPA's programs. For example, during fiscal 1993, EPA collected only \$1.5 million for processing tolerance petitions for raw agricultural products while the Agency spent \$3.2 million performing this activity. Performing these reviews would be consistent with the Vice President's National Performance Review which recommends increasing the use of fees.

We Recommended That

The Chief Financial Officer

- Work with the Offices of Enforcement and Solid Waste and Emergency Response to improve coordination between the Offices of Regional Counsel and Financial Management Offices so that Superfund accounts receivable are more accurately and timely recorded and an adequate allowance for uncollectible receivables is established.
- Modify policies and procedures for recording accounts receivable arising from Superfund state contracts.
- Issue guidance for calculating and recording accounts payable and accrued liabilities for grant expenses.
- Ensure that finance offices consistently follow the year-

end closing procedures for recording accounts payable and accrued liabilities.

- Develop or revise procedures for documenting adjusting entries and capitalizing property.
 - Include timely review of user fees as one of the financial management performance measures used to evaluate program offices.
- The Director, Office of Pesticide Programs:
- Strengthen controls used to track tolerance fees by revising procedures for recording fee transactions.
 - Reconcile the Office's tolerance fee records with records maintained in the accounting system.
 - Include the fee tracking system in Federal Managers' Financial Integrity Act reviews.

What Action Was Taken

In response to the draft reports, the Chief Financial Officer agreed in principle with most of the reports' recommendations. He indicated that his staff had already begun to take appropriate actions to resolve the reported issues. The final report on the Superfund Trust Fund, Leaking Underground Storage Tank Trust Fund, and the Asbestos Loan Program (4100231) was issued to the Chief Financial Officer on March 31, 1994. The final report on the Pesticides Revolving Funds and the Oil Spill Trust Fund (4100230) was issued to the Chief Financial Officer, the Assistant Administrator for Prevention, Pesticides and Toxic Substances, and the Assistant Administrator for Solid Waste and Emergency Response on

March 31, 1994. Responses to the final reports are due by June 29, 1994.

Extramural Resources Management

Over the past several years, the OIG has repeatedly identified problems in the Agency's award and administration of contracts, interagency agreements, and cooperative agreements at various EPA offices and facilities. During this semiannual reporting period, the OIG conducted reviews to examine the competitive process used by the Agency to award its contracts. Independent audits of the records and performance of individual contractors were also conducted in accordance with the General Accounting Office standards for audits of governmental organizations, programs, activities, and functions. These audits determine whether costs claimed by the contractors are eligible, supported by documentation, necessary, and reasonable. Additional reviews were also conducted of the management of extramural resources by our Office at three Agency laboratories. Summaries follow of the most significant review findings and recommendations reported during this semiannual period.

Limited Competition for Many EPA Contract Awards

Findings in Brief

Most of EPA's contracts were awarded using competitive procedures. However, many of the awards were made when only one proposal was within the Agency's acceptable technical and cost range (competitive range). Therefore, EPA could not be assured that it was receiving the highest quality products and services at the lowest costs.

We Found That

EPA often used competitive procedures as defined in the Competition in Contracting Act of 1984 (CICA) to award its contracts. As a result, EPA has consistently reported that a large percentage of its contracts were awarded using competitive procedures, and competition was obtained for many of the Agency's contracts that we reviewed. The Superfund program and the Office of Air Quality, Planning and Standards generally received more competitive proposals to their solicitations for offers than other reviewed EPA offices.

However, EPA awarded a significant number of contracts to provide goods or services when only one proposal made the competitive range. The contracting office prepares the competitive range determination that identifies those firms or individuals that have a reasonable chance of award based on their technical and cost proposals. For 140 contracts in our sample, 39 contracts were awarded when only one proposal made the competitive range. The

maximum potential value of the 39 contracts was approximately \$327 million, or 22 percent of the total maximum value of the contracts in our sample. Repeat contracts, in which the incumbent won the follow-on award, comprised the majority of the total dollar value of these 39 contracts.

Several factors contributed to a lack of competitive proposals for some EPA contracts, including using large, level of effort contracts with diverse statements of work and having technical evaluation criteria that placed heavy emphasis on personnel experience and availability. In some instances, several of these conditions existed, thereby limiting the number of proposals received for a particular solicitation. Many firms believed these conditions favored incumbent contractors and therefore these firms were reluctant to submit proposals since they perceived their chance of winning the award as being remote.

Also, the composition of technical evaluation panels (TEP) that evaluate and score contract proposals created an appearance of partiality in scoring proposals and the potential for bias in the award of follow-on contracts. This was due to TEPs often being chaired by project officers who administered the prior contract and TEPs being composed entirely of officials from the program offices acquiring the contract services.

In addition, the Agency's Competition Advocacy Program established and monitored goals to ensure that a high percentage of Agency contracts were awarded competitively. The Program has been successful in limiting the number of sole-source

awards. However, similar monitoring was not in place to determine the extent of actual competition (number of proposals) for contracts awarded under competitive procedures.

We Recommended That

The Assistant Administrator for Administration and Resources Management:

- Evaluate large, complex contracts for the possibility of splitting them into smaller contracts.
- Better publicize future EPA contracting opportunities to the contracting community.
- Monitor and evaluate request-for-proposal evaluation criteria to ensure that incumbent contractors are not given an unfair competitive advantage.
- Revise EPA policy to require at least one TEP member be from an organization other than the procuring office and at least two TEP members be from outside the procuring office when there are five or more panel members
- Strengthen the Competition Advocacy Program's review and evaluation of competition for contracts awarded under full and open competition procedures.

What Action Was Taken

The final report (4100232) was issued to the Assistant Administrator for Administration and Resources Management on March 31, 1994. In responding to the draft report, the Agency generally agreed with our recommendations and provided substantive planned or already initiated actions to

correct the identified weaknesses. These actions, if properly implemented, should substantially resolve the issues presented in this report. As a result, we closed out this audit in our tracking system and all corrective actions will now be tracked in the Agency's Management Audit Tracking System

Most Large Contracts Awarded to ICF Had Limited Competition

Findings in Brief

There was limited competition in EPA's award of over half of the larger contracts to ICF, Inc., and in ICF's award of subcontracts. In addition, EPA did not evaluate ICF's performance on cost-plus-award-fee contracts timely. As a result, EPA did not receive the full benefits of competition, such as potentially lower prices and higher quality products.

Background

As of March 1992, ICF, along with its subsidiary, Clement Associates, was the Agency's second largest contractor and had 25 active contracts potentially worth \$388 million. EPA uses ICF to support various activities of Agency program offices, including policy and technical analysis services for the Office of Ground-Water Protection; economics support for regulatory actions by the Office of Toxic Substances; evaluation of the energy, economic, and environmental trade-offs of Government policies and regulations by the Office of Air and Radiation; and analytical and planning services regarding the management of Resource Conservation and Recovery Act-regulated wastes by the Office of Solid Waste.

We Found That

EPA complied with Federal regulations when soliciting competition for contracts awarded to ICF, and adequate competition existed in the award of most of the smaller ICF contracts. However, the

level of competition lessened as the value of the contract reached \$10 million. In three of the eight contracts exceeding \$10 million, ICF was awarded the contract because its price and technical proposals were more favorable than those of its competitors. However, in the other five awards, ICF was the only firm to either submit a proposal or have its proposal make the competitive range. On two of the five awards with potential values of \$14.4 million and \$12.5 million, EPA solicited proposals from 120 and 88 firms, respectively. Yet only ICF, the incumbent, submitted a proposal. Both of these procurements were umbrella contracts, i.e., contracts with large and diverse statements of work, which we believe discourages competition. In two of the three cases in which ICF alone made the competitive range, ICF was the incumbent contractor. As a result, EPA did not receive the full benefits of competition in the award of these contracts.

There was little evidence of competition in the award of subcontracts by ICF under its three largest EPA prime contracts. ICF routinely awarded subcontracts on a sole source basis, and EPA contracting personnel had various interpretations of what constituted competition in regard to the assignment of work to subcontractors assembled by ICF to work on the contracts.

EPA's management of the award fee process was inadequate. In the four ICF cost-plus-award-fee contracts we reviewed, EPA experienced difficulty and delays, ranging from less than 2 months to more than 2 years, in evaluating ICF's performance. However, rather

than improve its administration of the award fee process, EPA converted three of the contracts into cost-plus-fixed-fee contracts. We analyzed the largest of the converted contracts and estimated that ICF received approximately \$300,000 more fee under the fixed fee method.

We Recommended That

The Assistant Administrator for Administration and Resources Management have the Director, Office of Acquisition Management:

- Issue guidance instructing Contracting Officers to conduct post-award efforts to determine reasons why only one proposal made the competitive range.
- Require the Contracting Officer to review the awards of all significant subcontractors under EPA prime contracts to ensure selection on a competitive basis.
- Require prime contractors to obtain Contracting Officer approval of all significant subcontractor budgets and any subsequent budget revisions.
- Emphasize to the EPA personnel involved in the award fee process that completing timely evaluations is essential to the objectives of the process.
- Inform Contracting Officers that the type of contract should be changed only when justifiable, rather than simply to remedy administrative problems.

What Action Was Taken

The final report (4100233) was issued to the Assistant Administrator for Administration and Resources

Management on March 31, 1994. In responding to the draft report, the Agency generally agreed with our recommendations and provided substantive planned actions to correct the identified weaknesses. These actions, if properly implemented, should substantially resolve the issues presented in this report. As a result, we closed out this audit in our tracking system, and all corrective actions will now be tracked in the Agency's Management Audit Tracking System.

Over \$17.8 Million of Questionable In-kind Costs Claimed Under Contracts

Findings In Brief

Due to the absence of appropriate guidance, the Agency accepted over \$17.8 million in potentially questionable costs as part of contractors' proposed cost share contribution. Also, EPA did not require contractors to submit adequate documentation with their invoices for evaluating the reasonableness of claimed charges under cost sharing contracts.

Background

Under a cost-sharing contract, the Government and contractor agree to share in the costs of a project. A contractor may share contract costs by not seeking reimbursement for incurred costs or for the value of property or other contributed items (in-kind costs). A cost-sharing contract may be used when a contractor has the opportunity to acquire technology, expertise, or other benefits after the contract is completed. Federal regulations prohibit a contractor from making a profit on a Government cost-sharing contract.

We Found That

EPA did not have guidance to ensure that cost-sharing contracts were awarded and administered in the most efficient and economical manner. Our review of the Agency's two largest active cost-sharing contracts disclosed that over \$17.8 million of the \$18.5 million which EPA accepted as the

contractors' share of the projects' costs were questionable. Nearly all of these costs represented estimates of avoided costs which EPA would have incurred if the contract had been awarded to a company that did not already have property to be used in completing the contract. In our view, avoided costs do not meet the Federal Acquisition Regulation requirement for shared costs. Further, EPA did not determine the original cost, book value, or salvage value of equipment that contractors provided as their in-kind cost contribution and did not require that contractors report in-kind costs as they were contributed.

Also, EPA paid contractor invoices without obtaining adequate supporting documentation to evaluate whether contractor charges were reasonable. For example, EPA paid over \$8 million for an item that was only described as "services." In addition, EPA improperly allowed a contractor to award a wholly-owned subsidiary a fixed-price contract to provide engineering services under its cost-sharing contract with the Agency. The subsidiary will realize a profit on the contract if it has correctly estimated its costs to provide the services.

We Recommended That

The Assistant Administrator for Administration and Resources Management require the Director, Office of Acquisition Management, to establish policies to ensure that in-kind costs are adequately monitored; develop guidance for awarding and administering cost-sharing contracts; and issue policies and procedures needed to ensure that cost-sharing invoice costs are reasonable and adequately

supported as illustrated in EPA's Contract Administration Handbook.

What Action Was Taken

On February 1, 1994, the Agency issued draft cost-sharing guidance. This guidance, if properly implemented, should substantially correct the deficiencies identified in this report. Agency officials also indicated they will initiate action for requiring a standard contract clause to be included in future cost-type contracts, including non-cost-sharing contracts, to help ensure that adequate invoice documentation is obtained for Agency personnel's use in evaluating the reasonableness of contractor charges before they are paid. The final report (4100221) was issued to the Assistant Administrator for Administration and Resources Management and the Acting Assistant Administrator for Research and Development on March 25, 1994. A response to the final report is due by June 23, 1994.

EPA Agrees to Improve Controls Over Corvallis Laboratory's Extramural Research Program

Findings in Brief

EPA's Environmental Research Laboratory, Corvallis, Oregon (ERL-C), did not have adequate internal controls over its extramural research program to ensure that grants, cooperative agreements, and interagency agreements (IAGs) were used appropriately, projects were managed effectively, and IAG costs were monitored properly.

Background

ERL-C is one of the Office of Research and Development's 12 laboratories, performing research in terrestrial and watershed ecology and assessing major environmental threats to inland ecological resources. ERL-C is dependent on extramural support to accomplish its mission.

We Found That

ERL-C did not always comply with provisions of the Federal Grant and Cooperative Agreement Act and Agency guidance on the proper use of grants, cooperative agreements, and IAGs. In 12 of 18 cases reviewed, ERL-C did not have adequate support for using assistance agreements instead of contracts to help accomplish its research mission. Seven of these 12 agreements (five were awarded directly to non-Federal recipients and two were awarded by other Federal agencies under IAGs with EPA) should have been

contracts because the projects were to provide a direct benefit to the Government. For example, ERL-C entered into a \$2.1 million cooperative agreement with a state university, the results of which were to be used to establish the statistical base for the Agency's Environmental Monitoring and Assessment Program design and analysis activities.

In addition, 2 of the 18 agreements had been inappropriately used. In one case, a cooperative agreement was used improperly to fund an Intergovernmental Personnel Act assignment with a state university faculty member having expertise in terrestrial ecology. In another case, under an IAG, a grant was awarded to a nonprofit organization for the purchase of a computer system used by an ERL-C contractor.

The scope of work for 3 of 6 IAGs reviewed were for multiple projects, instead of distinct, independent projects as required by EPA guidance. As a result, the project officers were unable to monitor adequately the work being performed and could not locate some required project deliverables.

ERL-C did not recover all costs incurred under reimbursable IAGs, and EPA may have overpaid for the work done by other agencies. This was due to ERL-C not having systems to ensure that all costs of work EPA performed for other agencies were billed, and that costs billed to EPA by other agencies were actually incurred and correctly reflected progress being made on the projects.

We Recommended That

The Acting Assistant Administrator for Research and Development instruct the Director, ERL-C to:

- Ensure that appropriate funding instruments are selected and that the basis for the selection is adequately documented.
- Ensure that grants, cooperative agreements, and IAGs are appropriately used.
- Ensure that each IAG is for an independent, distinct project with a clearly defined objective.
- Improve monitoring of IAGs by providing training to project officers, establish a system to capture all costs incurred under reimbursable IAGs so that other agencies are properly billed, and require project officers to review detailed costs billed by other agencies under IAGs before approving invoices for payment.

What Action Was Taken

In responding to our draft report, the Acting Assistant Administrator for Research and Development concurred with all the recommendations and agreed to correct all of the deficiencies noted in the report. The Acting Assistant Administrator said that he found the recommendations to be constructive and that corrective actions in response to many of them should be designed not solely for ERL-C operations but for Office of Research and Development-wide operations. He indicated he will provide us an action plan that defines responsibilities and establishes deadlines for completing the corrective actions to be taken on our

recommendations. The Assistant Administrator for Administration and Resources Management questioned our conclusion that five of the ERL-C grants and cooperative agreements should have been awarded as contracts. However, he stated that the Grants Administration Division was developing new guidance for determining whether a proposed project should be funded as a grant, cooperative agreement, or contract. The final audit report (4100214) was issued to the Assistant Administrator for Administration and Resources Management and the Acting Assistant Administrator for Research and Development on March 21, 1994. A response to the final report is due by June 21, 1994.

Improvements Needed in Gulf Breeze Laboratory's Management and Control of Assistance Agreements

Findings In Brief

EPA's Environmental Research Laboratory, Gulf Breeze, Florida (ERL-GB), did not effectively manage, control, and document the award and use of assistance agreements to ensure the proper and efficient use of extramural funds.

We Found That

ERL-GB's insufficient oversight and misapplication of regulatory requirements for assistance agreements resulted in the following questionable or ineffective management actions:

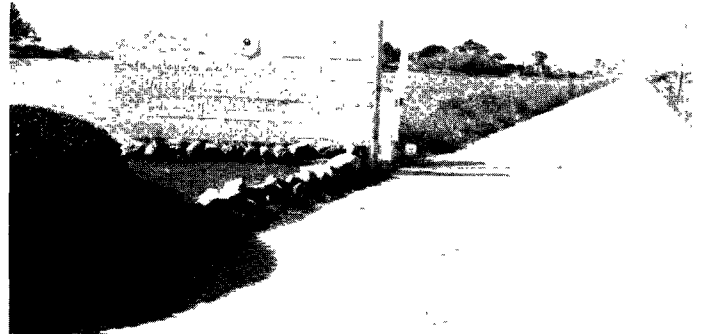
- **Inappropriate Use of Cooperative Agreements (CA).** ERL-GB used CAs to acquire property and services when a competitive contract was appropriate. This was due, in part, to inadequate Agency guidance and the laboratory's practice of awarding CAs to educational and nonprofit institutions without proper consideration of the principal purpose of the research to be performed.
- **Insufficient Use of Free and Open Competition in CA Awards.** ERL-GB limited the competition process for CA awards, creating the appearance of favoritism in its funding process for extramural research.
- **Potential Conflict of Interest (COI).** Possible COIs for review panel members and other irregularities in the award process increased the potential for favoritism in the

award of both competitive and noncompetitive CAs. The pervasive influence of the prospective project officer over the review process also represented a significant management control weakness.

- **Questionable Use of Off-Site CAs to Reduce On-Site Extramural Services.** ERL-GB project officers improperly influenced off-site cooperators to hire and retain certain on-site contractor employees and related services, increasing the original assistance budget costs by \$857,043 for on-site employees.
- **Improvements Still Needed in Federal Managers' Financial Integrity Act (FMFIA) Management Control Process.** Although ERL-GB has made progress in identifying and documenting critical event cycles, control objectives, and control techniques for laboratory operations, improvements are still needed in its implementation of FMFIA.
- **Management Decisions Not Adequately Documented and Critical Records Not Protected.** ERL-GB did not consistently document critical organizational functions and management decisions and properly protect critical records related to CAs and other laboratory operations to avoid loss of valuable corporate knowledge and protect Government interests.

We Recommended That

- The Acting Assistant Administrator for Research and Development direct the Gulf Breeze Laboratory Director to:
- Strengthen oversight and control over the award and use of assistance agreements



EPA's Gulf Breeze Laboratory is located in the scenic Florida Panhandle (photo by OIG staff).

and the activities performed under such agreements to ensure effective use of Agency resources, attainment of assistance objectives, and adherence to pertinent laws, regulations, and policies.

- Clearly document decisions for using each cooperative agreement and the principal purpose of the proposed project.
- Improve implementation of ERL-GB's management control process consistent with applicable Agency guidance
- Establish a records management system that assures the proper creation, protection, and retention of official laboratory records in accordance with current Agency policies.

What Action Was Taken

In responding to the draft report, the Agency concurred with the report's findings and recommendations; however, a corrective action plan with specific actions and milestones for completion was not provided. The Agency has already drafted needed definitive guidance on the

proper uses of contracts and assistance agreements. The final report (4100237) was issued to the Acting Assistant Administrator for Research and Development on March 31, 1994. A response to the final report is due by June 30, 1994.

Good Management Practices Exercised Over Extramural Resources at Ann Arbor Laboratory

Findings in Brief

EPA's National Vehicle and Fuel Emissions Laboratory, Office of Mobile Sources (OMS), Ann Arbor, Michigan, generally was following good practices in managing its contracts, grants, cooperative agreements (CA), interagency agreements (IAG), imprest fund, and integrity program to prevent conflicts of interest.

We Found That

In March 1992, the Office of Air and Radiation (OAR) initiated an assessment of the effectiveness of management controls over its contracting activities and identified a

number of improvements that could be implemented immediately. OAR also formed a Quality Assessment Team (QAT) to review its contracting processes which found several contract management practices that were working well and should help safeguard Government funds, including (1) preparing evaluations and furnishing feedback to contractors on their performance, (2) having a level of effort coordinator in each office to assist work assignment managers, and (3) favoring specificity over flexibility in preparing statements of work.

OMS ensured that all of its staff, including the Ann Arbor Laboratory's staff, had filed mandated confidential financial disclosure statements and carefully reviewed the statements for potential conflicts of interest. In addition, the Ann Arbor Laboratory properly

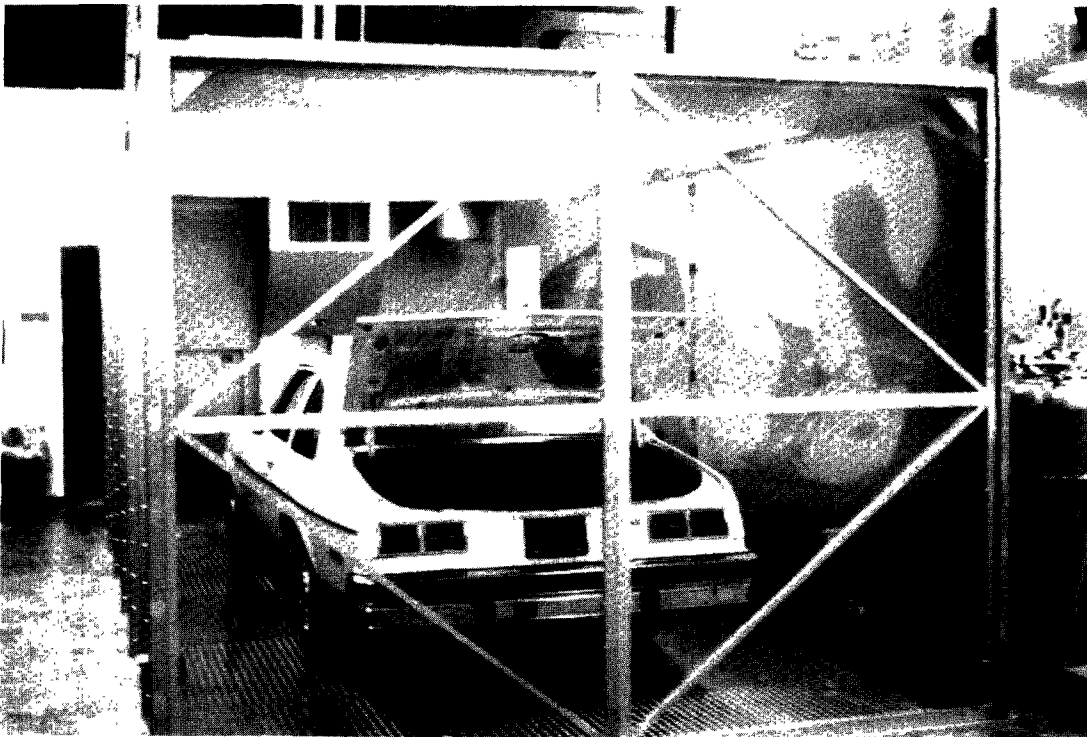
administered its imprest fund and used blanket purchase agreements, as suggested in the Federal Acquisition Regulation, to acquire such items as cylinder gases and automotive parts.

Isolated conditions requiring management attention included contractors not submitting detailed documentation to support invoices and a project officer not documenting a claim that a subcontractor applied an overpayment to additional testing

What Action Was Taken

In response to recommendations by the QAT, EPA's Office of Acquisition Management (OAM), Office of Administration and Resources Management, provided two training seminars for project officers on the review process for invoices and approvals needed for voucher payment.

The Director, OMS, was very responsive to our report. On January 12, 1994, the Director issued a policy requiring that staff be trained before their assignment as project officers and that project officers take the recertification course timely and be provided training being developed as soon as it can be scheduled. The Director's January 12 policy statement also requires open communication between project officers and appropriate OAM personnel and directs OMS managers to ensure that project officers document significant matters, particularly any changes in contract costs. The final special review report (4400020) was issued to the Director, OMS, on January 25, 1994. The corrective actions taken by the Agency, if properly implemented, should substantially resolve the issues presented in the report. As a result, we closed out this audit in our tracking system upon issuance of the final report so no response is due from the Agency.



Testing of automobile emissions is a major function of the Ann Arbor laboratory (photo by John T. White, EPA)

Other Agency Management

The Inspector General Act requires the OIG to initiate reviews and other activities to promote economy and efficiency and to detect and prevent fraud, waste, and mismanagement in EPA programs and operations. Internal and performance audits and reviews are conducted to accomplish these objectives largely by evaluating the economy, efficiency, and effectiveness of operations. The following are the most significant internal audit, performance audit, and special review findings and recommendations of other Agency activities resulting from our efforts during this semiannual reporting period.

Continued Efforts Needed to Improve EPA's Pesticide Program

Findings In Brief

For years EPA's pesticide program has had significant problems in managing its programs, maintaining information systems, and developing and revising regulations, policies, and procedures. As a result, EPA cannot be assured that the public and the environment are being effectively protected from potentially harmful pesticides.

Background

Pesticides are used to control unwanted plants, insects, fungi, rodents, or bacteria, help increase agricultural

production, and improve public health. However, many pesticides pose acute and chronic human health and environmental risks. EPA regulates pesticides under the Federal Insecticide, Fungicide, and Rodenticide Act and the Federal Food, Drug, and Cosmetic Act. Since 1988, the OIG and the General Accounting Office have issued 23 reports on pesticide programs.

We Found That

During the 1980's, decreases in funding and staffing, coupled with increases in responsibilities, led the pesticide program to emphasize short-term solutions to problems, instead of addressing some fundamental program activities, making it more difficult and costly to manage the program over the long term. Significant problems include the following:

- Pesticide program managers were often aware of significant problems, but did not always take corrective actions. Also, the program often missed target dates that Congress and the program itself had established in such areas as reregistration, registration, and the development of regulations. This resulted in uncorrected deficiencies and missed target dates becoming accepted practices.
- The pesticide program had many computerized information systems that often contained inaccurate and incomplete data, duplicated other systems, and were not integrated. These problems were due to the pesticide program not having adequate systems development practices and quality



USDA personnel take groundwater samples to measure the effect of tillage methods on the movement of pesticides into groundwater (USDA photo by Tim McCabe).

assurance procedures. As a result, EPA often relied upon inaccurate, incomplete data when making decisions on pesticides and had difficulty coordinating work on the same pesticides within various program offices.

- The program's regulations, policies, and procedures need substantial improvement. Some regulations did not reflect what the program was actually requiring registrants to include on pesticide labels, creating confusion for the registrants. Also, the absence of policies and procedures contributed to the sale in the United States of unregistered pesticides. Other procedures did not ensure that statements on some pesticide labels adequately protected humans

and the environment from unnecessary risks.

What Action Was Taken

The Agency has recently made diligent efforts to improve the management of the pesticide program, and has stated that it will continue to emphasize management accountability in the future. In responding to the draft report, the Assistant Administrator for Prevention, Pesticides, and Toxic Substances agreed to take action to correct all of our findings. In 1992, the pesticide program developed a strategy to improve information management and in 1994 funded several projects under that strategy. The pesticide program also committed to reviewing its regulations, policies, and

procedures to identify and prioritize those needing revision. The final report (4100205) was issued to the Assistant Administrator on March 11, 1994. We closed out this audit in our tracking system upon issuance of the final report so no response is due from the Agency.

Greater Emphasis Needed by EPA Offices on Implementing the Federal Managers' Financial Integrity Act (FMFIA)

Findings in Brief

The Offices of Water (OW) and Solid Waste and Emergency Response (OSWER) had not always ensured that managers scheduled and conducted evaluations necessary for properly assessing and improving management controls over resources available for accomplishing their missions.

Background

FMFIA requires agencies to evaluate the adequacy of their accounting and administrative control systems and report their conclusions annually to the President and Congress, citing any material weaknesses in their control systems. OW and OSWER are among the 22 major organizational components responsible for administering FMFIA at EPA.

We Found That

OW and OSWER trained managers and properly included management control responsibilities in their performance standards, making them aware of FMFIA's requirements. Several managers properly

used strategic plans, work plans, and priorities to identify vulnerabilities and schedule control evaluations. Also, OSWER and OW managers planned and tracked corrective actions for weaknesses reported in annual assurance letters and established validation strategies to ensure reported weaknesses were corrected.

However, OW and OSWER had not organized control evaluation efforts so that managers assessed vulnerabilities for all programs and functions and then scheduled control evaluations based on vulnerabilities. Several OSWER managers appropriately used environmental goals from strategic plans to assess vulnerability. But, most OSWER and OW managers were confused as to how vulnerability assessments, management control plans, and control evaluations related. As a result, managers did not properly assess and improve management controls in accordance with the FMFIA process. OW and OSWER could not be fully assured that their missions were being accomplished most effectively and efficiently by properly safeguarding and using their available resources.

In addition, OW and OSWER did not properly document oversight of regional operations to ensure overall mission accomplishment. OW and OSWER had not worked with the regions to develop and document management processes with model event cycle documentation, control objectives, and control techniques that would ensure that the regions are fulfilling OW and OSWER strategic plans and program goals. Also, OW and OSWER had

not obtained the regions' management control evaluation results and used their oversight reviews to determine if program-wide problems and potential weaknesses existed that could affect successful mission accomplishment.

We Recommended That

The Assistant Administrators for OW and OSWER:

- Establish procedures to ensure that all managers integrate FMFIA requirements into management activities, identify best practices, and encourage managers to share them.
- Require managers to assess annually the effectiveness of their management control systems and document the results. Advise managers to consider all programs and functions when assessing controls.
- Obtain the results of regional management control assessments to identify potential Agency-wide weaknesses and advise regions and other program offices when appropriate. For potential Agency-wide weaknesses, strengthen controls in written policies and procedures

What Action Was Taken

In responding to the draft reports, OW and OSWER explained that they would begin work on our recommendations after the Agency issues guidance on the newly revised FMFIA process. OW identified two factors that affect their FMFIA implementation: their programs are decentralized to give Regions and States more freedom to administer them, and they identified problems

and provided management direction and oversight outside the existing FMFIA process. OW and OSWER expressed commitment to continued improvement in management integrity. The final audit reports (4100224 and 4100236) were issued to the Assistant Administrators, OSWER and OW on March 28, 1994, and March 31, 1994, respectively. Responses to the OSWER and OW final reports are due by June 28, 1994, and July 1, 1994, respectively.

Operations and Usefulness of EPA Advisory Committee Questioned

Findings In Brief

The National Advisory Council for Environmental Policy and Technology's (NACEPT) recommendations were often too broad to be tracked to implementation, so the impact of the Council's advice was difficult to assess. Further, NACEPT's member organizations sometimes received EPA funds under noncompetitive assistance agreements to implement NACEPT committee recommendations.

Background

NACEPT is an EPA advisory committee which provides independent advice and counsel to the EPA Administrator. It is supported by EPA's Office of Cooperative Environmental Management (OCEM).

We Found That

Many recommendations in the 14 reports issued by NACEPT since its inception in 1988 were too broad for their impact on Agency issues to be assessed. For example, NACEPT's Technology Innovation and Economics Committee recommended in an April 1993 report that EPA work with the States to encourage and develop pollution prevention enforcement initiatives. Tracking these types of broad recommendations to final resolution is difficult. Furthermore, some recommendations duplicate existing Agency objectives; therefore crediting NACEPT for the advice would be

misleading.

When NACEPT recommendations could be tracked, most implementation actions did not require the award of contracts or assistance agreements. However, 13 actions to implement recommendations did involve assistance agreements, with 12 of these being awarded to NACEPT-related organizations without competition. Also, since fiscal 1989, OCEM awarded 30 assistance agreements, 21 of which were awarded noncompetitively to NACEPT-related organizations. After establishing a NACEPT relationship, 17 organizations that had previously received no direct Agency funding received Agency contracts or assistance agreements exceeding \$11 million.

The Federal Advisory Committee Act states that the Congress and the public should be kept informed with respect to the number, purpose, membership, activities, and cost of advisory committees. EPA's fiscal 1992 annual report to the General Services Administration (GSA) indicated that NACEPT's annual operating costs were \$1.7 million and it had 50 members. However, we determined that NACEPT's 1992 operating costs were about \$2.2 million and, as of July 1993, there were 275 members of the Council, including 6 committees, and 11 subcommittees.

In the 5 years since its inception, NACEPT's operational costs have averaged \$2.1 million annually. Of 26 advisory committees whose costs were identified in GSA's 1992 report to the President, only one other than NACEPT cost more

than \$2 million annually. During this 5-year period, NACEPT produced 14 reports, making the average cost per report approximately \$750,000.

We Recommended That

The Administrator's Chief of Staff:

- Require that the role and function of NACEPT be evaluated periodically and complete such an evaluation for the Administrator.
- Evaluate the role and function of OCEM in supporting NACEPT and adjust resources and organizational alignment to respond to NACEPT needs.
- Require Agency officials implementing NACEPT recommendations through assistance agreements to compete the awards to the maximum extent practicable.
- Accurately determine the total number of NACEPT members and annual operating costs for reporting to GSA.
- Establish and track appropriate NACEPT performance measures.

What Action Was Taken

In a March 10, 1994, response to our draft report, the Associate Deputy Administrator agreed that the Administrator needs to evaluate the effectiveness and efficiency of NACEPT, but suggested that it should be done every 2 years when the Council's charter is up for renewal so its role and function can be monitored and evaluated against changing needs and priorities. Further, she stated that EPA plans to institute a better feedback

mechanism to committee members regarding their recommendations and will ensure that adequate controls and procedures are in place so that all assistance awards are made on the basis of merit. The final special review report (4400043) was issued to the Administrator's Chief of Staff on March 28, 1994. A response to the final report is due by June 27, 1994.

EPA Improving the Adequacy and Availability of Data Supporting its Quality Assurance Materials

Findings in Brief

In a survey at the Environmental Monitoring Systems Laboratory in Cincinnati, Ohio (EMSL-Cin), we identified several instances of inadequate analytical data supporting the quality of materials distributed for calibrating and testing sample analysis instruments. EMSL-Cin initiated immediate and appropriate corrective actions.

Background

In response to Federal regulations requiring testing for hazardous chemicals in the environment, EPA began developing and distributing the materials needed to calibrate and test instruments used by the regulated community to analyze samples for these hazardous chemicals. EMSL-Cin contracted with two companies to provide these materials without charge to qualified users. Later, EMSL-Cin entered into Cooperative Research and Development Agreements (CRADAs) with five companies for the development and sales of "EPA Certified" quality

assurance (QA) materials.

We Found That

In certain instances, QA materials manufactured under contract (pre-CRADA materials) lacked manufacturing criteria and supporting data, did not meet manufacturing standards and protocol requirements, and were approved by EPA officials despite questionable test results. Further, thousands of users of QA materials, who had obtained these materials through EPA's free distribution program before the CRADAs were established, may still have the materials in stock. However, these users may not be aware that the materials can no longer be relied upon to calibrate and test their instruments used to analyze samples for hazardous chemicals in the environment.

We Recommended That

The Acting Assistant Administrator for Research and Development direct the Director, EMSL-Cin, to:

- Revise the current manufacturing and testing protocols in anticipation of new alternate QA materials certification and establish a plan for completion; and
- Notify QA materials users who may still have older, pre-CRADA materials in inventory that the quality of these samples may no longer be reliable.

What Action Was Taken

In responding to our concerns, the Acting Assistant Administrator for Research and Development generally agreed with our findings and recommendations. He indicated that EMSL-Cin will

retain manufacturing and test data in the future and laboratory project officers will review QA materials' certificates of analysis. In a February 24, 1994, letter, the Laboratory Director advised quality assurance officers that EPA QA materials distributed free before CRADAs were established should no longer be used for environmental analysis. EMSL-Cin also agreed to conduct stability tests on a fixed schedule based on the manufacturing dates of the QA materials. Finally, EMSL-Cin is now requiring each CRADA firm to provide the date of manufacturing of the sample and to include on all data packages the date of analysis. By reaching early agreement on our concerns, EPA was able to take quick corrective action, and both EPA and the OIG saved significant resources by not proceeding through the full audit process. The final report (4700007) was issued to the Acting Assistant Administrator on February 7, 1994. A response to the final report is due by May 7, 1994.

Noncommunity Water Systems in EPA Region 2 Need Closer Attention

Findings in Brief

Region 2 and the States of New York and New Jersey were effectively enforcing Safe Drinking Water Act (SDWA) requirements for community public water supply systems (PWSS) that serve the vast majority of the year round residential population. However, more attention was needed on enforcing those requirements for smaller noncommunity systems.

Background

The SDWA was enacted in 1974 to protect the nation's water supply from various contaminants. Most Americans take the availability of safe drinking water for granted. In the United States over the past decades outbreaks of cholera and typhoid have virtually become extinct. However, outbreaks of waterborne diseases such as giardiasis continue to occur, resulting in illness and death.

We Found That

There were relatively few significant noncompliers with the SDWA requirements in both New Jersey and New York during our review period, all of which were the smaller noncommunity systems, serving non-residential populations. While violations of SDWA requirements by community systems did occur, they did not persist. However, there were the following problems relating primarily to the smaller noncommunity systems.

New Jersey imposed strong penalties against SDWA noncompliers using a fair, structured system that escalated with size and recurrence of violations, but all the referrals to the Enforcement Division that we reviewed were untimely according to EPA guidance. New York imposed only minimal penalties and attempted to expedite action against SDWA violators, yet formal action was not always timely and appropriate.

New Jersey's nitrate monitoring and public notification of system noncompliance need improvement. Both community and noncommunity systems did not always monitor for nitrates as required. The lack of public notification was primarily a noncommunity system problem. New Jersey needs written procedures to assure adequate protection of public health by monitoring and public notification.

New York did not adequately track PWSS compliance with Administrative Order milestone dates. The State's Bureau of Public Water Supply Protection relied on the 47 county health units to track milestone dates without any standardized procedures. New Jersey's four Enforcement Division field offices had an automated system available to track milestones, yet only one of the four used the compliance schedule computerized tracking system.

We Recommend That

The Regional Administrator, Region 2:

- Encourage New York to implement a SDWA penalty policy based on New Jersey's

system.

- Discuss with EPA Headquarters ways to accelerate the dissemination of information on significant noncompliers.
- Encourage New Jersey to develop and implement policies and procedures to assure community and noncommunity PWSS compliance with nitrate monitoring requirements.
- Encourage both states to monitor systems' compliance with formal sanctions more closely.
- Direct the Water Management Division to follow-up more actively with the states on data verification audit recommendations.

What Action Was Taken

In responding to the draft report, the Region agreed to recommend that New Jersey refer significant noncompliers to the Enforcement Division within the established time frame, encourage the state to maintain separate files on such systems and address noncommunity systems' compliance with nitrate monitoring requirements, continue its enforcement actions, and support New Jersey's unannounced visit initiative for noncommunity systems. However, the Region did not agree to act on the other report recommendations, generally because the Region maintains that the states are already sufficiently performing the recommended functions and have adequate policies, procedures, and systems in place to accomplish the recommended actions. The final report (4100234) was issued to the Regional Administrator, Region 2, on



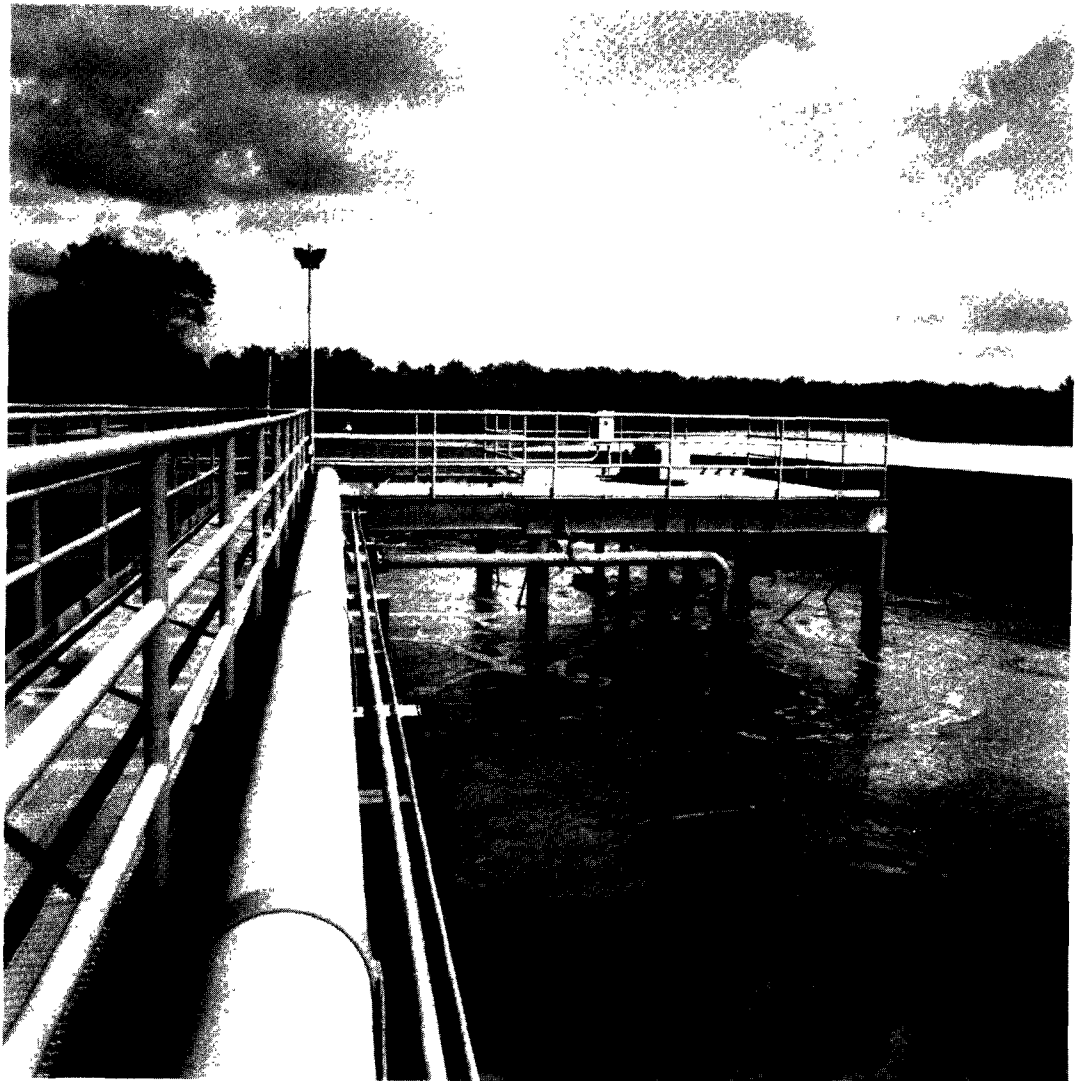
Lack of public confidence in municipal water supplies has led to increased sales of bottled water (photo by Steve Delaney, EPA).

March 31, 1994. A response to the final report is due by June 29, 1994.

Construction Grants

EPA's wastewater treatment works construction grants and State Revolving Fund (SRF) programs are the largest programs the Agency administers. Under the provisions of Public Law 92-500, as amended, the Agency was authorized to make construction grants covering 55 percent and, in some instances, up to 85 percent of the eligible costs of constructing wastewater treatment facilities. During this semiannual period, \$7.2 million was obligated on four new construction grant awards and 51 increases to existing grants. As of March 31, 1994, there were 1,746 grants involving \$14.4 billion which were potentially subject to audit. Of this total, there were 352 active construction grants, representing \$3.4 billion in Federal obligations.

Amendments to the construction grants program are covered in Title II of the Water Quality Act of 1987. Section 212 created a new Title VI in the Clean Water Act, which addresses the process of phasing out the construction grants program by providing incentives for development of alternative funding mechanisms by the States. The new Title VI charges EPA with developing and implementing a program to provide grants to capitalize State revolving funds for financing wastewater projects. During this semiannual period, \$39.9 million was awarded for two continuation SRF grants. As of March 31, 1994, EPA had obligated \$8.6 billion to



50 States and Puerto Rico under the State Revolving Fund program.

One of the Agency's goals is to substantially close out the construction grant program by September 30, 1997. The OIG is committed to assisting the Agency accomplish this goal as expeditiously as possible within its budget and workload constraints. Summaries of several audits of construction grants with significant issues follow.

Over \$44.4 Million in Questioned Costs Claimed by Philadelphia, Pennsylvania

Findings In Brief

The City of Philadelphia, Pennsylvania, claimed \$10,959,010 of ineligible force account, engineering, construction, and indirect costs for the expansion of an existing wastewater treatment facility. An additional \$32,663,495 of unsupported costs and \$794,684 of unnecessary costs were questioned.

We Found That

EPA awarded eight grants totalling \$291,817,947 to the City of Philadelphia to upgrade and expand the Southwest Water Pollution Control Plant. The grantee claimed \$10,959,010 of ineligible costs under the grant, including:

- \$4,053,066 of construction costs associated with inoperable or abandoned systems and equipment and change orders that had been previously disallowed by the Pennsylvania Department of Environmental Resources;
- \$2,566,031 of engineering and force account costs incurred after the construction project completion date and considered outside the scope of the approved project;
- \$2,344,986 of indirect costs applied incorrectly due to not using EPA approved negotiated rates;
- \$1,215,158 of design costs which exceeded the allowable limits established in the contract; and
- \$792,883 of costs

associated with a Federal facility share and supplemental costs claimed for a grit and ash transfer station that was not covered by supplemental funding.

The grantee supported force account and consulting services costs totaling \$13,114 which were not claimed and were offset against the ineligible costs questioned. We also questioned \$32,663,495 of unsupported costs, including supplemental funding for projects not complying with special grants conditions, unapproved contracts, unaudited indirect cost rates, unused or inoperable plant equipment, costs associated with change orders which had not been reviewed, force account costs claimed as direct and indirect charges, and other miscellaneous costs.

Additionally, we questioned \$794,684 of claimed costs as unnecessary primarily because the grantee (1) did not hold contractors to their scheduled completion dates for sludge facilities, resulting in the bid opening for a transfer station being delayed and its construction costs escalating, (2) approved a change order that significantly increased the cost of backfill without conducting a cost or pricing analysis of the cubic yard price, (3) had concrete poured-in under the plant's perimeter fence, and (4) claimed indirect costs related to unnecessary construction.

We Recommended That

The Acting Regional Administrator, Region 3, not participate in the Federal share of ineligible costs (\$8,446,212), determine the eligibility of the Federal share of unsupported costs (\$25,666,270) and

unnecessary costs (\$596,129), and recover the applicable amount from the grantee.

What Action Was Taken

The audit report (4300032) was issued to the Acting Regional Administrator, Region 3, on March 30, 1994. A response to the audit report is due by June 28, 1994.

Over \$7.2 Million of Ineligible Costs Claimed for Woodstock, New York, Project

Findings In Brief

The Town of Woodstock, New York, claimed \$7,207,865 of ineligible architectural engineering, construction, force account, and innovative and alternative technology costs for the construction of a wastewater treatment facility.

We Found That

EPA awarded a grant to the Town of Woodstock, New York, for the construction of a wastewater treatment facility and small diameter sewers to convey septic tank effluent to the treatment facility, and for correction of deficiencies of the on-site disposal system. The grantee claimed ineligible costs of \$7,207,865 under the grant, including:

- \$4,612,086 of administration, engineering, and construction costs claimed for innovative and alternative technology in excess of authorized amounts;
- \$1,603,402 of engineering and data collection costs allocable to other grants, costs exceeding the approved contract amount, and costs

resulting from application of an incorrect eligibility factor;

- \$853,313 of bid items determined ineligible at the time of grant award, understated approved change orders, and change orders in excess of approved amounts;
- \$139,064 of legal costs associated with easements, condemnation, bonding, and local financing.

We Recommended That

The Acting Regional Administrator, Region 2, not participate in the Federal share of ineligible costs (\$2,408,042).

What Action Was Taken

The final audit report (4100209) was issued to the Acting Regional Administrator, Region 2, on March 11, 1994. A response to the audit report is due by June 10, 1994.

Westchester County, New York, Claimed Over \$4.1 Million of Questioned Costs

Findings In Brief

Westchester County, New York, claimed \$3,945,961 of ineligible architectural engineering and construction costs for the Port Chester Sanitary District project. An additional \$214,203 of unsupported costs were questioned.

We Found That

EPA awarded a construction grant to Westchester County to upgrade the 6 million gallons per day (MGD) primary Port Chester Wastewater Treatment Plant to a 6 MGD secondary

treatment plant and the construction of effluent and sludge force mains. The grantee claimed \$3,945,961 of ineligible costs under the grant, including:

- \$3,378,092 of construction costs determined by the New York State Department of Environmental Conservation (NYSDEC) to have been outside the scope of the approved project at the time of grant award and change orders which exceeded amounts approved by NYSDEC; and
- \$567,869 of engineering fees which were due to the application of an eligibility percentage or which exceeded the NYSDEC's approved amount.

We also questioned \$214,203 of unsupported construction costs, including undocumented costs and an unapproved bid overrun that was not covered by a separate approved change order.

We Recommended That

The Acting Regional Administrator, Region 2, not participate in the Federal share of ineligible costs (\$2,959,471) and determine the eligibility of the Federal share of unsupported costs (\$160,652).

What Action Was Taken

The final report (4100191) was issued to the Acting Regional Administrator, Region 2, on February 24, 1994. A response to the report is due by May 23, 1994.

Superfund

The Superfund program was created by the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA). The Act provided a \$1.6 billion trust fund to pay for the costs associated with the cleanup of sites contaminated with hazardous waste. Taxing authority for the trust fund expired on September 30, 1985. For more than a year, the Superfund program operated at a reduced level from carryover funds and temporary funds provided by Congress.

On October 17, 1986, the Superfund Amendments and Reauthorization Act of 1986 (SARA) was enacted. It provided \$8.5 billion to continue the program for 5 more years and made many programmatic changes. On November 5, 1990, the Omnibus Budget Reconciliation Act of 1990 was enacted, authorizing appropriations for 3 additional years and extension of the taxing authority for 4 years.

The parties responsible for the hazardous substances are liable for cleaning up the site or reimbursing the Government for doing so. States in which there is a release of hazardous materials are required to pay 10 percent of the costs of Fund-financed remedial actions, or 50 percent if the source of the hazard was operated by the State or local government.

The enactment of SARA increased the audit requirements for the

Inspector General. In addition to providing a much larger and more complex program for which the OIG needs to provide audit coverage, SARA gave the Inspector General a number of specific responsibilities. Mandatory annual audit areas include:

- *Audit of all payments, obligations, reimbursements, or other uses of the Fund;*
- *Audit of Superfund claims;*
- *Examination of a sample of agreements with States carrying out response actions; and*
- *Examination of remedial investigations and feasibility studies.*

The Inspector General is required to submit an annual report to the Congress regarding the required Superfund audit work, containing such recommendations as the Inspector General deems appropriate. The seventh annual report, covering fiscal 1993, must be issued by September 1994.

EPA Taking Actions to Improve Critical Superfund Data Quality

Findings in Brief

EPA Headquarters and Regions are implementing actions that could effectively correct persistent problems with the accuracy and reliability of data in the Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) critical to the implementation of the Superfund program.

Background

CERCLIS maintains information about activity at Superfund sites. Information is usually entered by regional staff, using a program called WastELAN, and is used to: compare regions' accomplishments with targets; measure performance as required for the Chief Financial Officer's financial statement report; and monitor progress in implementing the program. CERCLIS must contain complete, current, and accurate information.

We Found That

Eighty-six percent of our sample of fiscal 1993 Superfund accomplishments and settlements recorded in CERCLIS by EPA Regions 1, 5, 6 and 7 were correct. Subsequent actions by Agency program officials increased the percentage of correct entries in that sample to 90 percent and actions were taken to prevent similar errors from recurring. The questioned accomplishments and settlements in our sample either were not in compliance with criteria in the program



Drums containing paint solvents and organic solvents at the Seymour, Indiana, Superfund site (photo by John Frisco, EPA).

implementing corrective actions including providing training, issuing standard operating procedures, documenting and testing data, and delegating approval authority.

office manual, duplicated other reported accomplishments, were not supported by settlement documents, or lacked compliance by responsible parties.

Our review of internal controls over CERCLIS data entry and quality in EPA Regions 1, 5, 6 and 7 showed the risk of material data errors, which would not be promptly detected, varied from low to moderate. The location with the weakest controls, Lexington Laboratory, Region 1, had the largest number of accomplishments recorded in CERCLIS that did not meet Agency criteria. Region 5 had improved its internal controls, after our review of CERCLIS data entry and Superfund accomplishments recorded for fiscal 1992 and had a low rate of questioned accomplishments for fiscal 1993. Also, Region 7 officials took corrective action on problems during our review of fiscal 1993 data.

Still a problem, at the national

level, WasteLAN programming allowed individuals to attempt entry into the system an unlimited number of times, unnecessarily exposing its data to modification or destruction. In addition, some of the estimated settlement amounts related to enforcement actions were not adequately documented.

We Recommended That

The Assistant Administrator for Solid Waste and Emergency Response install an intruder lockout system in WasteLAN and establish milestone dates for issuing guidance on preparing and documenting the estimated settlement amounts for responsible parties.

The Regional Administrators, Regions 1 and 6, continue to improve controls and correct erroneous information in CERCLIS.

What Action Was Taken

We issued our final audit

report (4100229) on March 30, 1994, to the Assistant Administrator for Solid Waste and Emergency Response. Prior to its issuance, OSWER officials agreed that intruder lockout should be considered for WasteLAN and that guidance was needed concerning estimated settlement amounts. In addition, OSWER is implementing a corrective action plan in response to recommendations in our consolidated audit report on fiscal 1992 data (3100392) issued on September 29, 1993. This plan also effectively addresses some of the problems identified in the fiscal 1993 audit. The plan provides for furnishing guidance to the regions to improve CERCLIS data quality, visits from Headquarters staff, improved training in the regions, an on-line help facility for the entry of accomplishment data, and increased regional participation in developing accomplishment definitions. Regional officials are also

Agreed Upon Improvements Could Accelerate Superfund Site Assessment and Cleanup

Findings in Brief

While final program guidance for the Superfund Site Inspection Prioritization (SIP) program was delayed, some regions implemented the draft guidance inconsistently and did not always ensure that the worst sites were given priority for cleanup. EPA has initiated a state deferral pilot program that may reduce the National Priorities List (NPL) backlog.

Background

EPA uses the site assessment process to identify the highest priority sites posing threats to human health and the environment for listing on the NPL and to ensure accomplishment of EPA's policy to clean up "worst sites first." The process consists of determinations of the nature and extent of hazardous waste at a site and if the site qualifies for Federal participation. The SIP program is one step in the site assessment process and involves reevaluating nearly 6,500 hazardous waste sites for possible inclusion on the NPL. These sites were initially evaluated prior to the implementation of the revised Hazard Ranking System.

We Found That

EPA did not issue SIP program guidance until August 1993, almost 2 years after implementation of the program was begun. Although the August 1993 guidance reiterates EPA's December 1991 policy to propose listing worst sites first on the NPL,

the guidance does not provide a planned implementation approach with measurable goals.

Information about program results input into Comprehensive Environmental Response, Compensation, and Liability Information System, the Superfund program's automated information system, was incomplete and could not be relied upon to assess national accomplishments. Federal Managers' Financial Integrity Act documentation did not include adequate control techniques to ensure national consistency in program implementation.

Despite its efforts to accelerate site assessment and cleanup, EPA had not met the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) goal to list sites on the NPL within 4 years of site discovery and will likely be unable to meet this goal in the near future. Further, the SIP program is expected to identify thousands of sites that qualify for inclusion on the NPL, which presents significant funding problems:

- Cleanup of thousands of backlog NPL sites will cost billions of dollars. Although extremely important to the public, Congress, and responsible parties, EPA does not include information on the estimated cost of cleaning up potential NPL sites in its annual Superfund report to Congress.

- EPA may have to reevaluate sites that remain in the backlog for an extended time period, further increasing the cost of making these NPL decisions.

As one possible solution, EPA initiated a State deferral pilot

program that may reduce the NPL backlog, conserve site assessment resources, accelerate site cleanups, and help EPA meet CERCLA site assessment goals. States are allowed to clean up sites that otherwise would be candidates for listing on the NPL. EPA had previously proposed a deferral policy but had not responded to prior public and state comments.

We Recommended That

The Assistant Administrator for Solid Waste and Emergency Response:

- Ensure that regions conduct SIPs on high priority sites and follow guidance and account for SIPs consistently;
- Analyze the resources required to meet the CERCLA's site assessment goals and report to Congress the estimated cost of cleaning up those sites that, upon completion of the SIP program, will likely be listed on the NPL; and
- Consider elements identified by EPA and State officials as essential to a successful deferral policy and determine the proper Federal role when establishing oversight responsibilities before implementing a broader deferral policy.

What Action Was Taken

The Office of Solid Waste and Emergency Response (OSWER) has taken or agreed to take actions that, if properly implemented, will resolve our findings. OSWER agreed to implement recommended improvements to the SIP program, more fully disclose the cost of Superfund to Congress, provide an analysis of why it is unable to meet CERCLA timeliness goals, and

pursue deferral of sites to States and responsible parties cautiously. We issued our final audit report (4100180) to the Assistant Administrator for Solid Waste and Emergency Response on January 31, 1994. A response to the final report is due by May 2, 1994.

Superfund Administrative Initiatives

In July 1993 the Deputy Administrator, EPA, and the Inspector General testified before the House Ways and Means Committee on the pace and cost of the Superfund cleanups. At the conclusion of the testimony, the Deputy Administrator announced the Agency's plan to improve the Superfund program within current statutory authority. The plan, known as the "Superfund Administrative Improvements" (SAI), focuses on enhancing:

- *Enforcement fairness and reducing transaction costs.*
- *Cleanup effectiveness and consistency.*
- *Meaningful public involvement.*
- *The states' role in the Superfund program.*

Each of the four areas contains individual initiatives to bring about improvements in the program and provide information for CERCLA reauthorization scheduled for September 1994. At the conclusion of the 1993 testimony, the Deputy Administrator and the Inspector General were asked to return in 1 year to update the House Committee. The Inspector General is expected to testify on the SAI's impact on the Superfund program and the proposed legislative changes to CERCLA. Two reviews completed of SAI during this reporting period are summarized below.

Improvements Would Enhance Superfund Revitalization Program's Chances of Success

Findings in Brief

EPA conducted some innovative pilot projects with the potential for reducing both time and cost for cleanups. However, the Agency did not sufficiently publicize pilot project success to encourage use of the new techniques, nor did the Regions always adequately plan for using available funds.

Background

EPA Headquarters requested the Regions to submit proposals for pilot projects for making site cleanup more effective, efficient, and equitable. The pilot projects were to demonstrate innovative ways to accomplish this objective and the approaches were to be transferable to other sites. Headquarters was reluctant to exert too much control which could stifle regional creativity. This review included only enforcement pilot projects.

We Found That

Some enforcement pilot projects showed promise for speeding up the Superfund program and reducing costs. For example, Region 1 developed a pilot project which may accelerate the design process for site cleanup by reducing the number of plans and reports required from responsible parties for EPA's review. And Region 8 developed a pilot which saved 1 year and approximately \$250,000 by using a Superfund removal tool (the Engineering

Evaluation/Cost Analysis) and Clean Water Act authorities, in lieu of a Remedial Investigation/ Feasibility Study. Both pilot projects benefitted from greater potentially responsible party (PRP) participation in the decision-making process.

However, managing enforcement pilot projects was a developing process needing some improvements to help ensure more efficient and effective use of project results and limited resources.

- Communications of pilot successes were limited to media, such as regional briefings at national conferences and distribution of periodic progress reports. As a result, regional Remedial Project Managers did not receive adequate, usable information to implement the improved approaches.
- The Regions did not always adequately plan for the use of the funding provided for the pilot projects. Region 1 allowed \$100,000, or 50 percent of its funding, to remain unused for 1 year before returning it to Headquarters. And Region 8 used its entire initial allotment of \$100,000 on non-pilot project activities, later receiving another \$65,000 to perform pilot projects.
- The Regions did not report some important pilot project activity to Headquarters. Region 1 used its pilot project approach at a second site, and Region 8 discontinued its pilot project activities, both without notifying Headquarters.
- Region 8 did not receive "credit" for a major Superfund accomplishment because the pilot project's results did not meet any criteria for an official

accomplishment, which could be a disincentive for regional participation in the program.

We Recommended That

The Assistant Administrator for Solid Waste and Emergency Response:

- Determine the best way to disseminate pilot project results.
- Coordinate briefings by regional personnel at Agency conferences on the implementation of pilot project approaches.
- Consider alternative regional goals to recognize comparable credit for successful innovative approaches.
- Discuss with Region 8 the possibility of selecting sites, nationwide, to carry out the PRP incentives pilot project.
- Request the Regions to, among other things, report to Headquarters the status of extramural funds when reporting pilot projects' progress and significant pilot project activity, such as site changes.

What Action Was Taken

In response to our draft reports, the Assistant Administrator for Solid Waste and Emergency Response generally agreed with our findings and recommendations and described actions taken to implement some of the recommendations. These actions included holding a national pilot project conference for regional staff, requesting the regions to document cost estimates, report annually on expenditures of funds, consult with Headquarters regarding reprogramming of funds and proper reporting of

approaches used at non-pilot project sites; as well as continuing Headquarters' efforts to provide assistance to the regions in documenting cost/time savings and re-evaluating the regional goal setting process. Final reports were issued to the Assistant Administrator for Solid Waste and Emergency Response on March 9, 1994 (4400037), and the Acting Regional Administrators, Regions 1 and 8, on December 21, 1993 (4400017), and January 31, 1994 (4400024), respectively. The report to the Acting Regional Administrator, Region 1, was closed upon receipt of the Region's response. Responses to the final reports issued to the Assistant Administrator for Solid Waste and Emergency Response and the Acting Regional Administrator, Region 8, are due by June 7, 1994, and May 2, 1994, respectively.

Superfund Accelerated Cleanup Model (SACM) Pilot Project Succeeding in Oklahoma

Findings in Brief

Using the SACM, Region 6 had accelerated the cleanup process at the National Zinc hazardous waste site in Bartlesville, Oklahoma.

Background

The Office of Solid Waste and Emergency Response launched the SACM pilot project as one of several Superfund revitalization initiatives to accelerate and increase the efficiency of cleanups. This review of the National Zinc site was conducted to determine whether Region 6 effectively executed the objectives of the SACM. The site consisted of an area of about 8 square miles surrounding a smelter facility used for the extraction of zinc from secondary sources since 1907. Surface soils in the areas were contaminated and high levels of lead and cadmium were found in the blood of residents.

We Found That

It was premature to determine whether the overall goal of SACM will be met at the National Zinc site. However, Region 6's actions to date for the site indicate that the initiative may successfully accelerate and increase the efficiency of cleanups.

During August 1993, Region 6's Emergency Response Branch completed initial removal actions at 41 contaminated sites in the Bartlesville area, including 30 contaminated high access

locations such as schools, day care facilities and playgrounds, and residences of children with elevated blood lead level. In September 1993, additional removals were authorized to clean up residential sites having surface soil contamination of more than 3 times those included in the initial removal action.

Region 6 appears to have been successful in overcoming major failures of similar previous endeavors to accelerate the cleanup of contaminated sites by using a Regional Decision Team (RDT). An RDT is composed of representatives from the removal, remedial, site assessment, enforcement, community relations, regional counsel, and state agencies. Unlike in the past, where site evaluations, sampling, and testing were performed sequentially under both the removal and remedial programs, Region 6 used the RDT concept to effectively coordinate the simultaneous collection and use of data for multiple purposes. The data collected was about 90 percent of that required to complete the Remedial Investigation/Feasibility Study (RI/FS), which identifies cleanup options. To further expedite the cleanup process, the Region intended to perform the Remedial Design (engineering design of the selected cleanup option) concurrent with the RI/FS.

Also, Region 6 appropriately identified and got meaningful participation from potentially responsible parties early in the cleanup process. In the area of public relations, Region 6 fostered community interest by conducting several meetings to address citizen concerns.

What Action Was Taken

The final audit report (4400011) was issued to the Assistant Regional Administrator for Management, Region 6, on December 10, 1993. Because the report did not make recommendations, no response is due from the Agency.

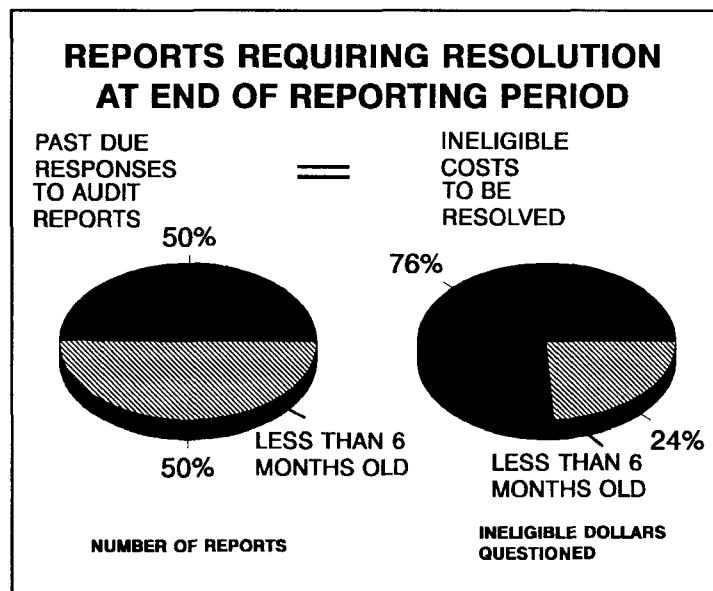
Section 2 -- Report Resolution

As required by the Inspector General Act, as amended, this section contains information on reports in the resolution process for the semiannual period. This section also summarizes OIG reviews of the Agency's followup actions on selected reports completed in prior periods. In addition, information is presented on the resolution of significant reports issued by the OIG involving monetary recommendations.

Current Period

As of March 31, 1994, EPA had 249 OIG reports requiring resolution--24 percent less than the 326 unresolved reports at the beginning of this 6-month period. At first this seems to indicate increased resolution action by EPA, however, the total number of reports requiring resolution was more than 12 percent fewer than in the prior period. Further, the number of reports for which responses were past due (over 6 months from report issue date) rose 24 percent from 100 to 124 during the period. On September 30, 1993, the number of reports for which responses were past due represented 30 percent of the reports to be resolved, compared to 50 percent of the reports in the follow-up system as of March 31, 1994.

The costs questioned on OIG reports for which management decisions were past due on March 31 represented 84 percent of the total unresolved questioned costs. Of these questioned costs, \$104 million, or 76 percent, were ineligible costs that are likely to be sustained for recovery based on our experience over the past several years when EPA has sustained approximately



80 percent of the ineligible costs we have questioned.

EPA needs to resolve these reports and recover the misspent dollars more expeditiously. The OIG recognizes that it takes more time to reach a management decision on some reports than on others. However, monies not collected results in the U. S. Treasury having to borrow funds to finance Agency operations. The annual interest on 80 percent of previously mentioned \$104 million financed at the current Treasury bill rate of 3.25 percent would be about \$3 million.

During this reporting period some EPA action officials made good efforts in resolving reports timely while others were not as successful. Eight EPA action officials--the Assistant Administrator for Air and Radiation; Assistant Administrator for Administration and Resources Management; Assistant Administrator for Solid Waste and Emergency Response; and Regions 1, 4, 5, 6, and 7--made at least 70 percent of their management decisions within the 180-day Office of

Management and Budget (OMB) Circular A-50, Audit Followup, time frame. The Grants Administration Division and Regions 2, 3, 8, and 9 were considered untimely in their resolution efforts because they made less than 50 percent of their management decisions on reports within the 180-day time frame.

Agency officials provided individual explanations why follow-up had been delayed and projected resolution dates. These explanations raise issues of the complexity of report resolution, state delegation for resolution, and the changing mix of types of OIG reviews (see Appendix 2).

Trends

Our analysis of unresolved reports from September 30, 1990, through March 31, 1994, continues to show a disturbing trend. While the number of reports requiring resolution averaged approximately 300 at the end of each semiannual reporting period, the number with past due management decisions as of September 30, 1990, increased from 19 percent to

50 percent as of March 31, 1994. In addition, during the 3-year period, almost half of the final management decisions were not made within 180 days. Further, the number of initial responses 180 days past report issuance from EPA managers during the individual six-month periods increased from a low of 32 percent to a current period high of nearly 44 percent. EPA must take immediate steps to ensure that report resolution is timely and the growing backlog of past due reports is reduced.

Status Report On Perpetual Inventory of Reports in Resolution Process For The Semiannual Period Ending March 31, 1994
(Dollar Values in Thousands)

	<u>Number</u>	<u>Report Issuance</u>		<u>Report Resolution</u>	
		<u>Questioned Costs</u>	<u>Recommended Efficiencies</u>	<u>Costs Sustained</u>	
				<u>To Be Recovered</u>	<u>As Efficiencies</u>
A. For which no management decision has been made by the commencement of the reporting period*	326	477,081	42,071		
B. Which were issued during the reporting period	730	70,189	8,051		
C. Which were issued during the reporting period that required no resolution	534	2,544	1,553		
Subtotals (A + B - C)	522	544,726	48,569		
D. For which a management decision was made during the reporting period	273	133,839	19,439	44,915	797
E. For which no management decision has been made by the end of the reporting period	249	410,887	29,131		
Reports for which no management decision was made within six months of issuance	124	345,160	25,150		

* Any difference in number of reports and amounts of questioned costs or recommended efficiencies between this report and our previous semiannual report results from corrections made to data in our audit tracking system.

Audit Followup

The Inspector General Act Amendments of 1988 requires Agency management to report semiannually, in a separate report to Congress, the corrective actions taken in response to the OIG's reviews. The Office of Inspector General reviews the Agency's followup actions on selected reviews. Through other means, the OIG also learns of Agency actions taken in response to IG work which go beyond implementing those specific recommendations made in review reports.

Agency Actions In Response To Other OIG Reports

The OIG's reports and cooperative efforts with program officials frequently have positive impacts that reach beyond the implementation of specific report recommendations. These impacts are not normally verified by formal OIG followup reviews. For example, during this reporting period the OIG learned of the following Agency actions:

- Because of our recent review in Region 9 of the Leaking Underground Storage Tank (LUST) program, Region 8 decided to review its own State LUST programs to determine whether problems similar to those we identified in Region 9 existed in its

region. In a letter to EPA's national program director, Region 8 stated that: "The reviews were patterned after the EPA OIG audit that was done in Region 9." Region 8's reviews identified problem areas and recommended ways to make improvements. Region 8 plans to incorporate its findings into the State workplans and identify a corrective action process that needs to be improved or further analyzed.

- In October 1993 OIG staff met with the Navajo EPA Administrator. During the meeting, the OIG staff told the Administrator about agreements that Region 9 had made with the Pacific Islands to address environmental problems. OIG staff suggested that the Navajos have many of the same types

of problems as the Pacific Islands, and that some of Region 9's solutions for the Pacific Islands' problems might also be applicable to the Navajos' problems. Three months later Region 9 officials met with the Navajos to discuss a possible tribal/EPA agreement similar to those with the Pacific Islands. This could greatly enhance EPA/Navajo relations.

Status of Management Decisions on IG Reports

This section presents statistical information as required by the Inspector General Act Amendments of 1988 on the status of EPA management decisions on reports issued by the OIG involving monetary recommendations. In order to provide uniformity in reporting

between the various agencies, the President's Council on Integrity and Efficiency issued guidance on reporting the costs under required statistical tables of sections 5(a)(8) and (9) of the Act, as amended.

As presented, information contained in Tables 1 and 2 cannot be used to assess results of reviews performed or controlled by this office. Many of the reports counted were performed by other Federal auditors or independent public

accountants under the Single Audit Act. EPA OIG staff does not manage or control such assignments. In addition, amounts shown as costs questioned or recommended to be put to better use contain amounts which were at the time of the review unsupported by adequate documentation or records. Since auditees frequently provide additional documentation to support the allowability of such costs subsequent to report issuance, we expect that a high proportion of

unsupported costs will not be sustained.

EPA OIG controlled reports resolved during this period resulted in \$ 24.9 million being sustained out of \$ 30.6 million considered ineligible in reports under OIG control. This is a 81 percent sustained rate.

Table 1 -- Inspector General Issued Reports With Questioned Costs

Semiannual Period Ending: March 31, 1994

	<u>Number</u>	<u>Dollar Values(thousands)</u>	
		<u>Questioned*</u>	<u>Unsupported</u>
		<u>Costs</u>	<u>Costs</u>
A. For which no management decision has been made by the commencement of the reporting period**	149	477,081	122,728
B. New Reports issued during period	68	67,645	31,016
Subtotals (A + B)	217	544,726	153,744
C. For which a management decision was made during the reporting period	98	133,839	33,524
(i) Dollar value of disallowed costs	72	44,915	18,047
(ii) Dollar value of costs not disallowed	68***	88,924	15,477
D. For which no management decision has been made by the end of the reporting period	119	410,887	120,221
Reports for which no management decision was made within six months of issuance	69	345,160	89,241

* Questioned costs include unsupported costs.

** Any difference in number of reports and amounts of questioned costs or recommended efficiencies between this report and our previous semiannual report results from corrections made to data in our audit tracking system.

*** On 26 reports management did not sustain any of the \$10,270,816 questioned costs. Forty-one reports are also included in C(ii) because they were only partially sustained. Only the costs questioned that were not sustained in C(i) are included in this category.

Table 2 -- Inspector General Issued Reports With Recommendations That Funds Be Put To Better Use

Semiannual Period Ending: March 31, 1994

	Number	Dollar Value (in thousands)
A. For which no management decision has been made by the commencement of the reporting period*	48	42,071
B. Which were issued during the reporting period	19	6,498
Subtotals (A + B)	67	48,570
C. For which a management decision was made during the reporting period	36	19,439
(i) Dollar value of recommendations that were agreed to by management	6	797
- based on proposed management action	n/a	n/a
- based on proposed legislative action	n/a	n/a
(ii) Dollar value of Recommendations that were not Agreed to by Management	10**	12,387
(iii) Dollar value of non-awards or unsuccessful bidders	21	6,255***
D. For which no management decision has been made by the end of the reporting period	31	29,131
Reports for which no management decision was made within six months of issuance	20	25,150

* Any difference in number of reports and amounts of questioned costs or recommended efficiencies between this report and our previous semiannual report results from corrections made to data in our audit tracking system.

** One report was included in C(i) and C(ii). Only the related dollars disallowed were included in C(i), whereas the dollars which were not disallowed were included in C(ii).

*** This amount represents the dollar value of recommendations that funds be put to better use.

Resolution of Significant Reports

Report Number Report Date	Grantee/ Contractor	Report Resolution				Report Number Report Date	Grantee/ Contractor	Report Resolution			
		Report Issuance FS Questioned/ Recommended Efficiency	Federal Share to be Recovered/ Sustained Efficiency	Report Issuance FS Questioned/ Recommended Efficiency	Federal Share to be Recovered/ Sustained Efficiency						
S2CWL2-01-0028 3100255 REPORT DATE 6/21/93	SALISBURY MA	INEL UNSP UNUR RCOM	1,969,835 0 0 0	INEL UNSP UNUR SUST	1,969,835 0 0 0	P2CWN5-05-0132 8000464 REPORT DATE 1/20/88	DETROIT WSD MI	INEL UNSP UNUR RCOM	1,945,127 1,556,780 0 0	INEL UNSP UNUR SUST	1,945,127 674,955 0 0
E2CWL2-02-0078 3100204 REPORT DATE 6/ 3/93	GREAT NECK WPCD NY	INEL UNSP UNUR RCOM	1,343,546 44,743 0 0	INEL UNSP UNUR SUST	1,339,906 3,527 0 0	P2CWP7-05-0079 3400038 REPORT DATE 3/29/93	FLINT MI	INEL UNSP UNUR RCOM	891,778 189,244 11,640 0	INEL UNSP UNUR SUST	870,393 106,908 11,640 0
E2CWM0-02-0302 3200048 REPORT DATE 6/ 2/93	SUFFOLK COUNTY NY	INEL UNSP UNUR RCOM	139,054 4,718,571 0 0	INEL UNSP UNUR SUST	139,054 4,718,571 0 0	E2CWN1-06-0155 3300025 REPORT DATE 3/24/93	KENNER LA	INEL UNSP UNUR RCOM	962,313 22,697 0 0	INEL UNSP UNUR SUST	962,313 8,699 0 0
E2CWM1-02-0096 3200051 REPORT DATE 6/14/93	LIBERTY NY	INEL UNSP UNUR RCOM	1,326,705 0 0 0	INEL UNSP UNUR SUST	1,326,705 0 0 0	S2CWN9-09-0028 3300010 REPORT DATE 2/ 1/93	SACRAMENTO RCSD CA	INEL UNSP UNUR RCOM	1,049,052 0 1,968,584 0	INEL UNSP UNUR SUST	692,886 0 98,457 0
P2BW*8-02-0017 2100449 REPORT DATE 7/ 5/92	NYC - NORTH RIVER NY	INEL UNSP UNUR RCOM	1,463,727 4,652,173 0 0	INEL UNSP UNUR SUST	489,651 0 0 0	NOTE: INEL = INELIGIBLE COST UNSP = UNSUPPORTED COST UNUR = UNNECESSARY/UNREASONABLE COST RCOM = RECOMMENDED EFFICIENCIES SUST = RECOMMENDED EFFICIENCIES SUSTAINED					
P2CWL1-02-0017 3100388 REPORT DATE 9/28/93	CHEMUNG COUNTY NY	INEL UNSP UNUR RCOM	1,014,508 0 0 0	INEL UNSP UNUR SUST	805,413 0 0 0						
P2CWL9-02-0175 3100196 REPORT DATE 6/ 1/93	ROCKAWAY VALLEY REG SA NJ	INEL UNSP UNUR RCOM	7,883 658,878 0 0	INEL UNSP UNUR SUST	0 656,761 0 0						
N3HVB3-03-0376 4500103 REPORT DATE 11/10/93	BALTIMORE CITY MD	INEL UNSP UNUR RCOM	892,791 0 0 0	INEL UNSP UNUR SUST	892,791 0 0 0						
P2CWN0-03-0032 3300049 REPORT DATE 5/27/93	BALTIMORE CITY MD	INEL UNSP UNUR RCOM	1,137,312 534,358 0 0	INEL UNSP UNUR SUST	1,133,818 373,430 0 0						
P2CWN0-03-0339 3300047 REPORT DATE 5/24/93	BALTIMORE CITY MD	INEL UNSP UNUR RCOM	340,265 131,428 0 0	INEL UNSP UNUR SUST	340,265 99,856 0 0						
P2CWN9-03-0256 3300026 REPORT DATE 3/25/93	BALTIMORE CITY MD	INEL UNSP UNUR RCOM	2,375,678 547,496 0 0	INEL UNSP UNUR SUST	1,423,855 21,356 0 0						
P2CWN9-03-0384 3300050 REPORT DATE 5/28/93	BALTIMORE CITY MD	INEL UNSP UNUR RCOM	3,805,897 1,401,747 0 0	INEL UNSP UNUR SUST	3,805,897 397,924 0 0						
P6DWN0-03-0261 2300046 REPORT DATE 3/31/92	DISTRICT OF COLUMBIA	INEL UNSP UNUR RCOM	2,047,749 6,372,885 0 0	INEL UNSP UNUR SUST	2,021,118 1,150,676 0 0						
D9BGL2-04-0368 2100587 REPORT DATE 9/ 9/92	VESTA TECHNOLOGY LTD FL	INEL UNSP UNUR RCOM	523,722 264,259 0 0	INEL UNSP UNUR SUST	523,722 264,039 0 0						
E2CWL3-05-0121 3100141 REPORT DATE 3/26/93	CLEVELAND NEORS OH	INEL UNSP UNUR RCOM	1,154,591 9,044,816 27,664,633 0	INEL UNSP UNUR SUST	1,154,591 9,044,816 1,970 0						

Section 3 -- Prosecutive Actions

The following is a summary of investigative activities during this reporting period. These include investigations of alleged criminal violations which may result in prosecution and conviction, investigations of alleged violations of Agency regulations and policies, and OIG personnel security investigations. The Office of Investigations tracks investigations in the following categories: preliminary inquiries and investigations, joint investigations with other agencies, and OIG background investigations.

Summary Of Investigative Activities

Pending Investigations as of September 30, 1993	196
New Investigations Opened This Period	137
Investigations Closed This Period	144
Pending Investigations as of March 31, 1994	189

Prosecutive and Administrative Actions

In this period, investigative efforts resulted in 7 convictions and 8* indictments. Fines and recoveries, including those associated with civil actions, amounted to \$1.6 million. Nineteen administrative actions** were taken as a result of investigations:

Reprimands	9
Resignations/Removals	7
Restitutions	1
Other	2

TOTAL 19

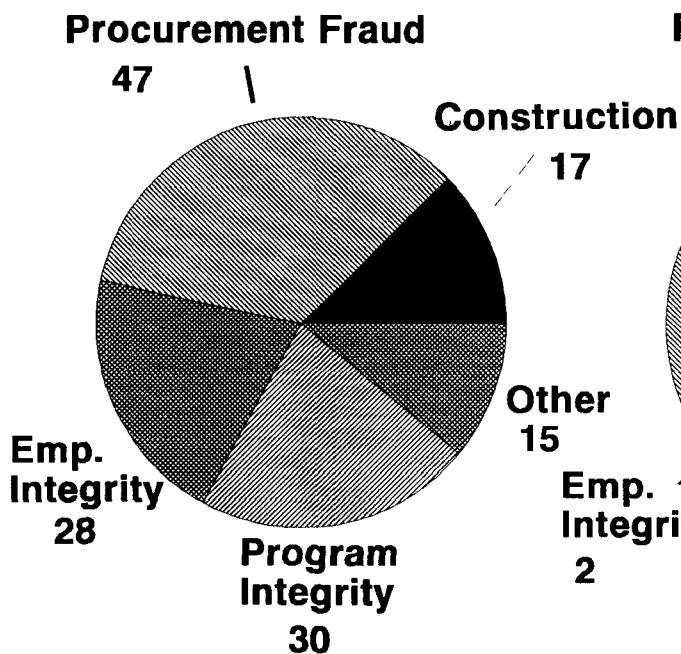
* Does not include indictments obtained in cases in which we provided investigative assistance

** Does not include suspensions and debarments resulting from Office of Investigations activities or actions resulting from reviews of personnel security investigations

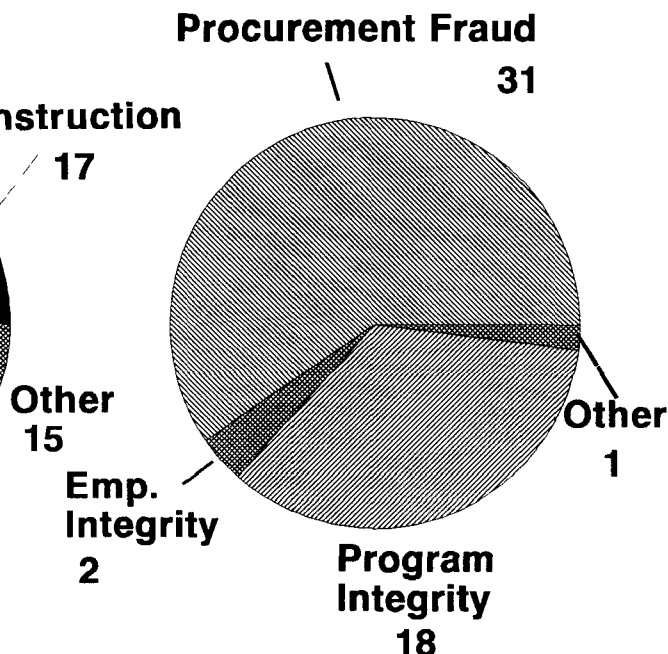
Profiles of Pending Investigations by Type (Total--189)

General EPA Programs

Superfund and Lust



Total Cases: 137



Total Cases: 52

Description of Selected Prosecutive and Administrative Actions

Below is a brief description of some of the prosecutive actions which occurred during the reporting period. Some of these actions resulted from investigations initiated before October 1, 1993.

Bribery Attempt Results in \$1 Million Fine

Environmental Health, Research, and Testing, Inc. (EHRT), of Lexington, Kentucky, was fined \$1 million in January 1994 as part of a settlement from an earlier guilty plea. The firm was charged with offering a bribe to an EPA official to obtain information on the amount bid by competitors on a building to be constructed for EPA at Research Triangle Park, North Carolina.

North Carolina Man Sentenced in Insurance Case

Warren H. Berkle, Jr., of Elon College, North Carolina, was sentenced to 5 years probation and ordered to pay restitution of \$203,195 and \$150 in special assessments in February 1994 after pleading guilty to wire fraud and mail fraud in an insurance scheme involving the construction of an EPA-funded wastewater treatment plant in Florham Park, New Jersey. Berkle conspired to illegally write insurance contracts for asbestos and other high risk liabilities for Florham Park

without adequate reserves to pay claims and without approval from the State of New Jersey.

Region 4 Employee Guilty of Defrauding EPA

Angela Fields, a former supervisory accountant in the EPA Region 4 office in Atlanta, pleaded guilty in March 1994 to defrauding EPA of \$28,000 in 1991 and 1992

Fields admitted that she entered false information into EPA's Integrated Financial Management System. As a result of her false entries, she received 23 U.S. Treasury checks which she later deposited into her credit union account. After receiving the funds, Fields then made entries into the system that made various financial reports appear to balance.

Fields' employment was terminated by EPA when the fraudulent payments were discovered in November 1992.

Two Sentenced in False Asbestos Removal Claims Another Pleads Guilty

Russell Curtis and Dean Curtis were sentenced in January 1994 after pleading guilty to causing the Fairbury, Nebraska, public schools to submit a false claim to EPA for expenses related to asbestos removal. In 1989 the school system had been awarded a grant of \$281,176 and a 20 year no-interest loan for asbestos removal under the Asbestos School Hazard Abatement Act. The government charged Russell Curtis, Dean Curtis, and Stanley Peters with causing the school system to submit

false invoices for change orders for additional asbestos work not covered in the original asbestos removal contract. The money, in fact, was to be used to pay for renovation of the Fairbury Central Elementary School, which was outside the scope of the EPA grant and loan, and related fees of the firms operated by the Curtises and others.

Russell Curtis and Dean Curtis were each sentenced to 6 months home confinement, 5 years probation, restitution of \$153,476 to EPA, and a special assessment of \$50.

On December 21, 1993, Stanley Peters was found guilty of one count of conspiracy, three counts of making a false and fraudulent claim, and one count of theft of Government money.

The case was jointly investigated by the OIG and the Federal Bureau of Investigation.

Battery Company Owner Pleads Guilty

Charles L. Guyton, owner of C&R Battery, Inc., Richmond, Virginia, pleaded guilty in November 1993 to making a false statement to EPA. He concealed personal assets from EPA in connection with his potential liability for the costs, related to the Superfund cleanup program, of contamination at the battery company location.

Section 4 -- Fraud Prevention And Management Improvements

This section describes several activities of the Office of Inspector General to promote economy and efficiency and to prevent and detect fraud, waste, and abuse in the administration of EPA programs and operations. This section includes information required by statute, recommended by Senate report, or deemed appropriate by the Inspector General.

Review of Legislation and Regulations

Section 4(a)(2) of the Inspector General Act of 1978, as amended, directs the Office of Inspector General to review existing and proposed legislation and regulations relating to Agency programs and operations to determine their effect on economy and efficiency and the prevention and detection of fraud and abuse. This semiannual reporting period, we reviewed 6 legislative and 45 regulatory items. The most significant items reviewed are summarized below.

Federal Acquisition Streamlining Act of 1993

Although we supported the proposed Federal Acquisition Streamlining Act of 1993, a comprehensive procurement reform bill designed to streamline the Federal acquisition process and carry out the recommendations of the National Performance Review, we recommended a number of revisions to strengthen this legislation.

The proposed definition of covered contracts appeared to include only prime contracts. We believed that exempting flexibly-priced subcontracts was neither equitable nor in the best interest of the Government. Accordingly, we recommended that subcontracts awarded under a covered prime contract be included in the definition of covered contracts if the subcontract is other than fixed price without incentives and for an amount over \$500,000

A provision would repeal Section 24 of the Office of Federal Procurement Policy Act concerning travel expenses of Government contractors. While we recognized the intent of this section was to abolish the requirement that contractors claim travel costs at the Government rate, it would be inappropriate to repeal the entire section. We suggested revising it to allow contractors to claim the coach fare for transportation used, while retaining the existing limitations on per diem rates and other amounts.

We recommended that the language authorizing Government representatives to inspect plants and audit the records of contractors performing various types of contracts be revised to specifically include fixed-price contracts

We disagreed with eliminating the Government's authority to inspect the plants and audit the records of contractors who are awarded contracts under \$100,000. Circumstances could arise to warrant the examination of a small contractor's books or records.

OMB Policy Letter on Management Oversight of Service Contracting

We reviewed proposed changes to Office of Federal Procurement Policy Letter 93-1, "Management Oversight of Service Contracting." The proposed revisions resulted from an Office of Management and Budget review of service contracting programs at 17 major Executive Branch departments and agencies which concluded that service contracting practices and capabilities were uneven across the Executive Branch

and that various common management problems needed to be addressed. The Policy Letter was developed to promote a more "results-oriented" approach for managing and administering service contracts, provide specific guidance on what constitutes good management practice in the use of such contracts, and to help ensure that its users obtain the services they need. While we agreed that the proposed revisions appeared to be in keeping with the intent of the National Performance Review's (NPR) efforts to provide guiding principles rather than rigid rules, we expressed significant concerns

The proposed revisions to Section 8, Responsibilities, seemed to generalize responsibilities to such an extent that the findings from the OMB review may not be corrected. Specifically, the original Policy Letter required each agency to designate a Senior Management Official to be accountable for assuring compliance with its provisions. Each agency was also required to establish written procedures outlining (1) the official's oversight responsibilities pertaining to review and approval of requests for services and (2) the process to correct and document noncompliance with these procedures. It also listed a series of objectives these procedures should achieve and described the senior official's responsibilities regarding several areas that were specifically discussed as weaknesses in OMB's review report. However, the proposed supplement deletes mention of a senior accountable official as well as his/her specific responsibilities. Also, the section describing the duties

of the Contracting Officer should be retained. Finally, we recommended clarification of the introductory section, regarding revisions to the responsibilities of Inspectors General, because it could be misinterpreted to mean that an OFPP Policy Letter is an appropriate mechanism for limiting the work of an IG.

Safe Drinking Water Act Reauthorization

We reviewed the Agency's draft legislative language regarding the reauthorization of the Safe Drinking Water Act, and expressed the following concerns:

(1) Authorization of the use of up to 10 percent of Public Drinking Water System Supervision monies for Fund Administration appeared inconsistent with the 4 percent limitation imposed on States under the Clean Water Act's State Revolving Fund.

(2) Language in Section 4, Water Source Protection, addressing the consequences of a State not submitting an acceptable Source Water Protection Program, could be interpreted very broadly. We recommended reconsideration of the language in this section.

(3) It was unclear why an EPA review of each State's Source Water Protection Program would be required every two years even though States would be required to submit a status report every two years as well. We recommended that the language be amended to make the EPA review discretionary.

(4) The section providing for a grant program to establish State Source Water Protection Programs should specify that grant funds will be audited in accordance with the Single Audit Act of 1984.

Energy Efficiency and Water Conservation at Federal Facilities

We commented on a proposed Executive Order entitled "Energy Efficiency and Water Conservation at Federal Facilities." The objective of the Order is to promote more efficient use of natural resources; increase energy efficiency and water conservation at Federal facilities; and make the Federal Government a leader in purchasing energy-efficient and water-conserving products.

While we concurred with the general philosophy of the proposed Order, we were concerned that Section 309 appeared to require an annual audit by the Inspector General of an agency's compliance with the National Energy Conservation Policy Act, as amended by the Energy Policy Act of 1992 (Act), and the proposed Order. An annual audit is not warranted. We recommended including language similar to that in section 160(c) of the Act, which encourages the Inspector General to conduct periodic reviews of agency compliance with the Act and other laws relating to energy consumption.

Proposed Modification to Delegation 1-4-B, Real Property

We did not concur with a proposed redelegation of authority to acquire and dispose of real property (buildings, grounds, improvements, etc.) to the Branch Chief level. It concerns us that delegation of a broad authority to acquire or dispose of real property to that level could result in a lack of consistency in application within Headquarters and among regional offices. Because proper

implementation of this authority is dependent upon knowledge and understanding of the complex laws and regulations pertaining to real property, we recommended that the redelegation authority be limited to the Deputy Assistant Administrator and Assistant Regional Administrator level.

Suspension and Debarment Activities

EPA's policy is to do business only with contractors and grantees who are honest and responsible. EPA enforces this policy by suspending or debarring contractors or grantees, or individuals within those organizations, from further EPA contracts or assistance if there has been a conviction of, or civil judgment for:

- *commission of a fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public contract or subcontract;*
- *violation of Federal or State antitrust statutes relating to the submission of offers;*
- *commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making a false statement, or receiving stolen property; or*
- *commission of any other offense indicating a lack of business integrity or business honesty that seriously and directly affects the present responsibility of a Government contractor or subcontractor.*

A contractor may also be debarred for violating the terms of a Government contract or subcontract, such as willful failure to perform in accordance with the terms of one or more contracts, or a history of failure to perform, or of unsatisfactory performance on one or more contracts. A contractor may also be debarred for any other cause of so serious or compelling a nature that it affects the present responsibility of the contractor. Thus, a contractor need not have committed fraud or been convicted of an offense to warrant being debarred. Debarments are to be for a period commensurate with the seriousness of the cause, but generally do not exceed 3 years.

The effectiveness of the suspension and debarment (S&D) program has been enhanced by regulations that provide all Federal agencies a uniform system for debarring contractors from receiving work funded by Federal grants, loans, or cooperative agreements. The system, required by Executive Order 12549, provides that a nonprocurement debarment or suspension by one agency is effective in all agencies and requires the General Services Administration (GSA) to publish monthly "Lists of Parties Excluded from Federal Procurement or Nonprocurement Programs." Formerly, a nonprocurement debarment was effective only in the programs administered by the debarring agency, and each agency maintained its own list. The EPA Suspension and Debarment Division (SDD) in the Office of Grants and Debarment operates the S&D program at EPA. The OIG assists the EPA S&D program by providing information from audits, investigations, and engineering studies; and obtaining documents and

evidence used in determining whether there is a cause for suspension or debarment.

The OIG's Suspension and Debarment Unit works with SDD to further educate and inform State and local governments and environmental interest groups about the effective use of suspensions and debarments.

During this period cases with direct OIG involvement led to 28 suspensions, 10 debarments, and 6 compliance agreements, a total of 44 actions.

The following are examples:

- On March 30, 1994, EPA's Debarring Official approved a Compliance Agreement with Edward H. Pechan and E.H. Pechan & Associates, Inc. (EHPA). In the Compliance Agreement, Mr. Pechan and EHPA admitted that they engaged in a conflict of interest which compromised the integrity of EPA's procurement and assistance activities in connection with an EPA grant and cooperative agreement awarded to the Center for Earth Resource Management Applications, Inc. (CERMA). While serving as the treasurer of CERMA, Mr. Pechan reviewed and approved the invoices submitted by EHPA, his own company, and then signed and issued checks from CERMA to EHPA.

In the Compliance Agreement, EHPA and Pechan agreed to implement a number of remedial measures to ensure that EHPA's future performance and administration of Federal contracts and federally-funded contracts under assistance will be fully consistent with all applicable laws and regulations. In addition, EHPA

agreed to repay the Government for any costs associated with Pechan's conflict of interest that are disallowed during EPA's resolution of the OIG audit of the CERMA grant and cooperative agreement. CERMA paid EHPA over \$47,800 under the grant and the cooperative agreement. Under the terms of the Compliance Agreement, EPA terminated the December 13, 1993, suspension of EHPA and Pechan, but left in place the suspension of CERMA.

- On March 30, 1994 EPA's Debarring Official approved a Compliance Agreement with Dantec Measurement Technology, Inc. (Dantec). In the Compliance Agreement, Dantec agreed to reimburse EPA \$10,000 for the costs of the OIG investigation that led to Dantec's agreement to plead guilty to four counts of making criminal false statements, in violation of 18 U.S.C. 1001, in connection with Dantec's performance under several EPA purchase orders.

In the Compliance Agreement, Dantec also agreed to implement a number of remedial measures designed to ensure that Dantec's future performance and administration of Federal contracts and federally-funded contracts under assistance will be fully consistent with all applicable laws and regulations.

- On January 28, 1994, EPA debarred Robert E. Caron for 3 years. Mr. Caron was formerly employed as chief of the Emergency Response and Preparation Section and as an on-scene coordinator at hazardous waste sites for actions governed by the Comprehensive Environmental

Response, Compensation, and Liability Act. Over an eight-year period, Mr. Caron falsely represented his educational qualifications on numerous occasions. In his guilty plea, Mr. Caron admitted to making false declarations for purposes of Federal employment and security clearances. On October 2, 1992, the U. S. District Court for the District of Maryland convicted Mr. Caron on one count of making false declarations. The Court sentenced Mr. Caron to home confinement for three months followed by three years probation and a \$2,000 fine.

- On February 14, 1994, EPA debarred Gerald L. Wright, a superintendent with the Sequoyah County Utility Service Authority (SCUSA), for 3 years. SCUSA operates a wastewater treatment plant in Vian, Oklahoma. Mr. Wright was found guilty of making false statements. From 1988 to 1989, Mr. Wright submitted certain monthly plant operational reports to EPA knowing that the reported turbidity data was not the result of proper analysis.

- On March 9, 1994, EPA debarred National Environmental Testing (NET) Gulf Coast Inc., (except its Baton Rouge, Louisiana, laboratory) for 25 years. Also, EPA debarred two of its managers, Joan Lutkenhaus and Cynthia Placko-Moore, for 50 years. NET Gulf Coast Inc., pleaded guilty to making false, fictitious, and fraudulent claims under EPA's contract for laboratory analyses of inorganic compounds. The two managers accepted responsibility for knowing of and participating in the crime, which involved fraudulently manipulating data and instructing subordinates to "cut and paste" data on Contract Laboratory Program (CLP)

sample analyses that would meet EPA CLP criteria.

- On February 15, 1994, EPA debarred a Computer Sciences Corporation employee, Teck Ming Chen, for 3 years for making unauthorized telephone calls of more than \$4,000. Mr. Chen's access capabilities and position as a local area network supervisor raised concerns about the security of confidential business information on file at the Office of Regional Counsel, Region 5

- On February 24, 1994, EPA proposed to debar Rex Wilson Robinson. Mr. Robinson pleaded guilty to falsely impersonating an officer and/or employee of EPA. Mr. Robinson, while identifying himself as an agent of EPA, made several telephone calls to and met with officials of Corporate Services, Inc., a subsidiary of the Michigan Farm Bureau of Lansing, Michigan.

- On February 28, 1994, EPA debarred Sohail Jahani, a supervisor with Nanco Laboratory, Inc. based on a conviction of one count of conspiracy for falsifying statements to EPA. On March 19, 1994 EPA proposed to debar Arund Gaiind, President of Nanco, and an affiliate company, Arund Gaiind and Associates. The two individuals set back dates on computer systems to make it appear as if laboratory analyses were performed in a timely manner when, in fact, they had not been done in the required holding times.

- On March 29, 1994, EPA suspended Ricards International, Inc. (RII), its President, Richard Salvatierra, and two top officials, Sonny Bloom and Edsel Billingsy,

along with an affiliated company, Potomac Leasing, Inc, based on evidence that RII officials repeatedly directed employees to charge time to EPA contracts fraudulently.

OIG Management Initiatives

Training

OIG Developed Courses

- **EPA Contract Audit Issues**

This course was developed to help the participants identify the most challenging contract audit issues facing EPA today, research the issues, develop audit positions on those issues, and evaluate those positions.

- **Statistical Sampling Training**

This course was designed to provide guidelines for the use of statistical sampling in EPA audits. The emphasis is on instructions for auditors who need to carry out elementary sampling procedures in connection with their auditing activities, with some additional direction for those who encounter more difficult sampling problems and need references to more complete sources.

- **Effectively Selling Audit and Investigative Findings**

This course, previously called Effective Briefing Techniques, has been restructured to emphasize ways of building a cooperative relationship with auditees and agency officials through effective communications and a participatory approach. The course stresses the need for gaining credibility and trust by encouraging and recognizing corrective actions. Most importantly, the course presents methods of selling change through positive,

constructive images and by demonstrating problems as needs or opportunities for action. Class participants gave several presentations that were video taped and evaluated by the entire class. This course was presented to our Northern Audit Division staff in Chicago. IL.

- **Detecting and Preventing Fraud in EPA**

This course was developed to help prepare independent public accountants doing work for the OIG, OIG auditors and EPA program and contract managers detect, prevent and report possible fraud to the OIG Office of Investigations. The purpose of the course is to raise the consciousness of the participants to the elements, types, characteristics and indicators of fraud. During this reporting period the course was revised and presented to OIG staff in Washington, D.C. We also assisted several other Offices of Inspector General develop or revise similar courses.

- **Superfund Orientation for Auditors**

This course was developed to provide OIG personnel with an understanding of the Superfund program, and the overall role of the OIG in Superfund. The course includes a history of Superfund, major concepts of the Superfund program, Superfund program organizations and resources, auditing cooperative agreements, auditing Superfund contracts, and internal (management) audits.

- **OIG New Employee Orientation**

The orientation for OIG new employees was held in Arlington, Virginia, March 1-3.

The objective of the orientation was to help new employees become familiar with the functions and organization of the OIG and quickly become a part of the OIG team.

OIG Contracted Courses

- **Contract and Procurement Fraud**

The course taught the participants how to investigate, detect, and prevent contract and procurement fraud.

- **Fraud & Governmental Auditing Standards**

This course was designed for the government auditor, and was divided into three major segments and included financial statement frauds, compliance auditing, and financial statement frauds

- **Audit Report Review Clinic**

This course was designed to help managers evaluate the accuracy and appropriateness of the audit communication and communicate review comments to auditors in developing skills for future audit reporting.

The Brown Bag Institute of Learning

As part of our effort to do more in-house training, we initiated a lunchtime training program called the Brown Bag Institute of Learning. This program, hosted each month by various OIG managers, features video tapes, case studies, discussions, and presentations by experts on subjects pertinent to OIG work.

During this reporting period, there were two presentations. Dr. Gilbert Mayhugh, Senior



Laurence Groner, Superfund Division, Office of Enforcement, speaks to a Brown Bag gathering (photo by Michael J. Binder).

Executive on loan to the Federal Quality Institute from GAO, presented training on "Confronting Today's Changes Successfully." Mr. Laurence Groner, Senior Attorney for the Office of Enforcement, Superfund Division, focused his training session on the Superfund Reauthorization (Liability).

Reinventing Offices of Inspector General

The EPA OIG has begun the process of reinvention, in accordance with the following vision statement adopted by the Inspectors General: "We are agents of positive change striving for continuous improvement in our agencies' management and program operations and in our own offices." In fulfilling this vision and carrying out the mission responsibilities set forth in the Inspector General Act, the IGs have pledged to:

- work with management and the Congress to improve program management.
- use our investigative and program compliance reviews to improve the effectiveness of program operations, increase Government integrity, and recommend improved systems to prevent fraud, waste, and abuse.
- be innovative and question existing procedures and suggest improvements.
- build relationships with program managers based on a shared commitment to improve program operations.
- continue to improve the quality and usefulness of our products.
- work together to identify and address Government-wide issues.

OIG managers convened in Annapolis, Maryland, for 3 days in December 1993 to develop approaches for implementing the new vision.

President's Council on Integrity and Efficiency

The Office of Inspector General participates in the activities of the President's Council on Integrity and Efficiency (PCIE), which was established by Executive Order 12301 in March 1981 to attack fraud and waste, and to improve management in the Federal Government. The PCIE was re-established by Executive Order 12805 on May 11, 1992. The PCIE coordinates interagency activities involving common issues and develops approaches and techniques to strengthen the effectiveness of the entire Inspector General community. The PCIE is headed by the Deputy Director for Management, Office of Management and Budget, and includes all civilian Presidentially appointed Inspectors General and other key Federal officials. Inspector General John C. Martin chairs the Internal Operations Committee of the PCIE. The EPA Office of Inspector General is leading a PCIE government-wide review of applications software maintenance involving nine Federal agencies.

Mr. Martin is also representing the PCIE on an OMB task force dealing with audit followup and semiannual reporting requirements.

Committee on Integrity and Management Improvement

The Committee on Integrity and Management Improvement (CIMI) was established in 1984 by EPA Order 1130.1. The purpose of CIMI is to coordinate the Agency's effort to minimize the opportunities for fraud, waste, and mismanagement in EPA programs and to advise the Administrator on policies to improve the efficiency and effectiveness of EPA programs and activities. The Committee is composed of senior EPA program and regional officials and is chaired by the Inspector General.

Microcomputer Security

Many microcomputers and terminals are either networked together or connected to a mainframe sharing data, information, software, and operating systems, all capable of accessing vast quantities of data. As a result of this ease of access, CIMI developed this leaflet to inform EPA employees of the threats and vulnerabilities involving microcomputer security with emphasis on the individual's role in safeguarding microcomputer equipment and information. The Agency has spent millions of dollars on computer hardware to enable employees to work efficiently and effectively, and each individual has a responsibility to protect these investments. Computer crime costs billions of dollars annually. While deliberate computer crime is a significant concern, wasteful and abusive practices, accidents, and errors by

individual users are even more prevalent. Microcomputer security is a serious concern and CIMI believed that this leaflet would be beneficial in minimizing computer-related losses to EPA's programs and activities.

Program Fraud Civil Remedies Act

Congress enacted the Program Fraud Civil Remedies Act (PFCRA) to provide the Federal Government with an additional remedy to deter fraud resulting from false claims and false statements. CIMI believed it was important for EPA employees to be aware of this law. Therefore, the committee developed a bulletin to highlight how it is used to bring administrative actions to prosecute relatively small false claims (up to \$150,000) and false statements after obtaining Department of Justice approval. Any person who knowingly submits a false, fictitious, or fraudulent claim or written false statement to the Agency is liable for penalties up to \$5,000 per false claim or false statement, and may be required to pay an assessment of up to double the amount falsely claimed. CIMI emphasized that, for this law to be effectively used in supporting EPA's important mission, employees must make continual efforts to detect and report fraud.

Hotline Activities

The OIG Hotline opened 21 new cases and completed and closed 29 cases during the reporting period. Of the cases closed, 6 resulted in environmental, prosecutive, or administrative corrective action, while 23 did not require action. Cases that did not have immediate validity due to insufficient information may be used to identify trends or patterns of potentially vulnerable areas for future review. The Hotline also referred 2,112 telephone callers to the appropriate program office, State agency, or other Federal agency for assistance.

The following are examples of corrective action taken as a result of information provided to the OIG Hotline.

- A complainant alleged that a manufacturing company in Troutdale, Oregon was polluting a nearby river with toxic material from a smelter. A review of the complaint disclosed significant pollution, and EPA officials in Region 10 determined that the site was a high-priority candidate for the National Priorities List. As a result, Region 10's Superfund Regional Decision Team sent a Hazardous Ranking System package to EPA Headquarters for expedited review.

- A complainant alleged that EPA funds were wasted in the procurement and disposal of office furniture in Region 6. A review of the complaint disclosed that a breakdown in communications precluded information regarding excess systems furniture inventory from reaching the Competition Advocate. Funds were used to buy out leased systems

furniture rather than use furniture in inventory, causing unnecessary expenditures of \$627,600. As a result, several internal control procedures were implemented to ensure that proper coordination and communication takes place between the various sections involved in a major procurement.

Appendix 1 -- Reports Issued

APPENDIX 1 - REPORTS ISSUED

THE INSPECTOR GENERAL ACT REQUIRES A LISTING, SUBDIVIDED ACCORDING TO SUBJECT MATTER, OF EACH REPORT ISSUED BY THE OFFICE DURING THE REPORTING PERIOD AND FOR EACH REPORT, WHERE APPLICABLE, THE DOLLAR VALUE OF QUESTIONED COSTS AND THE DOLLAR VALUE OF RECOMMENDATIONS THAT FUNDS BE PUT TO BETTER USE.

Assignment Control Number	Title	Final Report Issued	Questioned Costs			Recommended Efficiencies (Funds Be Put To Better Use)
			Ineligible Costs	Unsupported Costs	Unreasonable Costs	
1. INTERNAL & MANAGEMENT ASSIGNMENTS						
Office of the Administrator						
E1SKG3-15-0098-4400038	SPECIAL REVIEW OF EPA'S INFORMATION SYSTEMS PROGRAM	3/15/94				
E1SFG3-11-0026-4400042	SPECIAL FINANCIAL MANAGEMENT REVIEW	3/24/94				
E1XMG3-13-0056-4400043	REVIEW OF THE NATIONAL ADVISORY COUNCIL FOR ENVIRONMENTAL POLICY AND TECHNOLOGY	3/25/94				
Assistant Administrator for Communications, Education and Public Affairs						
E1EPE2-05-0015-4100205	EPA'S PESTICIDES PROGRAM	3/11/94				
E1XMG3-18-0047-4400045	NATIONAL ENVIRONMENTAL EDUCATION AND TRAINING FOUNDATION	3/30/94				
Office of Acquisition Management						
E1BMF3-11-0027-4100181	ADVISORY AND ASSISTANCE	1/31/94				
Office of Mobile Sources						
E1KAG3-05-0217-4400020	MANAGEMENT OF EXTRAMURAL RESOURCES ANN ARBOR LABORATORY	1/25/94				
Assistant Administrator for Administration Resources Management						
E1SFF3-11-0020-4100111	COMPETITION IN CONTRACTING	12/ 7/93				
E1XMG3-11-0028-4400026	RESTRICTIONS ON LOBBYING	2/ 1/94				
E1JBF3-24-0023-4100221	COST SHARING CONTRACTS, POLICIES AND PROCEDURES	3/25/94				
E1BMF3-24-0027-4100232	COMPETITION IN CONTRACTING - CONSOLIDATED REPORT	3/31/94				
E1SKF3-03-0161-4100233	AWARD OF ICF CONTRACTS	3/31/94				
E1AML3-20-7001-4100230	PESTICIDES/OIL SPILL FINANCIAL STATEMENTS AUDIT - FY 93	3/31/94				
P1SFL3-20-8003-4100231	SUPERFUND/LUST/ASBESTOS FINANCIAL STATEMENTS AUDIT	3/31/94				
Assistant Administrator for Research and Development						
E6EBP3-11-0019-4400047	LABORATORY ANALYTICAL DATA REVIEW	2/10/94				
E1FBF3-10-0069-4100214	MANAGEMENT OF ASSISTANCE AND INTER- AGENCY AGREEMENTS, EPA RESEARCH LABORATORY - CORVALLIS	3/21/94				
E1JBF2-04-0386-4100237	MANAGEMENT OF ASSISTANCE AGREEMENTS AT ORD'S GULF BREEZE LABORATORY	3/31/94				
Assistant Administrator for Solid Waste and Emergency Response						
E1SFF3-08-0021-4100180	SUPERFUND SITE ASSESSMENT AND CLEANUP	1/31/94				
E1SJG3-01-0138-4400037	SUPERFUND REVITALIZATION ENFORCEMENT PILOTS	3/ 9/94				
E1SFE3-07-0101-4100224	FMFIA IMPLEMENTATION - OSWER	3/28/94				
E1SFF3-11-0029-4100229	SUPERFUND PERFORMANCE MEASURES/ CERCLIS DATA - FY 93	3/30/94				
Assistant Administrator for Water						
E1AME4-07-0024-4100236	FMFIA IMPLEMENTATION - WATER	3/31/94				

Assignment Control Number	Title	Final Report Issued	Questioned Costs			Recommended Efficiencies (Funds be Put To Better Use)
			Ineligible Costs	Unsupported Costs	Unnecessary/ Unreasonable Costs	
Regional Administrator - Region 1						
E1SJG3-01-0138-4400017	SUPERFUND REVITALIZATION ENFORCEMENT PILOTS	12/22/93				
E1SFL4-01-0032-4100212	SUPERFUND PERFORMANCE MEASURES - FY 93 - REGION 1	3/18/94				
Regional Administrator - Region 2						
E1DSD2-02-0053-4100128	RCRA STATE ENFORCEMENT MONITORING	12/15/93				
E1HWD3-02-0018-4100234	IMPLEMENTATION OF THE SAFE DRINKING WATER ACT - REGION 2	3/31/94				
E1SGG0-14-0010-4400018	VINELAND CHEMICAL COMPANY	2/ 4/94				
Regional Administrator - Region 5						
E1SFL4-05-0017-4100196	SUPERFUND PERFORMANCE MEASURES - FY 93 - REGION 5	3/ 3/94				
E1SGF2-05-0269-4100218	MANAGEMENT OF MICHIGAN SUPERFUND COOPERATIVE AGREEMENTS - REGION 5	3/23/94				
Regional Administrator - Region 6						
E1SGG3-06-0097-4400011	SACM PILOT - NATIONAL ZINC REGION 6	12/10/93				
E1SFL4-06-0033-4100213	SUPERFUND PERFORMANCE MEASURES - FY 93 - REGION 6	3/21/94				
Regional Administrator - Region 7						
E1SFL4-07-0015-4100201	SUPERFUND PERFORMANCE MEASURES - FY 93 - REGION 7	3/ 3/94				
Regional Administrator - Region 8						
E1SJG3-01-0138-4400024	SUPERFUND REVITALIZATION ENFORCEMENT PILOTS	1/31/94				
Regional Administrator - Region 9						
E1SGG3-14-0008-4400014	PURITY OIL RI/FS REVIEW	12/21/93				
E1SKG3-09-0258-4400025	ESAT CONTRACT USE - REGION 9	1/31/94				
Regional Administrator - Region 10						
E1SGG3-14-0009-4400032	FRONTIER HARD CHROME RI/FS	2/24/94				
TOTAL INTERNAL & MGMT ASSIGNMENTS			=	36		
2. CONSTRUCTION GRANT ASSIGNMENTS						
S2CWL1-01-0158-4100059	GREATER LAWRENCE SEWER DIST. MA	11/ 4/93	336,082	0	0	0
S2CWL1-01-0024-4100179	SPRINGFIELD MA	1/31/94	2,507,248	537,483	0	0
S2CWL1-01-0137-4100195	LYNN MA	2/28/94	205,754	0	0	0
S2BWL1-01-0234-4100202	LYNN WATER & SEWER MA	3/ 4/94	540,709	0	0	0
TOTAL OF REGION 01 = 4			3,589,793	537,483	0	0
P2CWL9-02-0176-4100051	FRANKLIN NJ	11/ 1/93	1,862,924	0	0	0
P2CWL9-02-0135-4100093	KEANSBURG NJ	11/26/93	984,939	0	0	0
P2CWL0-02-0233-4100104	TRENTON NJ	12/ 3/93	759,659	0	0	0
P2CWL3-02-0012-4100191	WESTCHESTER-PORT CHESTER SD	2/24/94	2,959,471	160,652	0	0
P2CWL0-02-0230-4100203	EAST HANOVER NJ	3/ 4/94	1,758,305	0	0	0
P2CWL3-02-0103-4100209	WOODSTOCK NY	3/11/94	2,408,042	0	0	0
TOTAL OF REGION 02 = 6			10,733,340	160,652	0	0
E2CWM1-03-0229-4200003	SOMERSET COUNTY SANI DIST MD	1/11/94	375,618	0	0	0
P2CWM2-03-0029-4200005	CHARLES COUNTY MD	2/ 1/94	521,533	77,410	0	0
P2CWM1-03-0300-4200006	CECIL COUNTY COMM OF MD	2/ 3/94	227,966	197,118	0	0
P2CWM2-03-0026-4200008	ANNE ARUNDEL COUNTY MD	2/10/94	1,661,558	1,164,480	0	0
P2CWM1-03-0155-4200009	OAKLAND TOWN OF MD	2/15/94	393,078	65,373	0	0
P2BWN3-03-0077-4300032	PHILADELPHIA CITY OF PA	3/30/94	8,446,212	25,666,270	596,129	0
TOTAL OF REGION 03 = 6			11,625,965	27,170,651	596,129	0
E2CWM3-04-0061-4300014	LEXINGTON-FAYETTE URBAN CO KY	12/15/93	101,663	0	0	0
P2CWN3-04-0092-4300001	ORLANDO FL	10/14/93	299,205	0	0	0
TOTAL OF REGION 04 = 2			400,868	0	0	0
E2CWM1-05-0467-4200010	ASHLAND OH	3/ 2/94	8,652	0	0	0
E2CWM2-05-0232-4200011	ZANESVILLE OH	3/ 3/94	34,093	0	0	0
TOTAL OF REGION 05 = 2			42,745	0	0	0

Assignment Control Number	Title	Final Report Issued	Questioned Costs			Recommended Efficiencies (Funds be Put To Better Use)
			Ineligible Costs	Unsupported Costs	Unnecessary/ Unreasonable Costs	
P2CWP2-23-0323-4400009	DECATUR SD	IL 12/ 3/93	407,990	367,833	0	0
TOTAL OF REGION 23 = 1			407,990	367,833	0	0
E2HTN3-06-0183-4300024	LDEQ STATE REVOLVING FUND	LA 1/13/94	0	0	0	0
P2CWN3-06-0075-4300015	BEAUMONT	TX 12/16/93	238,780	0	0	0
TOTAL OF REGION 06 = 2			238,780	0	0	0
P2CWN1-07-0194-4300029	COLUMBIA	MO 2/17/94	94,363	0	0	0
TOTAL OF REGION 07 = 1			94,363	0	0	0
E2CWN1-08-0062-4300030	CASPER	WY 2/23/94	2,037,830	0	0	0
E2CWP3-08-0069-4400006	BROOMFIELD	CO 11/15/93	142,422	0	0	0
P2CWN1-08-0063-4300005	SOUTH VALLEY	UT 10/25/93	2,444,389	0	0	0
TOTAL OF REGION 08 = 3			4,624,641	0	0	0
E2CWM1-09-0091-4200001	CRESTLINE SAN DIST	CA 10/25/93	0	0	732,348	0
E2CWM1-09-0076-4200002	MINDEN-GARDNERVILLE SD	NV 11/22/93	71,981	0	0	0
E2CWM2-09-0068-4200004	HONOLULU, C&C OF	HI 1/19/94	198,292	0	0	0
E2CWM3-09-0063-4200007	LAKE COUNTY SD	CA 2/10/94	18,095	0	0	0
E2CWN1-09-0175-4300027	TRUCKEE SAN DIST	CA 2/14/94	778,867	0	0	0
E2AWT3-09-0138-4400029	CALIFORNIA SRF USAGE	CA 2/14/94	0	0	0	0
S2CWN1-09-0119-4300012	LOS ANGELES CSD	CA 12/15/93	64,256	347,721	0	0
S2CWN2-09-0126-4300023	MODESTO, CITY OF	CA 1/13/94	184,079	1,161,015	0	0
TOTAL OF REGION 09 = 8			1,315,570	1,508,736	732,348	0
P2CWN2-10-0068-4300013	WASILLA, CITY OF	AK 12/15/93	260,343	82,744	0	0
TOTAL OF REGION 10 = 1			260,343	82,744	0	0
TOTAL CONSTRUCTION GRANT ASSIGNMENTS = 36			33,334,398	29,828,099	1,328,477	0
3. OTHER GRANT ASSIGNMENTS						
G3HVK3-01-0253-4500009	ORLEANS, BREWSTER, & EASTHAMMA	10/ 5/93	0	0	0	0
G3HUK3-01-0252-4500018	WOODS HOLE RESEARCH CENTER	MA 10/ 7/93	0	0	0	0
G3HVK3-01-0257-4500077	ROCKPORT, TOWN OF	ME 11/ 1/93	0	0	0	0
G3HVK4-01-0051-4500193	MANCHESTER, CITY OF	NH 1/21/94	0	0	0	0
G3HVK4-01-0057-4500245	BENNINGTON, TOWN OF	VT 2/14/94	0	0	0	0
G3HVK4-01-0060-4500248	CT HAZARDOUS WASTE MGT SERVCT	2/16/94	0	0	0	0
G3HUK4-01-0065-4500267	HEALTH EFFECTS INSTITUTE	MA 2/24/94	0	0	0	0
N3HVK2-01-0326-4500011	BARNSTABLE	MA 10/ 6/93	0	0	0	0
N3HVK3-01-0107-4500138	BARNSTABLE, COUNTY OF	MA 12/ 3/93	0	0	0	0
N3HVK4-01-0022-4500141	SOUTHEASTERN REG. PLANNING	MA 12/14/93	0	0	0	0
N3HVK4-01-0046-4500178	BERKSHIRE COUNTY REG PLAN COMA	1/10/94	0	0	0	0
N3HVK3-01-0235-4500266	UNIV. SYSTEM OF NH.	NH 2/24/94	0	0	0	0
TOTAL OF REGION 01 = 12			0	0	0	0
C3HVK4-02-0006-4500044	BINGHAMTON	NY 10/20/93	0	0	0	0
G3HVK4-02-0004-4500019	HIGHLAND FALLS	NY 10/ 8/93	0	0	0	0
G3HVK4-02-0022-4500083	ALEXANDRIA	NY 11/ 2/93	0	0	0	0
G3HVK4-02-0045-4500147	DELAWARE RVR BASIN COMM	NJ 12/21/93	0	0	0	0
G3HVK4-02-0047-4500210	LOVE CANAL AREA REVTLZN AGCYNY	1/28/94	1,746	0	0	0
G3HVK4-02-0065-4500224	THERESA	NY 2/ 3/94	0	0	0	0
G3HVK4-02-0064-4500231	THERESA	NY 2/ 3/94	0	0	0	0
G3HVK4-02-0070-4500263	FALLSBURG	NY 2/23/94	0	0	0	0
G3HVK4-02-0073-4500277	EFC	NY 2/25/94	0	0	0	0
G3HVK4-02-0088-4500305	FALLSBURG	NY 3/ 7/94	0	0	0	0
G3HEK4-02-0111-4500392	ADIRONDACK LAKES SURVEY CORPNY	3/28/94	0	0	0	0
N3HVK3-02-0195-4500020	ST REGIS MOHAWK TRIBE	NY 10/ 8/93	0	0	0	0
N3HVK4-02-0024-4500088	CHAUTAUQUA COUNTY	NY 11/ 3/93	0	0	0	0
N3HUK3-02-0186-4500096	RESEARCH FOUNDATION OF SUNY	NY 11/ 5/93	0	0	0	0
N3HUK4-02-0028-4500100	NATIONAL URBAN LEAGUE	NY 11/10/93	0	0	0	0
N3HVK4-02-0021-4500101	CHEEKTOWAGA	NY 11/10/93	0	0	0	0
N3HUK4-02-0027-4500102	ENGRS RESRCH & ED COOP TRUSTDC	11/10/93	0	0	0	0
N3HUK3-02-0151-4500109	CLARKSON UNIV	NY 11/15/93	0	0	0	0
N3HUK3-02-0180-4500127	UNIVERSITY OF PR	PR 12/ 1/93	0	0	0	0
N3HUK3-02-0181-4500128	UNIVERSITY OF PR	PR 12/ 1/93	0	0	0	0
N3HUK4-02-0036-4500129	UNIVERSITY OF PR	PR 12/ 1/93	0	0	0	0
N3HVK3-02-0200-4500145	MONROE COUNTY	NY 12/20/93	0	0	0	0
N3HVK4-02-0046-4500148	ELIZABETH	NJ 12/21/93	0	0	0	0
N3HVK3-02-0144-4500150	NEW YORK STATE	NY 12/22/93	0	0	0	0
N3HUK4-02-0049-4500156	PRINCETON UNIVERSITY	NJ 12/28/93	0	0	0	0
N3HVK3-02-0019-4500279	RENSSELAER COUNTY	NY 2/25/94	0	0	0	0
N3HVK4-02-0074-4500280	RENSSELAER COUNTY	NY 2/25/94	0	0	0	0
N3HVK1-02-0131-4500306	ONONDAGA COUNTY	NY 3/ 7/94	0	0	0	0
N3HVK2-02-0146-4500307	ONONDAGA COUNTY	NY 3/ 7/94	0	0	0	0
N3HUK4-02-0087-4500308	ROCKEFELLER UNIVERSITY	NY 3/ 7/94	0	0	0	0
N3HVK4-02-0005-4500309	WESTCHESTER COUNTY	NY 3/ 7/94	0	0	0	0
N3HVK4-02-0048-4500317	SUFFOLK COUNTY	NY 3/10/94	0	0	0	0
N3HVK4-02-0091-4500334	ERIE COUNTY	NY 3/15/94	0	0	0	0
N3HUK3-02-0110-4500335	COLD SPRING HARBOR LAB	NY 3/15/94	0	0	0	0
N3HUK3-02-0086-4500342	HEALTH RESEARCH INC.	NY 3/16/94	0	0	0	0
N3HUK3-02-0210-4500357	BOYCE THOMPSON INST.	NY 3/22/94	0	0	0	0
N3HUK3-02-0211-4500358	BOYCE THOMPSON INST.	NY 3/22/94	0	0	0	0

Assignment Control Number	Title		Final Report Issued	Questioned Costs			Recommended Efficiencies (Funds be Put To Better Use)
				Ineligible Costs	Unsupported Costs	Unnecessary/ Unreasonable Costs	
N3HUK4-02-0094-4500359	HEALTH RESEARCH INC.	NY	3/22/94	0	0	0	0
N3HUK3-02-0183-4500387	RPI	NY	3/28/94	0	0	0	0
TOTAL OF REGION 02 = 39				1,746	0	0	0
C3HVK4-03-0181-4500236	CHESTERFIELD COUNTY	VA	2/ 3/94	0	0	0	0
C3HVK4-03-0244-4500385	HARFORD COUNTY	MD	3/25/94	0	0	0	0
C3HVK4-03-0245-4500386	FAIRFAX COUNTY	VA	3/25/94	0	0	0	0
G3HVK4-03-0028-4500051	ELKTON TOWN OF	MD	10/25/93	0	0	0	0
G3HVK4-03-0029-4500052	WELLSBORO MUNICIPAL AUTH	PA	10/25/93	0	0	0	0
G3HVK4-03-0034-4500053	VA RESOURCES AUTHORITY	VA	10/26/93	0	0	0	0
G3HVK4-03-0035-4500054	CENTERVILLE BOROUGH SANITARY	PA	10/26/93	0	0	0	0
G3HVK4-03-0037-4500055	CENTERVILLE BOROUGH SANITARY	PA	10/26/93	0	0	0	0
G3HVK4-03-0033-4500056	MD WATER QUALITY FA	MD	10/26/93	0	0	0	0
G3HVK3-03-0403-4500106	INDIAN HEAD TOWN OF	MD	11/12/93	0	0	0	0
G3HVK4-03-0036-4500113	CENTERVILLE	PA	11/19/93	0	0	0	0
G3HVK4-03-0032-4500114	WESTFIELD BOROUGH	PA	11/19/93	0	0	0	0
G3HVK4-03-0161-4500211	SUSQUEHANNA RIVER BASIN	PA	1/28/94	0	0	0	0
G3HVK4-03-0162-4500212	STRASBURG	VA	1/28/94	0	0	0	0
G3HVK4-03-0166-4500230	WASHINGTON SUBURBAN SANITAT	PA	2/ 3/94	0	0	0	0
G3HVK4-03-0167-4500232	WEST PIKE RUN TOWNSHIP	PA	2/ 3/94	0	0	0	0
G3HVK4-03-0168-4500233	WEST PIKE RUN TOWNSHIP	PA	2/ 3/94	0	0	0	0
G3HVK4-03-0199-4500271	RIDGELY	MD	2/25/94	0	0	0	0
G3HVK4-03-0200-4500272	CAMBRIDGE	MD	2/25/94	0	0	0	0
G3HUK4-03-0202-4500275	RESOURCES FOR THE FUTURE INCDC		2/25/94	0	0	0	0
G3HVK4-03-0206-4500282	WASHINGTON SUBURBAN SANIT	PA	2/25/94	0	0	0	0
G3HVK4-03-0207-4500283	GREATER GREENSBURG SEWAGE	PA	2/25/94	0	0	0	0
G3HUK4-03-0218-4500298	AMERICAN ACADEMY ENVIRONMENTDC		3/ 3/94	0	0	0	0
G3HVK4-03-0220-4500326	ROCK HALL TOWN OF	MD	3/11/94	0	0	0	0
G3HVK4-03-0221-4500327	DELAWARE REIVER BASIN COMM	PA	3/11/94	0	0	0	0
G3HVK4-03-0242-4500382	WYOMING VALLEY SANITARY AUTHPA		3/25/94	0	0	0	0
G3HVK4-03-0243-4500383	CALVERT COUNTY	MD	3/25/94	0	0	0	0
G3HVK4-03-0252-4500408	WESTMINSTER	MD	3/31/94	0	0	0	0
G3HVK4-03-0253-4500409	FRANKLIN TOWNSHIP MUA		3/31/94	0	0	0	0
N3HUK4-03-0030-4500049	OCCUPATIONAL HEALTH FDN	DC	10/25/93	0	0	0	0
N3HUK4-03-0027-4500050	PA STATE UNIVERSITY	PA	10/25/93	0	0	0	0
N3HVK3-03-0376-4500103	BALTIMORE CITY OF	MD	11/10/93	892,791	0	0	0
N3HVK3-03-0404-4500104	COMMONWEALTH OF VIRGINIA	VA	11/10/93	0	933,222	0	0
N3HVK3-03-0262-4500105	MARYLAND STATE OF	MD	11/12/93	0	0	0	0
N3HUK3-03-0265-4500107	PUBLIC TECHNOLOGY INC.	DC	11/12/93	0	0	0	0
N3HUK4-03-0040-4500108	CENTER FOR MARINE CONSERVATIDC		11/12/93	0	0	0	0
N3HUK3-03-0405-4500158	LEHIGH UNIVERSITY	PA	12/30/93	0	0	0	0
N3HUK3-03-0406-4500159	PITTSBURGH UNIVERSITY	PA	12/30/93	0	0	0	0
N3HUK3-03-0269-4500160	UNIVERSITY OF MARYLAND	MD	12/30/93	0	0	0	0
N3HVK3-03-0340-4500161	FREDERICK COUNTY	MD	12/30/93	0	0	0	0
N3HUK3-03-0341-4500162	UNIVERSITY OF DELAWARE	DE	12/30/93	0	0	0	0
N3HUK3-03-0342-4500163	INT INSTITUTE ENERGY CONSERVDC		12/30/93	0	0	0	0
N3HVK3-03-0397-4500164	HAGERSTOWN CITY OF	MD	12/30/93	0	0	0	0
N3HUK3-03-0399-4500165	ST. VINCENT'S COLLEGE	PA	12/30/93	0	0	0	0
N3HUK3-03-0402-4500166	GEORGETOWN UNIVERSITY	DC	12/30/93	0	0	0	0
N3HVK4-03-0163-4500213	DELAWARE STATE	DE	1/28/94	0	0	0	0
N3HUK4-03-0164-4500214	NATIONAL COUNCIL OF SENIORS DC		1/28/94	0	0	0	0
N3HUK4-03-0165-4500228	GEORGE WASHINGTON UNIVERSITYDC		2/ 3/94	0	0	0	0
N3HVK4-03-0169-4500234	DC DEPT OF PUBLIC WORKS	DC	2/ 3/94	0	0	0	0
N3HUK4-03-0170-4500235	AMERICAN STATISTICAL ASSOC	VA	2/ 3/94	0	0	0	0
N3HVK4-03-0203-4500276	ERIE COUNTY	PA	2/25/94	0	0	0	0
N3HVK4-03-0204-4500278	ALLEGHENY COUNTY	PA	2/25/94	0	0	0	0
N3HVK4-03-0205-4500281	ALLEGHANY COUNTY	VA	2/25/94	0	0	0	0
N3HVK4-03-0208-4500284	LOUDON COUNTY	VA	2/25/94	0	0	0	0
N3HVK4-03-0216-4500296	METRO WASHINGTON COG	DC	3/ 3/94	0	0	0	0
N3HVK4-03-0217-4500297	LEE COUNTY	VA	3/ 3/94	0	0	0	0
N3HVK4-03-0222-4500328	FREDERICK CITY	MD	3/11/94	0	0	0	0
N3HUK4-03-0240-4500380	URBAN INSTITUTE	DC	3/25/94	0	0	0	0
N3HUK4-03-0241-4500381	NATURE CONSERVATORY	VA	3/25/94	0	0	0	0
N3HUK4-03-0248-4500405	JOHNS HOPKINS UNIVERSITY	MD	3/31/94	0	0	0	0
N3HUK4-03-0249-4500406	ST VINCENT'S COLLEGE	PA	3/31/94	0	0	0	0
N3HUK4-03-0251-4500407	AMERICAN CHEMICAL SOCIETY	DC	3/31/94	0	0	0	0
TOTAL OF REGION 03 = 62				892,791	933,222	0	0
C3HVK3-04-0355-4500057	DEKALB COUNTY	GA	10/26/93	0	0	0	0
C3HVK4-04-0048-4500121	COLUMBIA	SC	11/26/93	0	0	0	0
C3HVK4-04-0049-4500135	PENSACOLA	FL	12/ 2/93	0	0	0	0
C3HVK4-04-0105-4500292	JEFFERSON COUNTY	AL	3/ 1/94	0	0	0	0
C3HVK4-04-0131-4500371	LEXINGTON FAYETTE URBAN COUNKY		3/23/94	0	0	0	0
G3HVK3-04-0326-4500001	SOUTHWEST FLORIDA WATER DISTFL		10/ 4/93	3,014	0	0	0
G3HVK3-04-0353-4500111	MIAMI DADE WATER & SEWER AUTFL		11/16/93	0	0	0	0
G3HVK4-04-0054-4500133	MACON WATER AUTHORITY	GA	12/ 2/93	0	0	0	0
G3HVK4-04-0050-4500134	RINCON	GA	12/ 2/93	0	0	0	0
G3HVK4-04-0063-4500155	GRAND STRAND WATER & SEWER	SC	12/23/93	0	0	0	0
G3HVK4-04-0080-4500190	CAVELAND SANITATION AUTHORITYKY		1/19/94	0	0	0	0
G3HVK4-04-0086-4500191	SNEEDVILLE	TN	1/19/94	0	0	0	0
G3HVK4-04-0081-4500192	SPARTANBURG SANITARY SEWER	SC	1/19/94	0	0	0	0
G3HVK4-04-0106-4500220	RICHLANDS	NC	2/ 2/94	0	0	0	0
G3HVK4-04-0102-4500221	SALEMBURG	NC	2/ 2/94	0	0	0	0
G3HVK4-04-0103-4500240	OAK GROVE	KY	2/ 7/94	0	0	0	0
G3HVK4-04-0125-4500311	CHOCOWINITY	NC	3/ 7/94	0	0	0	0
G3HVK4-04-0133-4500312	HARRISON COUNTY WASTEWATER	MS	3/ 7/94	0	0	0	0
G3HVK4-04-0108-4500313	HARRISON COUNTY WASTEWATER	MS	3/ 7/94	0	0	0	0
G3HVK4-04-0124-4500325	CHOCOWINITY	NC	3/11/94	0	0	0	0
N3HVK3-04-0327-4500002	SOUTHWEST FLORIDA WATER DISTFL		10/ 4/93	0	0	0	0
N3HVK3-04-0303-4500025	BROWARD COUNTY	FL	10/13/93	0	0	0	0

Assignment Control Number	Title	Final Report Issued	Questioned Costs			Recommended Efficiencies (Funds be Put To Better Use)
			Ineligible Costs	Unsupported Costs	Unnecessary/ Unreasonable Costs	
N3HVK3-04-0263-4500035	GAINESVILLE	FL 10/14/93	0	0	0	0
N3HVK3-04-0139-4500036	GAINESVILLE	FL 10/14/93	0	0	0	0
N3HUVJ3-04-0339-4500115	MISSISSIPPI STATE UNIVERSITY	MS 11/22/93	0	0	0	0
N3HUVJ3-04-0341-4500116	SOUTHERN MISSISSIPPI UNIVERS	MS 11/22/93	0	0	0	0
N3HUK3-04-0354-4500153	CENTRAL CAROLINA TECHNICAL	SC 12/23/93	0	0	0	0
N3HUK3-04-0338-4500154	FISK UNIVERSITY	TN 12/23/93	0	0	0	0
N3HVK4-04-0026-4500167	DADE COUNTY	FL 12/30/93	0	0	0	0
N3HVK4-04-0078-4500172	BELHAVEN	NC 1/ 6/94	0	0	0	0
N3HVK4-04-0079-4500173	WASHINGTON	NC 1/ 6/94	0	0	0	0
N3HUVJ3-04-0309-4500174	FLORIDA, STATE OF	FL 1/ 6/94	0	0	0	0
N3HVK4-04-0101-4500222	HYDE COUNTY	NC 2/ 2/94	0	0	0	0
N3HVK3-04-0300-4500289	HILLSBOROUGH COUNTY	FL 3/ 1/94	0	0	0	0
N3HVK4-04-0083-4500290	MECKLENBURG	NC 3/ 1/94	0	0	0	0
N3HVK4-04-0082-4500291	FORSYTH COUNTY	NC 3/ 1/94	0	0	0	0
N3HUK4-04-0084-4500300	ALABAMA UNIVERSITY OF HUNTSVAL	AL 3/ 3/94	0	0	0	0
N3HUK4-04-0052-4500301	ALABAMA UNIVERSITY OF	AL 3/ 3/94	0	0	0	0
N3HUK4-04-0051-4500302	AUBURN UNIVERSITY OF	AL 3/ 3/94	0	0	0	0
N3HVK4-04-0136-4500333	SOUTH FULTON	TN 3/14/94	0	0	0	0
N3HVK4-04-0148-4500368	STANLY COUNTY	NC 3/23/94	0	0	0	0
N3HVK4-04-0145-4500369	WINSTON SALEM	NC 3/23/94	0	0	0	0
N3HVK4-04-0137-4500370	FAYETTEVILLE	NC 3/23/94	0	0	0	0
N3HVK4-04-0153-4500372	COUNCIL OF STATE GOVERNMENTS	SKY 3/24/94	0	0	0	0
N3HVK4-04-0147-4500373	BUNCOMBE COUNTY	NC 3/24/94	0	0	0	0
N3HVK4-04-0152-4500410	COUNCIL OF STATE GOVERNMENTS	SKY 3/31/94	0	0	0	0
N3HUK3-04-0332-4500411	MOREHOUSE SCHOOL OF MEDICINE	GA 3/31/94	0	12,898	0	0
N3HVK3-04-0336-4500412	SOUTH CAROLINA STATE OF	SC 3/31/94	0	0	0	0
TOTAL OF REGION 04 = 48			3,014	12,898	0	0
C3HVK3-05-0371-4500023	OTTAWA CO FY 92	MI 10/12/93	0	0	0	0
C3HUVJ3-05-0373-4500033	ILLINOIS EPA FY 91/92	IL 10/13/93	0	0	0	0
C3HUVJ4-05-0076-4500208	HAMMOND FY 92	IN 1/27/94	0	0	0	0
C3HVK4-05-0108-4500241	KENT FY 92	MI 2/ 9/94	0	0	0	0
C3HVK4-05-0116-4500299	RACINE FY 92	WI 3/ 3/94	0	0	0	0
C3HVK4-05-0118-4500318	KALAMAZOO FY 92	MI 3/10/94	0	0	0	0
C3HVK4-05-0124-4500331	AKRON FY 92	OH 3/11/94	0	0	0	0
G3HVK3-05-0380-4500029	BETHEL FY 92	MN 10/13/93	0	0	0	0
G3HVK3-05-0369-4500030	GRANT TWP FY 93	MI 10/13/93	0	0	0	0
G3HVK3-05-0361-4500031	PINCKNEY FY 93	MI 10/13/93	0	0	0	0
G3HUVJ3-05-0382-4500046	GARY CSC FY 91/92	IN 10/21/93	0	0	0	0
G3HVK3-05-0385-4500067	AHMEEK FY 93	MI 10/28/93	0	0	0	0
G3HVK3-05-0390-4500068	BAY CO FY 92	MI 10/28/93	0	0	0	0
G3HVK3-05-0377-4500070	CINCINNATI MSD FY 92	OH 10/28/93	0	0	0	0
G3HUVJ4-05-0029-4500071	FRANCESVILLE FY 92	IN 11/ 1/93	0	0	0	0
G3HUVJ4-05-0038-4500072	GOODLAND FY 91/92	IN 11/ 1/93	0	0	0	0
G3HVK4-05-0039-4500073	N SHORE SD FY 93	IL 11/ 1/93	0	0	0	0
G3HUVJ4-05-0031-4500074	DUPONT FY 91/92	IN 11/ 1/93	0	0	0	0
G3HUVJ4-05-0030-4500075	DUPONT FY 90	IN 11/ 1/93	0	0	0	0
G3HUVJ3-05-0386-4500076	W LEBANON FY 90/91	IN 11/ 1/93	0	0	0	0
G3HUVJ4-05-0046-4500093	DECATUR FY 93	IN 11/ 4/93	0	0	0	0
G3HVK4-05-0020-4500112	MN SRF FY 93	MN 11/19/93	0	0	0	0
G3HVK4-05-0098-4500184	GREENWOOD FY 91/92	IN 1/13/94	0	0	0	0
G3HUVJ4-05-0058-4500186	ADDISON FY 93	IL 1/13/94	0	0	0	0
G3HVK4-05-0066-4500187	NEWAYGO FY 93	MI 1/13/94	0	0	0	0
G3HVK4-05-0096-4500207	SYCAMORE FY 93	IL 1/27/94	0	0	0	0
G3HUVJ4-05-0100-4500247	STEUBEN LAKES RWD FY 92	IN 2/14/94	0	0	0	0
G3HVK4-05-0102-4500249	FRANKLIN FY 93	MI 2/16/94	131,037	0	0	0
G3HVK3-05-0190-4500295	AMA FY 90/91	IL 3/ 3/94	6,100	0	0	0
G3HVK4-05-0184-4500329	PORTAGE LAKE FY 93	MI 3/11/94	0	0	0	0
G3HUVJ4-05-0125-4500330	REMINGTON FY 92	IN 3/11/94	0	0	0	0
G3HUVJ4-05-0127-4500332	JEFFERSONVILLE FY 92	IN 3/11/94	0	0	0	0
G3HUVJ4-05-0141-4500343	NEW POINT FY 91/92	IN 3/16/94	0	0	0	0
G3HUVJ4-05-0142-4500345	SILVER LAKE FY 91/92	IN 3/16/94	0	0	0	0
G3HUVJ4-05-0143-4500346	LAGRANGE FY 91	IN 3/16/94	0	0	0	0
G3HUVJ4-05-0140-4500347	SELLERSBURG FY 91/92	IN 3/16/94	0	0	0	0
G3HUVJ4-05-0148-4500348	WINSLOW FY 91/92	IN 3/16/94	0	0	0	0
G3HUVJ4-05-0145-4500349	JASPER FY 92	IN 3/17/94	0	0	0	0
G3HUVJ4-05-0128-4500350	DARMSTADT FY 91/92	IN 3/17/94	0	0	0	0
G3HUVJ4-05-0144-4500351	MACOG FY 93	IN 3/17/94	0	0	0	0
G3HVK4-05-0131-4500353	NIPC FY 93	IL 3/17/94	0	0	0	0
G3HUVJ4-05-0139-4500355	ENGLISH FY 91/92	IN 3/17/94	0	0	0	0
G3HUVJ4-05-0154-4500363	CLAYPOOL FY 91/92	IN 3/22/94	0	0	0	0
G3HUK4-05-0092-4500364	CHICAGO AOS FY 93	IL 3/22/94	0	0	0	0
G3HUVJ4-05-0136-4500366	KOSCIUSKO CO FY 91/92	IN 3/22/94	0	0	0	0
G3HUVJ4-05-0134-4500367	INDIAN BOUNDARY CD FY 91/92	IN 3/22/94	0	0	0	0
G3HUVJ4-05-0153-4500374	FOUNTAIN CITY FY 91/92	IN 3/24/94	0	0	0	0
G3HUVJ4-05-0159-4500375	GREENTOWN FY 91/92	IN 3/24/94	0	0	0	0
G3HUVJ4-05-0160-4500376	TRI-LAKES RSD FY 91/92	IN 3/24/94	0	0	0	0
G3HUVJ4-05-0161-4500377	LITTLE RACCOON RWD FY 91/92	IN 3/24/94	0	0	0	0
G3HUVJ4-05-0164-4500378	MARKLE FY 91/92	IN 3/24/94	0	0	0	0
G3HUVJ4-05-0165-4500379	WILKINSON FY 91/92	IN 3/24/94	0	0	0	0
G3HUVJ4-05-0150-4500388	EVANSVILLE FY 92	IN 3/28/94	0	0	0	0
G3HUVJ4-05-0151-4500389	LAKE ELIZA ACD FY 91/92	IN 3/28/94	0	0	0	0
G3HUVJ4-05-0152-4500390	ORLEANS FY 91/92	IN 3/28/94	0	0	0	0
G3HUVJ4-05-0166-4500399	HOLTON FY 91/92	IN 3/30/94	0	0	0	0
G3HUVJ4-05-0176-4500400	ROSSVILLE FY 91/92	IN 3/30/94	0	0	0	0
G3HUVJ4-05-0179-4500401	WHITE OAK CO FY 92	IN 3/30/94	0	0	0	0
G3HUVJ4-05-0180-4500402	CHURUBUSCO FY 91/92	IN 3/30/94	0	0	0	0
N3HUVJ3-05-0158-4500024	OHIO ST OF FY 91	OH 10/12/93	0	0	0	0
N3HVK3-05-0345-4500032	EAU CLAIRE FY 92	WI 10/13/93	0	0	0	0
N3HVK3-05-0319-4500045	OAKLAND CO FY 92	MI 10/21/93	0	0	0	0
N3HUK3-05-0335-4500069	AKRON U OF FY 91/92	OH 10/28/93	0	0	0	0

Assignment Control Number	Title		Final Report Issued	Questioned Costs			Recommended Efficiencies (Funds be Put To Better Use)
				Ineligible Costs	Unsupported Costs	Unnecessary/ Unreasonable Costs	
N3HVJ3-05-0364-4500092	INDIANA DNR FY 92	IN	11/ 4/93	0	0	0	0
N3HVJ3-05-0375-4500094	MN STATE OF FY 92	MN	11/ 4/93	0	0	0	0
N3HVK3-05-0344-4500095	MUSKEGON CO FY 92	MI	11/ 4/93	0	0	0	0
N3HVK3-05-0368-4500181	GLS TRIBAL COUNCIL FY 92	MI	1/ 7/94	0	0	0	0
N3HUK3-05-0331-4500215	TOLEDO U FY 92	OH	1/28/94	0	0	0	0
N3HVJ4-05-0082-4500246	E CHICAGO FY 92	IN	2/14/94	0	0	0	0
N3HVJ3-05-0196-4500337	MARION FY 90	IN	3/15/94	0	0	0	0
N3HUH4-05-0113-4500352	MACALESTER COLL FY 93	MN	3/17/94	0	0	0	0
N3HUK4-05-0109-4500354	SAGINAW VALLEY ST U FY 92	MI	3/17/94	0	0	0	0
N3HVJ4-05-0037-4500365	MICHIGAN DOE FY 90/91	MI	3/22/94	0	0	0	0
N3HVK3-05-0198-4500384	CHIPPEWA IND SSMT FY 91	MI	3/25/94	0	0	0	0
TOTAL OF REGION 05 = 74				137,137	0	0	0
C3HVK4-06-0034-4500010	NORTH LITTLE ROCK	AR	10/ 5/93	0	0	0	0
C3HVJ4-06-0087-4500336	TULSA COUNTY	OK	3/15/94	0	0	0	0
G3HEK4-06-0023-4500003	SOLID WASTE RESEAR	OK	10/ 4/93	0	0	0	0
G3HVK4-06-0037-4500014	PINELAND	TX	10/ 7/93	0	0	0	0
G3HVK4-06-0038-4500016	PINELAND	TX	10/ 7/93	0	0	0	0
G3HVK4-06-0050-4500119	EL PASO PSB	TX	11/23/93	0	0	0	0
G3HVK4-06-0059-4500146	GROUND WATER PROTECTION COUNOK	TX	12/20/93	0	0	0	0
G3HVK4-06-0064-4500171	TAHLEQUAH	OK	1/ 5/94	0	0	0	0
G3HVK4-06-0066-4500225	BIG WELLS	TX	2/ 3/94	0	0	0	0
G3HVK4-06-0068-4500227	NASH	OK	2/ 3/94	0	0	0	0
G3HVK4-06-0076-4500320	DEVINE	TX	3/10/94	0	0	0	0
G3HVK4-06-0080-4500321	TRINITY BAY CONSERVATION DISTX	TX	3/10/94	0	0	0	0
G3HVK4-06-0081-4500322	TRINITY BAY CONSERVATION DISTX	TX	3/10/94	0	0	0	0
G3HVK4-06-0082-4500323	DENVER CITY	TX	3/10/94	0	0	0	0
G3HVK4-06-0083-4500324	DENVER CITY	T	3/10/94	0	0	0	0
N3HVK4-06-0027-4500004	PUEBLO OF ACOMA	NM	10/ 5/93	0	0	0	0
N3HVK4-06-0024-4500005	HOUSTON	TX	10/ 5/93	0	0	0	0
N3HVK4-06-0025-4500006	PECOS	NM	10/ 5/93	0	0	0	0
N3HVK4-06-0026-4500007	CHICKASAW NATION	OK	10/ 5/93	0	0	0	0
N3HVK4-06-0028-4500008	PUEBLO OF ACOMA	NM	10/ 5/93	0	0	0	0
N3HVK4-06-0036-4500012	LOWER RIO GRANDE DEVELOPMENTTX	TX	10/ 6/93	0	0	0	0
N3HVK4-06-0040-4500021	THRALL	TX	10/ 8/93	0	0	0	0
N3HVK4-06-0041-4500022	THRALL	TX	10/ 8/93	0	0	0	0
N3HVK4-06-0051-4500117	WALNUT SPRINGS	TX	11/23/93	0	0	0	0
N3HUK4-06-0052-4500118	BAYLOR COLLEGE OF MEDICINE	TX	11/23/93	0	0	0	0
N3HVK4-06-0055-4500136	AUSTIN	TX	12/ 2/93	0	0	0	0
N3HVK4-06-0054-4500137	CHEROKEE NATION	OK	12/ 2/93	0	0	0	0
N3HVK4-06-0058-4500142	PUEBLO OF ISLETA	NM	12/15/93	0	0	0	0
N3HVK4-06-0057-4500143	CHEYNNNE-ARAPAH0 TRIBE	OK	12/15/93	0	0	0	0
N3HVK4-06-0063-4500168	HOUSTON-GALVESTON AREA COUN	TX	1/ 3/94	0	0	0	0
N3HVK4-06-0062-4500169	POJOAQUE PUEBLO	NM	1/ 3/94	0	0	0	0
N3HVJ4-06-0061-4500170	ARKANSAS DEPT OF HEALTH	AR	1/ 3/94	0	0	0	0
N3HUK4-06-0067-4500226	UNIVERSITY OF OKLA HEALTHH	OK	2/ 3/94	0	0	0	0
N3HVJ4-06-0069-4500229	STATE OF OKLAHOMA	OK	2/ 3/94	0	0	0	0
N3HVK4-06-0079-4500319	ALBUQUERQUE	NM	3/10/94	0	0	0	0
TOTAL OF REGION 06 = 35				0	0	0	0
C3HVK3-07-0148-4500110	KANSAS CITY	KS	11/15/93	0	0	0	0
G3HVK3-07-0141-4500015	DEXTER	MO	10/ 7/93	0	0	0	0
G3HVK4-07-0016-4500058	PUBLIC WATER SUP DIST # 1	MO	10/26/93	0	0	0	0
G3HVK3-07-0167-4500063	LOUP CITY	NE	10/26/93	0	0	0	0
G3HVK4-07-0017-4500064	BIRCHTREE	MO	10/26/93	0	0	0	0
G3HVK4-07-0018-4500065	BIRCH TREE	MO	10/26/93	0	0	0	0
G3HVK3-07-0131-4500066	CHEROKEE COUNTY	KS	10/26/93	0	0	0	0
G3HVK4-07-0021-4500130	FAIR GROVE	MO	12/ 1/93	0	0	0	0
G3HVK3-07-0163-4500189	BOUNCETON	MO	1/14/94	0	0	0	0
G3HVK4-07-0031-4500196	PURDY	MO	1/21/94	0	0	0	0
G3HVK4-07-0019-4500199	METRO ST LOUIS SEWER DIST	MO	1/21/94	0	0	0	0
G3HVK4-07-0028-4500204	FORSYTH	MO	1/21/94	0	0	0	0
G3HVK4-07-0033-4500243	MONTGOMERY COUNTY	KS	2/11/94	0	0	0	0
G3HVK4-07-0041-4500257	WEST UNION	IA	2/18/94	0	0	0	0
G3HVK4-07-0029-4500258	LAMAR	MO	2/18/94	0	0	0	0
G3HVK4-07-0048-4500260	AINSWORTH	NE	2/18/94	0	0	0	0
G3HVK3-07-0166-4500285	WABAUNSEE COUNTY	KS	2/25/94	0	0	0	0
N3HVK3-07-0149-4500013	ST. LOUIS SCIENCE CENTER	MO	10/ 6/93	0	0	0	0
N3HVK3-07-0150-4500026	IOWA CITY	IA	10/13/93	0	0	0	0
N3HVK3-07-0142-4500027	SEDGWICK COUNTY	KS	10/13/93	0	0	0	0
N3HVK3-07-0136-4500028	TOPEKA	KS	10/13/93	0	0	0	0
N3HVJ3-07-0137-4500059	MISSOURI	MO	10/26/93	4,646	0	0	C
N3HVJ3-07-0140-4500060	IOWA	IA	10/26/93	7,173	0	0	C
N3HVJ3-07-0128-4500061	KANSAS	KS	10/26/93	0	0	0	C
N3HVK3-07-0165-4500175	MARION COUNTY	KS	1/ 7/94	0	0	0	C
N3HVK4-07-0030-4500176	WASHBURN	MO	1/ 7/94	0	0	0	C
N3HVK4-07-0027-4500177	MOBERLY	MO	1/ 7/94	0	0	0	C
N3HVK4-07-0039-4500200	WICHITA	KS	1/21/94	0	0	0	C
N3HVK3-07-0160-4500201	SO CENTRA OZARK COUNCIL GOVTMO	MO	1/21/94	0	0	0	C
N3HVK3-07-0158-4500202	SELIGMAN	MO	1/21/94	0	0	0	C
N3HUK3-07-0159-4500203	UNIV OF MISSOURI SYSTEM	MO	1/21/94	0	0	0	C
N3HUK4-07-0026-4500242	KU CENTER FOR RESEARCH	KS	2/11/94	0	0	0	C
N3HVJ3-07-0161-4500244	NEBRASKA	NE	2/11/94	0	0	0	C
N3HUK4-07-0025-4500303	CROWDER COLLEGE	MO	3/ 4/94	0	0	0	C
N3HVK4-07-0020-4500304	MERAMEC REG PLANNING COMM	MO	3/ 4/94	0	0	0	C
N3HVJ4-07-0042-4500314	MARSHALLTOWN	IA	3/ 7/94	0	0	0	C
N3HVK4-07-0043-4500315	OMAHA	NE	3/ 7/94	0	0	0	C
N3HVK4-07-0044-4500316	DES MOINES	IA	3/ 7/94	0	0	0	C
TOTAL OF REGION 07 = 38				11,819	0	0	(

Assignment Control Number	Title	Final Report Issued	Questioned Costs			Recommended Efficiencies (Funds be Put To Better Use)
			Ineligible Costs	Unsupported Costs	Unnecessary/ Unreasonable Costs	
C3HJVJ4-08-0023-4500195	DEPT OF ENVIRONMENTAL QUALITY	1/21/94	0	0	0	0
G3HVK3-08-0104-4500043	ETHAN	10/19/93	0	0	0	0
G3HJVJ4-08-0030-4500261	RAMSEY COUNTY	2/18/94	0	0	0	0
N3HVK3-08-0113-4500017	GRAND FORKS	10/ 7/93	0	0	0	0
N3HVK3-08-0125-4500047	NATIVE AM FISH & WILDLIFE	10/21/93	0	0	0	0
N3HVK3-08-0126-4500048	NATIVE AM FISH & WILDLIFE	10/21/93	0	0	0	0
N3HJVJ3-08-0094-4500062	SOUTH DAKOTA	10/26/93	0	0	0	0
N3HVK3-08-0124-4500097	LOWER BRULE SIOUX TRIBE	11/ 5/93	0	0	0	0
N3HVK3-08-0105-4500120	DENVER	11/24/93	0	0	0	0
N3HVK3-08-0108-4500131	SHOSHONE & ARAPAHO TRIBES	12/ 1/93	0	0	0	0
N3HVK3-08-0109-4500132	SHOSHONE & ARAPAHO TRIBES	12/ 1/93	0	0	0	0
N3HJVJ3-08-0073-4500188	NORTH DAKOTA	1/14/94	0	0	0	0
N3HJVJ3-08-0123-4500194	PENNINGTON COUNTY	1/21/94	0	0	0	0
N3HUK3-08-0120-4500197	UNIV. OF DENVER	1/21/94	0	0	0	0
N3HJVJ3-08-0099-4500198	UTAH	1/21/94	0	0	0	0
N3HVK4-08-0029-4500256	YANKTON SIOUX TRIBE	2/18/94	0	0	0	0
N3HJVJ4-08-0031-4500286	WY DEPARTMENT OF AGRICULTURE	2/25/94	0	0	0	0
N3HUK4-08-0037-4500287	CASPER COMM COLLEGE DIST	2/25/94	0	0	0	0
N3HVK4-08-0038-4500288	PUEBLO	2/25/94	0	0	0	0
N3HVK4-08-0022-4500356	WESTERN GOVERNORS ASSOC	3/18/94	0	0	0	0
TOTAL OF REGION 08 = 20			0	0	0	0
C3HVK4-09-0096-4500310	HONOLULU, CITY AND COUNTY	3/ 7/94	0	0	0	0
G3HVK3-09-0254-4500040	L.A. DEPT OF WATER & POWER	10/14/93	0	0	0	0
G3HUK3-09-0120-4500078	RURAL COMMUNITY ASSIST CORP	11/ 1/93	0	0	0	0
G3HVK3-09-0265-4500090	SAN JOAQUIN VLYWIDE AIR POL	11/ 3/93	0	0	0	0
G3HVK3-09-0213-4500149	BAY AREA AIR QTY MGMT DIST	12/21/93	0	0	0	0
G3HVK4-09-0066-4500157	SEDONA, CITY OF	12/28/93	0	0	0	0
G3HVK3-09-0180-4500183	MONTEREY BAY U.A.P.C. DIST	1/12/94	47,647	0	0	0
G3HVK4-09-0070-4500205	GERBER LAS FLORES COMM SERV	1/26/94	0	0	0	0
G3HVK4-09-0087-4500216	EAST BAY MUNI UTILITY DIS	2/ 1/94	0	0	0	0
G3HVK4-09-0086-4500217	WEOTT COMM. SVCS. DIST.	2/ 1/94	0	0	0	0
G3HVK4-09-0064-4500237	SANTA ANA WATERSHED PROJ	2/ 3/94	0	0	0	0
G3HVK4-09-0098-4500239	AVONDALE, CITY OF	2/ 4/94	0	0	0	0
G3HVK4-09-0097-4500254	SOUTH SAN FRANCISCO, CITY	2/17/94	0	0	0	0
G3HVK4-09-0081-4500255	HAWAII, COUNTY OF	2/17/94	0	0	0	0
G3HVK4-09-0099-4500264	BOULDER CITY, CITY OF	2/23/94	0	0	0	0
G3HVK4-09-0112-4500268	EMERYVILLE, CITY OF	2/24/94	0	0	0	0
G3HVK4-09-0120-4500339	ASSN OF BAY AREA GOVERNMENT	3/15/94	0	0	0	0
G3HVK4-09-0103-4500340	MONTEREY BAY U.A.P.C. DIST	3/15/94	0	0	0	0
G3HUK4-09-0110-4500360	RURAL COMMUNITY ASSIST CORP	3/22/94	0	0	0	0
G3HVK4-09-0109-4500396	LOS ANGELES COUNTY SAN DIST	3/29/94	0	0	0	0
N3HVK3-09-0229-4500039	SAN FRANCISCO, CITY & COUNTY	10/14/93	0	0	0	0
N3HVK3-09-0056-4500079	COLORADO RIVER INDIANS TRIBE	11/ 1/93	0	0	0	0
N3HVK3-09-0266-4500123	SAN DIEGO, COUNTY OF	11/29/93	0	0	0	0
N3HVK3-09-0252-4500124	HOPi TRIBE	11/29/93	0	0	0	0
N3HVK3-09-0199-4500126	NEVADA, STATE OF	11/29/93	0	0	0	0
N3HVK4-09-0050-4500139	WHITE MOUNTAIN APACHE TRIBE	12/ 3/93	0	0	0	0
N3HVK4-09-0052-4500140	CW OF NOR MARIANA ISLANDS	12/ 3/93	0	0	0	0
N3HJVJ3-09-0034-4500151	ARIZONA STATE OF	12/22/93	0	0	0	0
N3HVK4-09-0051-4500152	QUECHAN INDIAN TRIBE	12/22/93	0	0	0	0
N3HJVJ3-09-0223-4500179	PIMA COUNTY	1/10/94	0	0	0	0
N3HVK3-09-0168-4500206	PALAU, REPUBLIC OF	1/26/94	48,828	0	0	0
N3HVK4-09-0084-4500250	DUNSMUIR, CITY OF	2/16/94	0	0	0	0
N3HVK4-09-0038-4500251	PYRAMID LAKE PAIUTE TRIBE	2/16/94	0	0	0	0
N3HVK4-09-0106-4500252	DUNSMUIR, CITY OF	2/16/94	0	0	0	0
N3HVK4-09-0040-4500253	PYRAMID LAKE PAIUTE TRIBE	2/16/94	0	0	0	0
N3HVK4-09-0115-4500293	SANTA BARBARA, COUNTY OF	3/ 1/94	0	0	0	0
N3HVK4-09-0056-4500294	SANTA BARBARA, COUNTY OF	3/ 1/94	0	0	0	0
N3HVK4-09-0108-4500338	SANTA CRUZ, CITY OF	3/15/94	0	0	0	0
N3HVK4-09-0111-4500361	MODESTO, CITY OF	3/22/94	0	0	0	0
N3HVK4-09-0121-4500362	LAKE, COUNTY OF	3/22/94	0	0	0	0
N3HVK3-09-0219-4500394	OAKLAND, CITY OF	3/29/94	0	0	0	0
N3HVK4-09-0085-4500395	FEDERATED STATES MICRONESIA	3/29/94	0	0	0	0
N3HVK4-09-0119-4500404	STANISLAUS, CITY OF	3/30/94	0	0	0	0
TOTAL OF REGION 09 = 43			96,475	0	0	0
G3HVK3-10-0155-4500037	LANE REG AIR POLLUTION AUTH	10/14/93	0	0	0	0
G3HVK3-10-0156-4500038	LANE REG AIR POLLUTION AUTH	10/14/93	0	0	0	0
G3HVK3-10-0164-4500041	NESKOWIN REG SANITARY AUTH	10/18/93	0	0	0	0
G3HVK3-10-0170-4500042	OAKRIDGE, CITY OF	10/18/93	0	0	0	0
G3HUK3-10-0169-4500085	PAC NORTHWEST POL PREV RES	11/ 2/93	0	0	0	0
G3HJVJ3-10-0175-4500086	MONTESANO, CITY OF	11/ 2/93	0	0	0	0
G3HVK3-10-0157-4500091	COEUR D'ALENE, CITY OF	11/ 3/93	0	0	0	0
G3HVK3-10-0149-4500098	KETCHIKAN, CITY OF	11/ 9/93	0	0	0	0
G3HVK3-10-0166-4500099	NESKOWIN REG SANITARY AUTH	11/ 9/93	15,032	0	0	0
G3HVK4-10-0012-4500122	HOMER, CITY OF	11/29/93	0	0	0	0
G3HJVJ4-10-0028-4500180	PORT ANGELES, CITY OF	1/11/94	0	0	0	0
G3HJVJ4-10-0029-4500182	BLACK DIAMOND, CITY OF	1/12/94	0	0	0	0
G3HJVJ4-10-0041-4500209	YAKIMA, CITY OF	1/27/94	0	0	0	0
G3HUK4-10-0043-4500223	ANCHORAGE CHAMBER OF COMM	2/ 2/94	0	0	0	0
G3HVK4-10-0042-4500238	BOARDMAN, CITY OF	2/ 4/94	0	0	0	0
G3HJVJ4-10-0051-4500259	RAYMOND, CITY OF	2/18/94	0	0	0	0
G3HVK4-10-0052-4500262	POST FALLS, CITY OF	2/18/94	0	0	0	0
G3HJVJ4-10-0053-4500265	LANGLEY, CITY OF	2/23/94	0	0	0	0
G3HVK4-10-0057-4500269	SALEM, CITY OF	2/24/94	0	0	0	0
G3HVK4-10-0070-4500341	EUGENE, CITY OF	3/15/94	0	0	0	0
G3HVK4-10-0071-4500397	PORTLAND, CITY OF	3/29/94	0	0	0	0
G3HVK3-10-0112-4500398	PORTLAND, CITY OF	3/30/94	0	0	0	0
G3HVK3-10-0092-4500403	LEWISTON, CITY OF	3/30/94	0	0	0	0

Assignment Control Number	Title		Final Report Issued	Questioned Costs			Recommended Efficiencies (Funds be Put To Better Use)
				Ineligible Costs	Unsupported Costs	Unnecessary/ Unreasonable Costs	
G3HVJ4-10-0073-4500413	SEATTLE, METROPOLITAN	WA	3/31/94	0	0	0	0
G3HVK3-10-0036-4500414	LANE COUNCIL OF GOVERNMENTS	OR	3/31/94	0	0	0	0
G3HVK3-10-0127-4500415	POCATELLO, CITY OF	ID	3/31/94	0	0	0	0
G3HVJ3-10-0132-4500416	CAMAS, CITY OF	WA	3/31/94	0	0	0	0
N3HUK3-10-0101-4500034	BOISE STATE UNIVERSITY	ID	10/13/93	0	0	0	0
N3HVK3-10-0144-4500081	UMATILLA IND RES, CONF TRIBEOR	WA	11/ 1/93	0	0	0	0
N3HVK3-10-0162-4500082	CHEHALIS RES CONF TRIBES	WA	11/ 1/93	0	0	0	0
N3HVK3-10-0143-4500084	COLVILLE RES, CONF TRIBES	WA	11/ 2/93	0	0	0	0
N3HVK3-10-0117-4500087	SWINOMISH TRIBAL COMM	WA	11/ 2/93	0	0	0	0
N3HVJ3-10-0025-4500089	ALASKA, STATE OF	AK	11/ 3/93	0	0	0	0
N3HVJ3-10-0107-4500125	WASHINGTON, STATE OF	WA	11/29/93	0	0	0	0
N3HVJ4-10-0014-4500218	EVERETT, CITY OF	WA	2/ 1/94	0	0	0	0
N3HVJ3-10-0133-4500219	OREGON, STATE OF	OR	2/ 1/94	0	0	0	0
N3HVK4-10-0040-4500270	ANCHORAGE, MUNICIPALITY OF	AK	2/24/94	0	0	0	0
TOTAL OF REGION 10 = 37				15,032	0	0	0
TOTAL OTHER GRANT ASSIGNMENTS = 408				1,158,014	946,120	0	0
5. SUPERFUND GRANT ASSIGNMENTS							
E5BGN3-06-0083-4300006	TEXAS WATER COMMISSION	TX	11/15/93	16,058	0	0	0
E5BGN3-06-0182-4300011	MIDLAND PRODUCTS COOP AGREE	AR	11/30/93	23,481	20,602	0	0
E5BGN3-06-0090-4300026	OSDH COOPERATIVE AGREEMENTS	OK	2/ 2/94	0	62,020	0	0
P5BGL2-06-0193-4100017	TX WATER COMM	TX	10/15/93	0	15,939	0	0
TOTAL OF REGION 06 = 4				39,539	98,561	0	0
P5BGL2-08-0089-4100167	STATE OF COLORADO	CO	1/ 4/94	309,554	0	0	0
TOTAL OF REGION 08 = 1				309,554	0	0	0
S5DGN2-09-0047-4300033	CA DEPT OF HLTH ICRP	CA	3/31/94	0	0	0	0
S5AGP4-09-0147-4400046	ACCOUNTING SYSTEM - DTSC	CA	3/31/94	0	0	0	0
TOTAL OF REGION 09 = 2				0	0	0	0
MSBFL4-11-0013-4100164	SF-IAG DOJ FY 92		1/ 4/94	0	0	0	0
MSBFL4-11-0011-4100165	SF IAG-FEMA FY92		1/ 4/94	0	0	0	0
MSBFL4-11-0012-4100166	SF IAG-ARMY FY 92		1/ 4/94	0	0	0	0
MSBFL4-11-0017-4100188	SF-IAG ARMY FY92		2/22/94	0	0	0	0
MSBFL4-11-0018-4100189	SF-IAG DOI FWS FY 91-92		2/22/94	0	0	0	0
MSBFL4-11-0019-4100190	SF-IAG DOI RECLAMATION FY92		2/22/94	0	0	0	0
TOTAL OF HDQ - HAD AUDITS = 6				0	0	0	0
TOTAL SUPERFUND GRANT ASSIGNMENTS = 13				349,093	98,561	0	0
8. OTHER CONTRACT ASSIGNMENTS							
D8DML3-01-0263-4100002	TRC COMPANIES INC.	CT	10/ 4/93	*The dollar value of contract audits have not been shown. Public disclosure of the dollar value of financial recommendations could prematurely reveal the Government's negotiating positions or release of this information is not routinely available under the Freedom of Information Act. The number of these reports and dollar value of the findings have been included in the aggregate data displayed below. Such data individually excluded in this listing will be provided to the Congress under separate memorandum within 30 days of the transmittal of the semiannual report to the agency head. The transmitted data will contain appropriate cautions regarding disclosure.			
D8DML3-01-0262-4100003	TRC ENVIRONMENTAL CONSULT.	CT	10/ 4/93				
D8EML3-01-0278-4100004	INDUSTRIAL ECONOMICS INC.	MA	10/ 5/93				
D8DML4-01-0019-4100008	WPI INC.	MA	10/ 7/93				
D8BML3-01-0074-4100056	FAY SPOFFORD & THORNDIKE	MA	11/ 3/93				
D8AML3-01-0244-4100057	FEV	MA	11/ 3/93				
D8CML3-01-0271-4100193	THE MITRE CORPORATION	MA	2/24/94				
D8CML4-01-0087-4100217	RAYTHEON SERVICE COMPANY	MA	3/23/94				
D8AMN3-01-0266-4300007	ABT ASSOCIATES	MA	11/15/93				
D8AMN3-01-0243-4300009	FEV MOTERENTTECHNIK	MA	11/15/93				
TOTAL OF REGION 01 = 10							
D8EML3-02-0212-4100005	HYDRAQUAL INCORPORATED	NJ	10/ 5/93				
D8DML4-02-0016-4100054	FOSTER WHEELER CORPORATION	NJ	11/ 3/93				
D8DML3-02-0201-4100058	ACRES INTERNATIONAL CORP.	NY	11/ 4/93				
D8DML2-02-0109-4100103	HYDROQUAL INC.	NJ	12/ 3/93				
D8EML4-02-0038-4100127	FOSTER WHEELER CORPORATION	NJ	12/14/93				
D8EML4-02-0039-4100150	EBASCO SERVICES INC.	NY	12/28/93				
D8CML3-02-0137-4100151	SYRACUSE RESEARCH CORP	NY	12/28/93				
D8EML4-02-0052-4100171	EBASCO SERVICES INC.	NY	1/10/94				
D8DUL2-02-0104-4100192	CORNELL UNIVERSITY I/C RATE	NY	2/24/94				
D8DUL2-02-0104-4100194	CORNELL UNIVERSITY I/C RATE	NY	2/24/94				
D8BML3-02-0164-4100216	HYDROQUAL INCORPORATED	NJ	3/23/94				
D8AMN4-02-0026-4300017	GRUZEN SAMTON ARCHITECTS	NY	12/28/93				
D8AMN4-02-0026-4300018	GRUZEN SAMTON ARCHITECTS	NY	12/28/93				
D8AMN4-02-0026-4300019	GRUZEN SAMTON ARCHITECTS	NY	12/28/93				
D8AMN4-02-0026-4300020	GRUZEN SAMTON ARCHITECTS	NY	12/28/93				
D8AMN4-02-0026-4300025	GRUZEN SAMTON ARCHITECTS	NY	1/25/94				
P8AXP3-02-0208-4400005	ECOLOGY & ENVIR		11/10/93				
P8AXP4-02-0031-4400023	ECOLOGY & ENVIR	NY	1/25/94				
TOTAL OF REGION 02 = 18							
D8AWL3-03-0396-4100001	TECHNOLOGY AND MANAGEMENT	MD	10/ 4/93				
D8AWL3-03-0294-4100022	SRA TECHNOLOGIES	VA	10/19/93				
D8AML3-03-0384-4100023	TOMCO	MD	10/19/93				
D8AWL3-03-0363-4100025	APOGEE RESEARCH	MD	10/19/93				

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			Ineligible Costs	Unsupported Costs	Unnecessary/ Unreasonable Costs	
D8AWL3-03-0364-4100026	BRUCE COMPANY	DC	10/19/93			
D8APL3-03-0440-4100029	SRA TECHNOLOGIES INC.	VA	10/19/93			
D8AML3-03-0385-4100030	RII INFORMATION MANAGEMENT	MD	10/19/93			
D8AWL3-03-0361-4100052	MARASCO NEWTON GROUP	VA	11/ 2/93			
D8AML3-03-0423-4100053	LISBOA ASSOCIATES, INC.	DC	11/ 2/93			
D8APL3-03-0439-4100055	DYNAMAC	MD	11/ 3/93			
D8APL3-03-0390-4100063	UNIVERSAL SYSTEMS TECHNOLOGY	VA	11/ 9/93			
D8BML2-03-0396-4100079	ROY F WESTON	PA	11/19/93			
D8BML2-03-0395-4100089	ROY F WESTON	PA	11/23/93			
D8BML2-03-0296-4100095	ENVIRONMENTAL TECHNOLOGY INC	VA	11/30/93			
D8CML2-03-0586-4100096	SF & G INC, (MERCURY)	VA	11/30/93			
D8BML3-03-0140-4100097	SOBOTKA & COMPANY, INC.	DC	11/30/93			
D8AML3-03-0208-4100098	TECHNOLOGY APPLICATIONS, INC.	VA	11/30/93			
D8CAL3-03-0303-4100099	TRACOR JITCO, INC. D/B/A	MD	11/30/93			
D8CAL2-03-0479-4100105	BETHLEHEM STEEL CORPORATION	PA	12/ 6/93			
D8BML3-03-0433-4100107	JACA CORPORATION	PA	12/ 6/93			
D8CPL2-03-0441-4100108	KENDRICK & COMPANY	DC	12/ 6/93			
D8ABL3-03-0412-4100109	SIEMENS AUTOMOTIVE	VA	12/ 6/93			
D8BML2-03-0297-4100112	BIOLOGICAL RESEARCH FACULTY	MD	12/ 8/93			
D8AML3-03-0210-4100113	HYDROGEOLOGIC	VA	12/ 8/93			
D8BML3-03-0027-4100114	GANNET FLEMING	PA	12/ 8/93			
D8BML3-03-0146-4100115	SYSTEMS INTERGRATION GROUP	MD	12/ 8/93			
D8BML3-03-0144-4100117	PROGRAM RESOURCES, INC.	VA	12/ 8/93			
D8AWL4-03-0017-4100118	ENVIRONMENTAL LAW INSTITUTE	DC	12/ 9/93			
D8AML4-03-0088-4100119	BIONETICS CORPORATION	VA	12/ 9/93			
D8AML4-03-0061-4100120	VERSAR	VA	12/ 9/93			
D8BML3-03-0152-4100121	BIONETICS	VA	12/10/93			
D8AWL3-03-0393-4100122	CLARKSON SYSTEMS ANALYSIS	VA	12/10/93			
D8BML3-03-0218-4100123	THE BIONETICS CORPORATION	VA	12/10/93			
D8BML3-03-0320-4100124	FU ASSOCIATES, LTD.		12/10/93			
D8DML2-03-0059-4100132	JWK INTERNATIONAL	VA	12/17/93			
D8BML3-03-0163-4100135	WILSON HILL ASSOCIATES, INC.	VA	12/21/93			
D8CBL3-03-0332-4100137	GENERAL SCIENCES CORP.	MD	12/21/93			
D8CML4-03-0103-4100139	PROGRAM RESOURCES, INC.	VA	12/21/93			
D8CML3-03-0255-4100141	PROGRAM RESOURCES, INC.	VA	12/21/93			
D8BML2-03-0582-4100148	UNISYS GOVERNMENT SYSTEMS	VA	12/22/93			
D8CBL4-03-0015-4100153	BIONETICS	VA	12/29/93			
D8BML4-03-0145-4100155	UNIVERSITY RESEARCH CORP.	MD	12/29/93			
D8CML2-03-0351-4100157	MAXIMA CORPORATION	MD	1/ 3/94			
D8CAL2-03-0129-4100158	PACIFIC ENVIRONMENTAL SERVIC	VA	1/ 3/94			
D8EML3-03-0300-4100159	PACIFIC ENVIRONMENTAL	VA	1/ 3/94			
D8BML3-03-0145-4100160	LABAT-ANDERSON	VA	1/ 3/94			
D8BML4-03-0147-4100161	ENVIRONMENTAL TECHNOLOGY INC	VA	1/ 3/94			
D8BML2-03-0388-4100162	FU & ASSOCIATES	MD	1/ 3/94			
D8CAL3-03-0389-4100163	PACIFIC ENVIRONMENTAL SERV.	VA	1/ 3/94			
D8AML3-03-0446-4100174	KENNEDY KRIEGER RESEARCH IN.	MD	1/12/94			
D8AWL3-03-0392-4100175	ISSI, INC.	VA	1/12/94			
P8BML2-03-0507-4100168	ASCI CORPORATION	VA	1/ 5/94			
P8EMN2-03-0509-4300022	ASCI	VA	1/11/94			
TOTAL OF REGION 03 = 53						
E8AML3-22-0445-4100037	ASCI C300378T1		10/21/93			
E8AZN3-22-0435-4300004	ICF-DERPO192DP70067	VA	10/15/93			
TOTAL OF REGION 22 = 2						
D8BML4-04-0024-4100006	J. A. JONES MGMT SERVICES	NC	10/ 7/93			
D8AML3-04-0342-4100007	KBN ENGINEERING	FL	10/ 7/93			
D8BML4-04-0029-4100015	ENVIRONMENTAL SCI & ENG	FL	10/14/93			
D8CML3-04-0347-4100047	INTEGRATED LABORATORIES	NC	10/26/93			
D8CML3-04-0323-4100050	GENERAL OFFSHORE CORP.	FL	10/29/93			
D8EML3-04-0321-4100060	MANTECH ENVIRON RESEARCH	NC	11/ 4/93			
D8CML4-04-0025-4100102	ENTROPY ENVIRONMENTALISTS	NC	12/ 2/93			
D8AML4-04-0058-4100170	MANTECH ENVIRON RESEARCH	NC	1/ 7/94			
D8CML4-04-0027-4100177	MANTECH TECHNOLOGY	NC	1/24/94			
D8CML4-04-0028-4100178	MANTECH TECHNOLOGY	NC	1/24/94			
D8EML4-04-0122-4100197	ADVANCED SYSTEMS TECHNOLOGY	GA	3/ 2/94			
D8EML4-04-0121-4100199	OAK RIDGE RESEARCH INSTITUTETN		3/ 2/94			
D8BML4-04-0120-4100200	ENTROPY ENVIRONMENTALISTS	NC	3/ 2/94			
E8AZN4-04-0134-4300031	WESTINGHOUSE REMEDIATION SVC	GA	3/23/94			
E8AZP4-04-0042-4400007	WESTINGHOUSE	GA	11/22/93			
H8AML3-04-0298-4100018	RTI	NC	10/15/93			
TOTAL OF REGION 04 = 16						
D8AML3-05-0349-4100012	AUTO TESTING LAB	OH	10/13/93			
D8AML3-05-0339-4100035	FEV ENG TECH	MI	10/21/93			
D8AML3-05-0338-4100036	FEV ENG TECH	MI	10/21/93			
D8CML4-05-0063-4100061	BATTELLE	OH	11/ 4/93			
D8AML3-05-0366-4100062	SYSTEMS CONTROL	IL	11/ 4/93			
D8CML4-05-0069-4100075	ELECTROCOM GARD FY 91	IL	11/18/93			
D8CML4-05-0068-4100076	ELECTROCOM GARD FY 90	IL	11/18/93			
D8AML4-05-0047-4100133	SKIDMORE O&M	DC	12/20/93			
D8CML3-05-0230-4100152	BABCOCK & WILCOX FY 89	OH	12/29/93			
D8AML4-05-0114-4100208	BATTELLE	OH	3/10/94			
D8CML3-05-0328-4100211	BATTELLE FY 92	OH	3/16/94			
E8AZP4-05-0146-4400033	PRC EMI (USA)	IL	3/ 1/94			
E8EZP4-05-0071-4400041	PRC EMI (BILLING REVIEW)	IL	3/23/94			
E8AZP4-05-0186-4400044	PRC EMI DACA83-93-C-0001 01	IL	3/25/94			
TOTAL OF REGION 05 = 14						

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			Ineligible Costs	Unsupported Costs	Unnecessary/ Unreasonable Costs	
E8BZP3-23-0007-4400021	OHM REM (IT JV)	OH	1/21/94			
E8BZP3-23-0007-4400022	OHM REM (IT JV)	OH	1/21/94			
TOTAL OF REGION 23 = 2						
D8AML3-06-0185-4100039	AUTOMATION IMAGE	TX	10/21/93			
D8CML3-06-0203-4100088	RADIAN CORPORATION	TX	11/22/93			
D8AML4-06-0039-4100101	FTN ASSOCIATES LTD	TX	12/ 2/93			
D8CML4-06-0032-4100110	RADIAN CORPORATION	TX	12/ 7/93			
D8CML4-06-0029-4100129	RADIAN CORPORATION	TX	12/15/93			
D8CML4-06-0031-4100169	RADIAN CORPORATION	TX	1/ 7/94			
D8EML4-06-0070-4100183	LEE WILSON & ASSOCIATES	NM	2/15/94			
D8AML4-06-0065-4100198	LOCKHEED ENVIRONMENTAL	TX	3/ 2/94			
TOTAL OF REGION 06 = 8						
D8CAL4-07-0012-4100204	MIDWEST RESEARCH INSTITUTE	MO	3/ 4/94			
TOTAL OF REGION 07 = 1						
D8APL3-09-0260-4100020	ACUREX PA	CA	10/15/93			
D8CML3-09-0145-4100034	KVB FC	CA	10/20/93			
D8CML4-09-0060-4100100	RI FC	CA	11/30/93			
D8CML4-09-0022-4100125	EERC FC	CA	12/10/93			
D8CML4-09-0023-4100126	EERC FC	CA	12/10/93			
D8CML4-09-0021-4100143	RI FC	CA	12/22/93			
D8CBL4-09-0020-4100145	RI FC	CA	12/22/93			
D8CML4-09-0019-4100147	RI FC	CA	12/22/93			
D8CWL3-09-0239-4100176	TETRA FC	CA	1/19/94			
D8BML4-09-0044-4100182	ACUREX CI 1990	CA	2/10/94			
D8BML2-09-0219-4100184	ACUREX OH & DC FY'91	CA	2/15/94			
D8BML3-09-0109-4100185	ACUREX OH & DC FY'92	CA	2/15/94			
D8CBL4-09-0089-4100186	RI FC	CA	2/16/94			
D8CML4-09-0062-4100187	S-CUBED FC	CA	2/17/94			
D8CBL4-09-0117-4100206	RI-ROCKETDYNE FC	CA	3/ 8/94			
D8ABL4-09-0093-4100207	JACOBS PA	CA	3/ 8/94			
D8BML2-09-0159-4100215	ES CI 1989	CA	3/22/94			
D8CWL4-09-0078-4100238	SAIC FC	CA	3/31/94			
D8EMN4-09-0032-4300002	OGDEN FL	CA	10/14/93			
D8EMN4-09-0033-4300003	CET FL	CA	10/14/93			
D8AMN4-09-0088-4300028	SAIC PA	CA	2/16/94			
D8EMP4-09-0037-4400012	ACUREX CAS	CA	12/14/93			
D8EMP4-09-0076-4400016	EERC MS	CA	12/22/93			
TOTAL OF REGION 09 = 23						
D8EMP3-10-0113-4400010	CH2M REV CAS STMT 6/3/93	OR	12/ 3/93			
D8FMP4-10-0020-4400030	CH2M CAS 11/1/93	OR	2/23/94			
E8ABL3-10-0147-4100046	ECOLOGICAL PLANNING & TOXIC	OR	10/26/93			
TOTAL OF REGION 10 = 3						
TOTAL OTHER CONTRACT ASSIGNMENTS			= 150	1,063,383	0	0 4,145,833
9. SUPERFUND CONTRACT ASSIGNMENTS						
D9AFN3-01-0275-4300008	INDUSTRIAL ECONOMICS	MA	11/15/93			
P9DGL2-01-0247-4100227	ALLIANCE TECH. CORP.	MA	3/29/94			
TOTAL OF REGION 01 = 2						
P9EGP1-02-0157-4400031	ECOLOGY & ENVIRONMENT	NY	2/24/94			
TOTAL OF REGION 02 = 1						
D9AKL3-03-0292-4100024	BOOZ ALLEN & HAMILTON	MD	10/19/93			
D9AKL3-03-0375-4100027	SCICOMM INC.	MD	10/19/93			
D9AKL3-03-0380-4100028	PEER CONSULTANTS	MD	10/19/93			
D9AJL3-03-0441-4100064	HYDROGEOLOGIC INC.	VA	11/ 9/93			
D9EFL3-03-0074-4100065	ROY F WESTON	PA	11/15/93			
D9EFL3-03-0186-4100066	ROY F. WESTON	PA	11/15/93			
D9EFL3-03-0184-4100067	ROY F. WESTON	PA	11/15/93			
D9EFL3-03-0185-4100068	ROY F. WESTON	PA	11/15/93			
D9EFL3-03-0187-4100069	ROY F. WESTON	PA	11/15/93			
D9EFL3-03-0183-4100070	ROY F. WESTON	PA	11/15/93			
D9BFL2-03-0275-4100071	ROY F WESTON	PA	11/15/93			
D9EFL3-03-0188-4100072	ROY F. WESTON	PA	11/15/93			
D9EFL2-03-0098-4100073	ROY F WESTON	PA	11/15/93			
D9EFL2-03-0100-4100074	ROY F WESTON	PA	11/15/93			
D9EFL3-03-0128-4100077	ROY F WESTON	PA	11/19/93			
D9DFL2-03-0398-4100078	ROY F WESTON	PA	11/19/93			
D9EFL3-03-0143-4100080	ROY F. WESTON	PA	11/19/93			
D9EFL3-03-0296-4100081	ROY F. WESTON	PA	11/19/93			
D9EFL2-03-0099-4100082	ROY F WESTON	PA	11/19/93			
D9BFL2-03-0146-4100083	ROY F WESTON	PA	11/19/93			
D9EFL2-03-0135-4100084	ROY F WESTON	PA	11/19/93			
D9BFL2-03-0272-4100085	ROY F WESTON	PA	11/19/93			
D9BFL2-03-0274-4100086	ROY F WESTON	PA	11/19/93			
D9EFL3-03-0182-4100087	ROY F. WESTON	PA	11/19/93			
D9BFL4-03-0104-4100090	ROY F. WESTON	PA	11/24/93			

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			Ineligible Costs	Unsupported Costs	Unnecessary/ Unreasonable Costs	
D9EKL4-03-0106-4100091	ROY F. WESTON	PA	11/24/93			
D9CKL4-03-0105-4100092	ROY F. WESTON	PA	11/24/93			
D9BKL4-03-0109-4100094	ROY F. WESTON	PA	11/30/93			
D9BFL3-03-0302-4100106	ARTHUR YOUNG AND COMPANY	DC	12/ 6/93			
D9EFL3-03-0175-4100116	TECHLAW, INC.	VA	12/ 8/93			
D9BFL3-03-0319-4100130	BOOZ ALLEN HAMILTON	VA	12/17/93			
D9EFL3-03-0367-4100131	VIAR	VA	12/17/93			
D9EFL3-03-0054-4100134	CHEMICAL WASTE MGT. INC.	WV	12/21/93			
D9BFL2-03-0203-4100136	GENERAL SCIENCES CORPORATION	MD	12/21/93			
D9EFL3-03-0138-4100138	VIAR	VA	12/21/93			
D9EFL4-03-0102-4100140	RESOURCE APPLICATION, INC.	VA	12/21/93			
D9EFL3-03-0295-4100144	ROY F. WESTON	PA	12/22/93			
D9BFL2-03-0235-4100146	UNISYS	VA	12/22/93			
D9BFL2-03-0460-4100156	LAWRENCE JOHNSON & ASSOCIATE	MD	1/ 3/94			
D9EFL4-03-0150-4100173	VIAR	VA	1/10/94			
D9CKL2-03-0316-4100228	VIAR	VA	3/30/94			
P9DFN3-03-0126-4300021	GUARDIAN	DE	1/ 5/94			
TOTAL OF REGION 03 = 42						
D9AKL3-04-0312-4100011	KIBER ENVIRONMENTAL	GA	10/13/93			
D9DKL4-04-0038-4100041	INSTITUTE TECH. DEVELOPMENT	MS	10/22/93			
D9DKL4-04-0039-4100042	INSTITUTE TECH. DEVELOPMENT	MS	10/22/93			
D9DKL4-04-0040-4100043	INSTITUTE TECH DEVELOP.	MS	10/22/93			
D9DKL4-04-0041-4100044	INSTITUTE TECH. DEVELOPMENT	MS	10/22/93			
D9AKL4-04-0117-4100235	MANTECH RESEARCH	NC	3/31/94			
TOTAL OF REGION 04 = 6						
D9AKL3-05-0330-4100009	PSARA TECH	OH	10/12/93			
D9AKL3-05-0333-4100010	RE WARNER	OH	10/12/93			
D9AFL3-05-0362-4100172	BATTELLE	OH	1/10/94			
E9EKL3-05-0174-4100210	PRC EMI S/S	IL	3/18/94			
TOTAL OF REGION 05 = 4						
E9AKP3-23-0013-4400004	OHM REM RREL-CI	OH	10/15/93			
E9EHP3-23-0004-4400008	OHM REM FAR NC	OH	12/ 3/93			
E9EHP3-23-0008-4400027	OHM REM D/S A1	OH	2/ 4/94			
E9EHP3-23-0008-4400028	OHM REM D/S A1	OH	2/ 4/94			
P9AHP2-23-0022-4400001	OHM REM ERCS2 Z2 FY 90 EQ	OH	10/ 1/93			
P9AHP2-23-0021-4400002	OHM REM ERCS2 Z1 FY 90 EQ	OH	10/ 7/93			
P9BHP2-23-0405-4400003	OHM REM ERCS2 Z2 FY 91	OH	10/13/93			
P9DGP3-23-0287-4400034	DONOHUE FY 91	WI	3/ 4/94			
P9BGP3-23-0309-4400035	DONOHUE FY 88-91	WI	3/ 4/94			
P9BGP3-23-0309-4400036	DONOHUE FY 88-91	WI	3/ 4/94			
P9BGP3-23-0133-4400039	WW ENG ARCS1 FY 92	MI	3/18/94			
P9DGP3-23-0132-4400040	WW ENG ARCS1 FY 92	MI	3/18/94			
TOTAL OF REGION 23 = 12						
D9AKL3-06-0153-4100049	LOCKHEED ENV. SYSTEMS	TX	10/27/93			
D9AKL4-06-0072-4100220	LOCKHEED ENVIRONMENTAL	TX	3/24/94			
TOTAL OF REGION 06 = 2						
D9BJL3-07-0144-4100045	DPRA	KS	10/25/93			
TOTAL OF REGION 07 = 1						
D9AGL3-09-0226-4100013	ENERGY & ENVL RESEARCH PA	CA	10/13/93			
D9AGL3-09-0227-4100014	SAIC P.A.	CA	10/13/93			
D9BGL4-09-0031-4100016	MWA CI FY'89	CA	10/14/93			
D9BGL4-09-0035-4100019	MWA CI GY'90	CA	10/15/93			
D9BGL2-09-0223-4100021	BECHTEL C I FY'90	CA	10/18/93			
D9BGL4-09-0036-4100031	AEROSPACE CI FY'91	CA	10/19/93			
D9BGL2-09-0217-4100032	EERC CI FY'90	CA	10/19/93			
D9BGL2-09-0218-4100033	EERC CI FY'91	CA	10/19/93			
D9AGL3-09-0250-4100040	IT P.A.	CA	10/21/93			
TOTAL OF REGION 09 = 9						
D9AGL3-10-0119-4100038	CFS P.A.	ID	10/21/93			
D9AGL3-10-0033-4100142	CH2M LAB RATES CATALOG PRICEOR		12/21/93			
D9BHP3-10-0093-4400019	CET IN	WA	1/19/94			
E9EGP3-10-0111-4400013	RES REVISED CAS STMT	OR	12/20/93			
P9EGL0-10-0037-4100219	SUPERFUND BILLING SYSTEM	OR	3/23/94			
P9FGL2-10-0123-4100222	RES BILLING SYSTEM	OR	3/25/94			
P9AGL2-10-0089-4100225	CH2M ARCS IV TERM STLMT	OR	3/28/94			
P9CGL2-10-0127-4100226	CH2M REGION IV ARCS	OR	3/29/94			
TOTAL OF REGION 10 = 8						
TOTAL SUPERFUND CONTRACT ASSIGNMENTS			= 87	790,058	1,293,062	0 3,905,389
TOTAL AUDITS = 730				36,694,946	32,165,842	1,328,477 8,051,222

Appendix 2 -- Reports Issued Without Management Decision

THE INSPECTOR GENERAL ACT REQUIRES A SUMMARY OF EACH REPORT ISSUED BEFORE THE COMMENCEMENT OF THE REPORTING PERIOD FOR WHICH NO MANAGEMENT DECISION HAS BEEN MADE BY THE END OF THE REPORTING PERIOD (INCLUDING THE DATE AND TITLE OF EACH SUCH REPORT), AN EXPLANATION OF THE REASONS SUCH MANAGEMENT DECISION HAS NOT BEEN MADE, AND A STATEMENT CONCERNING THE DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION ON EACH SUCH REPORT. (The IG provides the summary, the date and title of each such report. The Agency provides the explanation of the reasons why such management decision has not been made, and a statement concerning the desired timetable for achieving a management decision on each such report.)

IG Followup Status Codes of Agency's Response at 9/30/93:

1. No Response
2. Incomplete Response Received
3. Proposed Response Received Awaiting Final Determination
4. Proposed Response Received in Review Process
5. Final Response Received in Review Process
6. Resolution Under Negotiation in Headquarters

Assignment Control Number	Title	Final Report Issued
<u>Assistant Administrator for Air and Radiation</u>		
E1KAF1-03-0329-3100384	OZONE PROTECTION PROGRAM	9/24/93
Summary: EPA NEEDS BETTER CONTROL OVER THE PRODUCTION OF CARBON TETRACHLORIDE AND INTERNATIONAL TRADES OF CFC PRODUCTION ALLOWANCES. ALSO, EPA NEEDS TO DEVELOP A SYSTEM FOR MONITORING THE EXPORT OF OZONE DEPLETING CHEMICALS.		

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE STRATOSPHERIC PROTECTION DIVISION HAS REQUESTED ASSISTANCE BUT HAS NOT BEEN ABLE TO UTILIZE CUSTOMS BUREAU DATA REGARDING EXPORTS AND IMPORTS. EPA INTENDS TO USE CENSUS BUREAU DATA BY MAY 15, 1994.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION IS EXPECTED BY MAY 15, 1994.

IG FOLLOWUP STATUS AS OF 3/31/94 [1] A management decision was received and this report was closed on April 14, 1994

Deputy Administrator

E6EMG3-13-2055-3400094	OCEM	9/29/93
Summary: THE OFFICE OF COOPERATIVE ENVIRONMENTAL MANAGEMENT, WHICH PROVIDES SUPPORT TO AN EPA FEDERAL ADVISORY COMMITTEE, INAPPROPRIATELY OBTAINED AND IMPROPERLY USED INTERGOVERNMENTAL PERSONNEL ACT ASSIGNMENTS, COOPERATIVE AGREEMENTS, INTERAGENCY AGREEMENTS, AND CONSULTANTS.		

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG AND MANAGEMENT REACHED RESOLUTION ON THIS AUDIT APRIL 5, 1994.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION:

IG FOLLOWUP STATUS AS OF 3/31/94 [1]

Grants Administration Division

N3HVJ3-10-0109-3501001	IDAHO DEPT OF LABOR & IND SVID	9/30/93
*Summary:		

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE RECEIVED THIS AUDIT REPORT FROM REGION 10 IN JANUARY 1994. THE OFFICE HAS REVIEWED THE AUDIT REPORT AND IS DRAFTING A LETTER TO THE RECIPIENT.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY JUNE 30, 1994.

IG FOLLOWUP STATUS AS OF 3/31/94 [1]

Assignment Control Number	Title	Final Report Issued
M5BFL2-11-0025-3100040	SF- IAG FY90 DOT-COAST GUARD DC	12/ 1/92
*Summary:		

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE IS AWAITING ORGANIZATIONAL AND COAST GUARD COMMENTS REGARDING AUDIT FINDINGS. THE OFFICE CONTINUES TO WORK WITH THE OIG ON RESOLUTION OF AUDIT FINDINGS.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY JULY 29, 1994.

IG FOLLOWUP STATUS AS OF 3/31/94 [1]

M5BFL3-11-0014-3100046	SF IAG DOI USGS	12/ 3/92
*Summary:		

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE IS WORKING WITH THE EPA OIG AND DEPARTMENT OF INTERIOR (DOI) OIG TO RESOLVE AUDIT ISSUES.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY JULY 31, 1994.

IG FOLLOWUP STATUS AS OF 3/31/94 [1]

M5BFL2-11-0045-3100059	SF- IAG FY91 DOI	1/ 4/93
*Summary:		

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE IS WORKING WITH THE EPA OIG AND DEPARTMENT OF INTERIOR (DOI) OIG TO RESOLVE AUDIT ISSUES.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY JULY 31, 1994.

IG FOLLOWUP STATUS AS OF 3/31/94 [1]

M5BFL2-11-0045-3100158	SF- IAG FY91 DOI	3/31/93
*Summary:		

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE IS WORKING WITH THE EPA OIG AND DEPARTMENT OF INTERIOR (DOI) OIG TO RESOLVE AUDIT ISSUES.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY JULY 31, 1994.

IG FOLLOWUP STATUS AS OF 3/31/94 [1]

Assignment Control Number	Title	Final Report Issued
<u>Office of Acquisition Management (OAM)</u>		
P9BGL2-04-0046-3100015	WESTINGHOUSE HAZTECH	GA 10/28/92
Summary: COSTS QUESTIONED AS INELIGIBLE REPRESENTS THE APPLICATION OF THE INCORRECT GENERAL AND ADMINISTRATIVE RATE. UNSUPPORTED COSTS WERE FOR MATERIALS BILLED AT A FIXED-RATE NOT PROVIDED FOR IN THE CONTRACT AND NO OTHER DOCUMENTATION WAS ALLOWABLE TO SUPPORT UNIT PRICE USED.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG IS CURRENTLY REVIEWING THE CONTRACTOR'S ADDITIONAL SUPPORTING DOCUMENTATION FOR FIXED RATE MATERIALS.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
<u>OAM Contracts Management Division - Cincinnati</u>		
D9AKL3-02-0245-3100387	FOSTER WHEELER US CORP.	NJ 9/24/93
Summary: (PREAWARD AUDIT UNDER NEGOTIATION)		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE MANAGEMENT DECISION TO DETERMINE THE SUCCESSFUL BIDDER IS SCHEDULED FROM APRIL 15, 1994.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY APRIL 22, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
D8AML3-06-0152-3100313	TECHNICIAN'S CO.	TX 8/13/93
Summary: (PREAWARD AUDIT UNDER NEGOTIATION)		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE MANAGEMENT DECISION TO DETERMINE THE SUCCESSFUL BIDDER IS SCHEDULED FROM APRIL 25, 1994.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY MAY 6, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
<u>OAM Contracts Management Division - Research Triangle Park</u>		
D8CPL2-03-0432-2100620	MIRANDA ASSOCIATES INC	DC 9/16/92
Summary: DCAA QUESTIONED \$278,979 DUE TO 1) THE LIMITATIONS OF FUNDS CLAUSE, 2) OVERSTATED OVERHEAD COSTS, AND 3) A COMPUTATIONAL ERROR.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE IS UNDER NEGOTIATION WITH THE CONTRACTOR REGARDING QUESTIONED COST AND FIXED FEE EARNED (LEVEL OF EFFORT PROVIDED). THE OFFICE HAS ALSO REQUESTED A LEGAL REVIEW OF THE FILE.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY JULY 1, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
D8AML3-03-0336-3100327	WESTAT	MD 8/25/93
Summary: (PREAWARD AUDIT UNDER NEGOTIATION)		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE IS REVIEWING THE PREAWARD PROPOSALS. THE OFFICE HAS NOT YET ESTABLISHED THE COMPETITIVE RANGE.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: AWARD IS EXPECTED BY AUGUST 15, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
D8AML3-03-0309-3100342	BOOZ ALLEN HAMILTON	MD 8/26/93
Summary: (PREAWARD AUDIT UNDER NEGOTIATION)		

Assignment Control Number	Title	Final Report Issued
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE RECENTLY COMPLETED PREAWARD NEGOTIATIONS. THE FILE IS IN THE REVIEW PROCESS.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: AWARD IS EXPECTED BY APRIL 15, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
D8AML3-03-0310-3100345	TECHNICAL RESOURCES, INC.	MD 8/26/93
Summary: (PREAWARD AUDIT UNDER NEGOTIATION)		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE RECENTLY COMPLETED PREAWARD NEGOTIATIONS. THE FILE IS IN THE REVIEW PROCESS.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: AWARD IS EXPECTED BY APRIL 15, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
P9AKN3-03-0067-3300045	ICF-INC.	VA 5/21/93
Summary: (PREAWARD AUDIT UNDER NEGOTIATION)		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THIS REPORT PROVIDED COMMENTS ON THE PROPOSED COST EFFECTS OF A CHANGE IN THE CONTRACT SCOPE OF WORK (ADDITIONS AND DELETIONS). A REVISED PROPOSAL WAS SUBMITTED IN JANUARY 1994. NEGOTIATIONS BEGAN ON MARCH 24, 1994.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY MAY 31, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
D8BML3-04-0272-3100202	INTEGRATED LABORATORY SYSTEMNC	6/ 2/93
*Summary:		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE IS REQUESTING THE CONTRACTOR TO PROVIDE A CREDIT VOUCHER AND CHECK FOR THE QUESTIONED AMOUNT OR PROVIDE EVIDENCE OF PRIOR CREDIT ON A PREVIOUS VOUCHER.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY JUNE 1, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
D8BML3-04-0282-3100207	SYSTEMS RESEARCH & DEVELOP.	NC 6/ 4/93
*Summary:		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE IS ATTEMPTING TO RESOLVE, WITH THE CONTRACTOR, THE REPORTED COST QUESTIONED ON TWO CONTRACTS DURING CALENDAR YEAR 1988.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY JUNE 1, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94 [2]		
D8CML3-04-0247-3100249	MANTECH	NC 6/18/93
*Summary:		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE IS DISCUSSING, WITH THE CONTRACTOR, THE REPORTED COST OVERRUN.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY JUNE 1, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
D8CML3-04-0261-3100310	MANTECH	NC 8/12/93
*Summary:		

Assignment Control Number	Title	Final Report Issued	Assignment Control Number	Title	Final Report Issued
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE IS DISCUSSING, WITH THE CONTRACTOR, THE REPORTED COST OVERRUN.			P8CMP2-23-0183-3400073	PEI ASSOC	OH 8/27/93
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY JUNE 1, 1994.			Summary: INADEQUATE ACCOUNTING SYSTEM RESULTED IN COST QUESTIONED INELIGIBLE OF \$381. WE ALSO QUESTIONED \$70 OF INELIGIBLE INDIRECT COSTS CLAIMED.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE HAS ADVISED THE CONTRACTOR OF COSTS QUESTIONED. THE CONTRACTOR HAS 30 DAYS TO RESPOND OR PROVIDE SUPPORTING DOCUMENTATION. THE CONTRACTING OFFICER DECISION WILL BE MADE AFTER CONSIDERATION OF CONTRACTOR RESPONSE.		
D8AML3-04-0299-3100311 ENVIRONMENTAL QUALITY MGMT. TN 8/13/93			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY JUNE 1, 1994.		
Summary: (PREAWARD AUDIT UNDER NEGOTIATION)			IG FOLLOWUP STATUS AS OF 3/31/94 [3]		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE IS REVIEWING THE PREAWARD PROPOSALS. THE OFFICE HAS NOT YET ESTABLISHED THE COMPETITIVE RANGE.			P8CMP2-23-0181-3400074	PEI ASSOC	OH 8/27/93
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: AWARD IS EXPECTED BY AUGUST 15, 1994.			Summary: QUESTIONED UNSUPPORTED LABOR AND TRAVEL OF \$40,498 DUE TO MISSING DOCUMENTATION. WE ALSO QUESTIONED AS INELIGIBLE \$254 DUE TO LACK OF SUPPORT FOR INTERCOMPANY TRANSACTIONS.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE HAS ADVISED THE CONTRACTOR OF COSTS QUESTIONED. THE CONTRACTOR HAS 30 DAYS TO RESPOND OR PROVIDE SUPPORTING DOCUMENTATION. THE CONTRACTING OFFICER DECISION WILL BE MADE AFTER CONSIDERATION OF CONTRACTOR RESPONSE.		
D8CML3-04-0288-3100380 RESEARCH & EVALUATION ASSOC.NC 9/20/93			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY SEPTEMBER 30, 1994.		
*Summary:			IG FOLLOWUP STATUS AS OF 3/31/94 [3]		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE IS HOLDING DISCUSSIONS WITH THE CONTRACTOR TO RESOLVE THE REPORTED COSTS QUESTIONED.			P8CMP2-23-0177-3400077	PEI ASSOC	OH 9/ 1/93
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY MAY 1, 1994.			Summary: INADEQUATE ACCOUNTING SYSTEM RESULTED IN COST QUESTIONED INELIGIBLE OF \$20,359. MISSING DOCUMENTATION RESULTED IN \$1,863,579 OF UNSUPPORTED COSTS. WE ALSO QUESTIONED \$1,992 AS INELIGIBLE DUE TO LACK OF SUPPORT FOR INTERCOMPANY TRANSACTIONS.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE HAS ADVISED THE CONTRACTOR OF COSTS QUESTIONED. THE CONTRACTOR HAS 30 DAYS TO RESPOND OR PROVIDE SUPPORTING DOCUMENTATION. THE CONTRACTING OFFICER DECISION WILL BE MADE AFTER CONSIDERATION OF CONTRACTOR RESPONSE.		
D8AML3-23-0283-3100308 EQM (AIR) OH 8/10/93			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY SEPTEMBER 30, 1994.		
Summary: (PREAWARD AUDIT UNDER NEGOTIATION)			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE COMPLETED PREAWARD NEGOTIATIONS ON MARCH 14, 1994. THE FILE IS IN THE REVIEW PROCESS.			P8CMP2-23-0179-3400082	PEI ASSOC	OH 9/ 3/93
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: AWARD IS EXPECTED BY APRIL 15, 1994.			Summary: INADEQUATE ACCOUNTING SYSTEM RESULTED IN COST QUESTIONED INELIGIBLE OF \$35,443. MISSING DOCUMENTATION RESULTED IN UNSUPPORTED COSTS OF \$512,794.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE HAS ADVISED THE CONTRACTOR OF COSTS QUESTIONED. THE CONTRACTOR HAS 30 DAYS TO RESPOND OR PROVIDE SUPPORTING DOCUMENTATION. THE CONTRACTING OFFICER DECISION WILL BE MADE AFTER CONSIDERATION OF CONTRACTOR RESPONSE.		
P8CMP2-23-0180-3400071	PEI ASSOC	OH 8/25/93	= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY SEPTEMBER 30, 1994.		
Summary: UNSUPPORTED LABOR AND TRAVEL COSTS OF \$332,746 WERE QUESTIONED DUE TO INADEQUATE DOCUMENTATION. WE ALSO QUESTIONED AS INELIGIBLE \$513 BECAUSE OF LACK OF SUPPORT FOR INTER-COMPANY STRANSACTIONS.			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE HAS ADVISED THE CONTRACTOR OF COSTS QUESTIONED. THE CONTRACTOR HAS 30 DAYS TO RESPOND OR PROVIDE SUPPORTING DOCUMENTATION. THE CONTRACTING OFFICER DECISION WILL BE MADE AFTER CONSIDERATION OF CONTRACTOR RESPONSE.			P8CMP2-23-0176-3400072	PEI ASSOC	OH 8/26/93
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY SEPTEMBER 30, 1994.			Summary: WE QUESTIONED \$839,416 OF LABOR AND TRAVEL COSTS THAT COULD NOT BE SUPPORTED BY ADEQUATE DOCUMENTATION.		
IG FOLLOWUP STATUS AS OF 3/31/94 [3]			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE HAS ADVISED THE CONTRACTOR OF COSTS QUESTIONED. THE CONTRACTOR HAS 30 DAYS TO RESPOND OR PROVIDE SUPPORTING DOCUMENTATION. THE CONTRACTING OFFICER DECISION WILL BE MADE AFTER CONSIDERATION OF CONTRACTOR RESPONSE.		
P8CMP2-23-0176-3400072	PEI ASSOC	OH 8/26/93	= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY SEPTEMBER 30, 1994.		
Summary: WE QUESTIONED \$839,416 OF LABOR AND TRAVEL COSTS THAT COULD NOT BE SUPPORTED BY ADEQUATE DOCUMENTATION.			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OFFICE HAS ADVISED THE CONTRACTOR OF COSTS QUESTIONED. THE CONTRACTOR HAS 30 DAYS TO RESPOND OR PROVIDE SUPPORTING DOCUMENTATION. THE CONTRACTING OFFICER DECISION WILL BE MADE AFTER CONSIDERATION OF CONTRACTOR RESPONSE.			OAM Cost Advisory and Financial Analysis Division Cost Review and Rate Negotiation Branch		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY SEPTEMBER 30, 1994.			D8DML2-02-0121-2100404	MALCOLM PIRNIE INC	NY 6/10/92
IG FOLLOWUP STATUS AS OF 3/31/94 [3]			*Summary:		
			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE DEPARTMENT OF LABOR'S LABOR PRACTICE SUIT HAS BEEN RESOLVED. EPA EXPECTS DCAA TO ISSUE A SUPPLEMENTAL AUDIT BY APRIL 29, 1994.		
			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY JUNE 30, 1994.		

Assignment Control Number	Title	Final Report Issued
IG FOLLOWUP STATUS AS OF	3/31/94	[2]
D8DML2-02-0122-2100405	MALCOLM PIRNIE INC	NY 6/10/92
*Summary:		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE DEPARTMENT OF LABOR'S LABOR PRACTICE SUIT HAS BEEN RESOLVED. EPA EXPECTS DCAA TO ISSUE A SUPPLEMENTAL AUDIT BY APRIL 29, 1994.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY JUNE 30, 1994.		
IG FOLLOWUP STATUS AS OF	3/31/94	[2]
D9BKL3-04-0034-3100010	EHRT	KY 10/ 9/92
*Summary:		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG RECOMMENDED THAT THE COST POLICY AND RATE NEGOTIATION BRANCH USE ITS DISCRETION IN NEGOTIATING THE COSTS OF RECENT INVESTIGATORY FINDINGS. THE OFFICE ELECTED TO SUSPEND NEGOTIATIONS.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION DATE CANNOT BE DETERMINED AT THIS TIME.		
IG FOLLOWUP STATUS AS OF	3/31/94	[1]
P9DGL1-05-0123-3100184	DONOHUE ARCS1 FY 88/89	WI 5/12/93
Summary: THE CONTRACTOR DISAGREED WITH QUESTIONING (1) UNSUPPORTED AIRCRAFT COSTS AND (2) COMPUTER COSTS RELATED TO DIRECT COMPUTATIONS.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: NEGOTIATIONS ARE SUSPENDED PENDING RESOLUTION OF A POST AUDIT ISSUE RAISED BY THE OIG. THE OFFICE HAS REQUESTED AUDIT ASSISTANCE FROM THE OIG.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION IS EXPECTED TWO WEEKS AFTER RECEIPT OF THE REPORT ON THE POST AUDIT ISSUE INVOLVING THE RENTAL AGREEMENT.		
IG FOLLOWUP STATUS AS OF	3/31/94	[3]
D8BML3-09-0185-3100206	ECOS, INC	CA 6/ 3/93
Summary: \$152,018 OF OVERHEAD AND G&A COSTS DISAPPROVED BASED ON CONTRACT PROVISIONS. ALSO, THE CONTRACTOR'S INTERNAL CONTROLS ARE NOT ADEQUATE TO INSURE PROPER ALLOCATION OF COSTS.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: NEGOTIATIONS IN PROCESS.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION OR RATE AGREEMENT BY APRIL 30, 1994.		
IG FOLLOWUP STATUS AS OF	3/31/94	[1]
D8BML3-09-0193-3100229	ECOS, INC	CA 6/15/93
Summary: THE AUDIT DETERMINED RATES ARE BASED ON ON-SITE AND OFF-SITE EXPENSES FOR ONE OF THE FACILITIES, INSTEAD OF ONE COMPANY-WIDE OVERHEAD POOL. ALSO, THE CONTRACTOR'S INTERNAL CONTROLS ARE NOT ADEQUATE FOR PROPER ALLOCATION OF COSTS.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: NEGOTIATIONS IN PROCESS.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION OR RATE AGREEMENT BY APRIL 30, 1994.		
IG FOLLOWUP STATUS AS OF	3/31/94	[1]
D8BML3-09-0194-3100230	ECOS, INC.	CA 6/15/93
Summary: THE AUDIT DETERMINED RATES ARE BASED ON ON-SITE AND OFF-SITE EXPENSES, RATHER THAN ONE COMPANY WIDE OVERHEAD POOL. ALSO, THE CONTRACTOR'S INTERNAL CONTROLS ARE NOT ADEQUATE FOR PROPER ALLOCATION OF COSTS.		

Assignment Control Number	Title	Final Report Issued
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: NEGOTIATIONS IN PROCESS.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION OR RATE AGREEMENT BY APRIL 30, 1994.		
IG FOLLOWUP STATUS AS OF	3/31/94	[1]
P9DHL9-10-0110-1100108	RES FY86 INDIRECT COSTS	OR 1/24/91
*Summary:		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG REQUESTED THAT, WHILE THE CONTRACTOR IS BEING INVESTIGATED, THE OFFICE SUSPEND NEGOTIATIONS. THE DEPARTMENT OF JUSTICE IS TAKING ACTION AGAINST THE CONTRACTOR.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION WILL OCCUR ONCE A SETTLEMENT HAS BEEN REACHED.		
IG FOLLOWUP STATUS AS OF	3/31/94	[1]
P9DHL0-10-0096-2100304	RES 87 OH	OR 3/31/92
*Summary:		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG REQUESTED THAT, WHILE THE CONTRACTOR IS BEING INVESTIGATED, THE OFFICE SUSPEND NEGOTIATIONS. THE DEPARTMENT OF JUSTICE IS TAKING ACTION AGAINST THE CONTRACTOR.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION WILL OCCUR ONCE A SETTLEMENT HAS BEEN REACHED.		
IG FOLLOWUP STATUS AS OF	3/31/94	[1]
P9DHL9-10-0148-2100642	RES 88 OH	OR 9/28/92
Summary: RES INELIGIBLE COSTS IN ITS PROPOSED 1988 FINAL INDIRECT COST RATES. AS A RESULT RES MAY HAVE BEEN REIMBURSED FOR UNALLOWABLE COSTS UNDER EPA CONTRACTS.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG REQUESTED THAT, WHILE THE CONTRACTOR IS BEING INVESTIGATED, THE OFFICE SUSPEND NEGOTIATIONS. THE DEPARTMENT OF JUSTICE IS TAKING ACTION AGAINST THE CONTRACTOR.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION WILL OCCUR ONCE A SETTLEMENT HAS BEEN REACHED.		
IG FOLLOWUP STATUS AS OF	3/31/94	[1]
P9DHL1-10-0005-3100147	RES 89 OH	OR 3/29/93
Summary: THE CONTRACTOR INCLUDED INELIGIBLE COSTS IN ITS PROPOSED 1989 FINAL INDIRECT COST RATES. AS A RESULT, THE CONTRACTOR HAS BEEN REIMBURSED FOR UNALLOWABLE COSTS UNDER EPA CONTRACTS. RES REQUESTED PAYMENTS OF OVER \$1 MILLION FOR COSTS THAT SHOULD HAVE BEEN INCLUDED UNDER EPA CONTRACTS.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG REQUESTED THAT, WHILE THE CONTRACTOR IS BEING INVESTIGATED, THE OFFICE SUSPEND NEGOTIATIONS. THE DEPARTMENT OF JUSTICE IS TAKING ACTION AGAINST THE CONTRACTOR.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION WILL OCCUR ONCE A SETTLEMENT HAS BEEN REACHED.		
IG FOLLOWUP STATUS AS OF	3/31/94	[1]
P8DML0-23-0421-2100376	PEI ASSOC FY 90	OH 5/20/92
Summary: THE AUDIT QUESTIONED ABOUT \$100,000 AS INELIGIBLE AND \$248,000 AS UNSUPPORTED. IN ADDITION \$980,000 IS UNAUDITED PENDING RECEIPT OF A REPORT FROM DCAA.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE AUDIT IS INCOMPLETE AS IT DID NOT INCLUDE AN ASSIST AUDIT FOR THE CORPORATE ALLOCATION. FINAL ACTION CANNOT BE TAKEN UNTIL THE CORPORATE ALLOCATION AUDIT IS COMPLETE. PER DCAA, THE AUDIT REPORT WILL BE ISSUED IN JULY 1994.		

Assignment Control Number	Title	Final Report Issued	Assignment Control Number	Title	Final Report Issued
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION:			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE:		
RESOLUTION BY SEPTEMBER 30, 1994.			THE CONTRACTING OFFICER REQUESTED DCAA TO REVIEW THE CONTRACTOR'S		
			RESPONSE ON SEPTEMBER 15, 1993. THE CONTRACTING OFFICER EXPECTS THE		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			DCAA AUDIT REPORT BY JUNE 30, 1994.		
P8BMP1-23-0335-2400073 PEI ASSOC FY 85 OH 9/ 9/92			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION:		
Summary: THE REVIEW FOUND \$224,781 OF INELIGIBLE AND \$195,886 OF			RESOLUTION BY DECEMBER 30, 1994.		
UNSUPPORTED COSTS.					
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
MADE: THE CONTRACTOR OFFICER IS REVIEWING THE QUESTIONED DIRECT					
COSTS. THE QUESTIONED DIRECT COSTS WILL NOT BE RESOLVED UNTIL			P8BMN1-03-0146-2300014 O&R MANAGEMENT CORPORATION MD 11/ 5/91		
CLOSE OUT AUDITS ARE COMPLETE. THE OIG CLOSE OUT AUDITS ARE IN			Summary: WE QUESTIONED \$557,442 OF OTHER DIRECT COSTS. ONE		
PROGRESS.			HUNDRED PERCENT OF THE CONTRACT WAS QUESTIONED BECAUSE O&R DID NOT		
			MAINTAIN RECORDS.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION:			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE		
RESOLUTION DATE CANNOT BE DETERMINED AT THIS TIME.			THE CONTRACTING OFFICER IS WRITING A DECISION ON THE DISALLOWANCE		
			OF COSTS CLAIMED BY THE CONTRACTOR. RESOLUTION HAS BEEN DELAYED		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			DUE TO THE COMPANY NO LONGER BEING IN BUSINESS.		
P8BMP1-23-0339-3400050 PEI ASSOC FY 89 OH 5/13/93			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION:		
Summary: THE QUESTIONED COSTS DO NOT REFLECT AN ADJUSTMENT FOR			RESOLUTION BY SEPTEMBER 30, 1994.		
INDIRECT COSTS. INELIGIBLE COSTS OF \$284,000 ARE DUE TO AN					
INADEQUATE BILLING SYSTEM. UNSUPPORTED COSTS OF \$530,000 WERE DUE			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
TO INTER-COMPANY TRANSFERS.					
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN			D8CML2-09-0319-2100524 GEO RESOURCE CONSULTANTS FN CA 8/12/93		
MADE: THE CONTRACT OFFICER IS REVIEWING THE QUESTIONED DIRECT			*Summary:		
COSTS. THE QUESTIONED DIRECT COST WILL NOT BE RESOLVED UNTIL CLOSE			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE		
OUT AUDITS ARE COMPLETE. THE OIG CLOSE OUT AUDITS ARE IN			THE CONTRACTING OFFICER FORWARDED THE SETTLEMENT POSITION TO THE		
PROGRESS.			CONTRACTOR ON APRIL 30, 1993. NEGOTIATIONS ARE ONGOING WITH		
			CONTRACTOR'S ATTORNEY.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION:			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION:		
RESOLUTION DATE CANNOT BE DETERMINED AT THIS TIME.			RESOLUTION BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
P8BMP0-23-0175-3400053 PEI ASSOC FY 86 OH 5/14/93					
Summary: WE HAVE QUESTIONED INELIGIBLE \$940,755, 53% WAS DUE TO			D8BML3-09-0151-3100164 GEO/RESOURCE DC FY89-91 CA 4/19/93		
COST BILLED IN EXCESS OF WHAT WAS INCURRED. THE REMAINING 47% WAS			Summary: THE AUDIT REPORT CONTAINS QUESTIONED COSTS OF \$26,584 O		
THE ADJUSTMENT OF INDIRECT RATES TO ACTUAL.			WHICH \$23,665 REPRESENTS THE VARIANCES BETWEEN THE RECORDED AND		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN			BILLED COSTS, AND \$2,919 REPRESENTS THE RECORDED COSTS IN EXCESS O		
MADE: THE CONTRACT OFFICER IS REVIEWING THE QUESTIONED DIRECT			CLAIMED COSTS. THE CONTRACTOR'S INTERNAL CONTROLS ARE ALSO NOT		
COSTS. THE QUESTIONED DIRECT COST WILL NOT BE RESOLVED UNTIL CLOSE			ADEQUATE.		
OUT AUDITS ARE COMPLETE. THE OIG CLOSE OUT AUDITS ARE IN			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE		
PROGRESS.			THE CONTRACTING OFFICER PROVIDED DOCUMENTATION SHOWING CONTRACTO		
			CREDITED PUBLIC VOUCHER NUMBER 109 FOR \$23,665. THE OFFICE SENT		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION:			CLOSEOUT LETTER TO THE OIG ON APRIL 7, 1994.		
RESOLUTION CANNOT BE DETERMINED AT THIS TIME.					
			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION:		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			RESOLUTION SHORTLY.		
P8BMP0-23-0177-3400062 PEI ASSOC FY 87/88 OH 6/14/93					
Summary: WE QUESTIONED AS INELIGIBLE \$759,941 OF COST BILLED BUT			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
NOT INCURRED. WE ALSO QUESTIONED AS UNSUPPORTED \$1,224,486, 48%					
OF WHICH WAS DUE TO USING CATALOG PRICES. COSTS WERE NOT ADJUSTED			E9BHP2-10-0024-3400095 RES-SELF INSURANCE OR 9/29/93		
FOR AUDITED INDIRECT RATES.			Summary: THE CONTRACTOR BILLED THE GOVERNMENT \$3,709,794 IN		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN			EXCESS OF ACTUAL COST FOR POLLUTION LIABILITY INSURANCE.		
MADE: THE CONTRACT OFFICER IS REVIEWING THE QUESTIONED DIRECT					
COSTS. THE QUESTIONED DIRECT COST WILL NOT BE RESOLVED UNTIL CLOSE			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE		
OUT AUDITS ARE COMPLETE. THE OIG CLOSE OUT AUDITS ARE IN			THE DEPARTMENT OF JUSTICE IS IN LITIGATION WITH CONTRACTOR. THE		
PROGRESS.			DEPARTMENT OF JUSTICE WILL RESOLVE THE AUDIT. THE TRIAL IS		
			EXPECTED DURING FY 1994.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION:			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION:		
RESOLUTION DATE CANNOT BE DETERMINED AT THIS TIME.			RESOLUTION DATE CANNOT BE DETERMINED AT THIS TIME.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
OAM Cost Advisory and Financial Analysis Division					
Financial Analysis Branch			P9AHN9-23-0347-0300036 OH MATERIALS (PR EQ RATES) OH 3/27/93		
D9BFL2-03-0367-2100622 COMPUTER SCIENCE CORP VA 9/17/92			Summary: (PREAWARD AUDIT UNDER NEGOTIATION)		
Summary: DCAA QUESTIONED 7,692 LABOR HOURS IN EXCESS OF THOSE			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE		
AUTHORIZED IN THE CONTRACT. DCAA WAS UNABLE TO DETERMINE IF HOURS			THE CONTRACTING OFFICER IS NEGOTIATING THE CONTRACTOR'S EQUIPMEN		
BILLED IN ACCORDANCE WITH THE DOPO'S MEMORANDUM.			UTILIZATION RATES FOR 1987-1990.		

Assignment Control Number	Title	Final Report Issued	Assignment Control Number	Title	Final Report Issued
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY SEPTEMBER 30, 1994.			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			D9AJL3-03-0241-3100232 JOHN HEMENWAY ASSOCIATES PA 6/16/93		
P9AHN1-23-0143-2300024 OHM REM ERCS2 Z1 FY 89 OH 12/27/91			Summary: (PREAWARD AUDIT UNDER NEGOTIATION)		
Summary: (PREAWARD AUDIT UNDER NEGOTIATION)			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE CONTRACTING OFFICER IS NEGOTIATING THE CONTRACTOR'S EQUIPMENT UTILIZATION RATES FOR 1987-1990.			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY SEPTEMBER 30, 1994.			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			D9AJL3-03-0273-3100233 LAW OFFICE OF CLAUDIA BARBERMD 6/16/93		
PBBMP0-23-0422-2400046 PEI ASSOC FY 90 OH 6/ 2/92			Summary: (PREAWARD AUDIT UNDER NEGOTIATION)		
Summary: REVIEW OF INCURRED COSTS IS INCOMPLETE BECAUSE AUDITED INDIRECT RATES HAVE NOT BEEN FINALIZED AND APPLIED.			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE AUDIT IS INCOMPLETE AS IT DID NOT INCLUDE AN ASSISTANT AUDIT FOR THE CORPORATE ALLOCATION. FINAL ACTION CANNOT BE TAKEN UNTIL THE CORPORATE ALLOCATION AUDIT IS COMPLETE. PER DCAA, THE AUDIT REPORT WILL BE ISSUED IN JULY 1994.			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY SEPTEMBER 30, 1994.			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			D9AJL3-03-0240-3100340 HYDROGEOLOGIC, INC. VA 8/25/93		
P9BHP2-23-0459-3400087 OHM REM ERCS2 Z1 FY 91 OH 9/17/93			Summary: (PREAWARD AUDIT UNDER NEGOTIATION)		
*Summary:			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: AS A RESULT IN THE TURNOVER OF CONTRACTING OFFICERS AND HIGHER PRIORITIES, NO ACTION AS BEEN TAKEN.			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY JUNE 30, 1994.			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			D9AJL3-03-0244-3100341 ISSI INC. VA 8/25/93		
OAM Cost Advisory and Financial Analysis Division			Summary: (PREAWARD AUDIT UNDER NEGOTIATION)		
Washington Cost Advisory Branch			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
D9AJL3-01-0156-3100275 HYDRAULIC & WATER RESOURCES MA 7/15/93			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		
Summary: (PREAWARD AUDIT UNDER NEGOTIATION)			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.			D9AJL3-03-0239-3100343 TECHLAW INC. VA 8/26/93		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.			Summary: (PREAWARD AUDIT UNDER NEGOTIATION)		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
D8AML3-01-0150-3100294 METCALF & EDDY MA 8/ 3/93			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		
Summary: (PREAWARD AUDIT UNDER NEGOTIATION)			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.			D8AML3-03-0249-3100347 RESOLVE, INCORPORATED DC 8/26/93		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.			Summary: (PREAWARD AUDIT UNDER NEGOTIATION)		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
E9AJP3-01-0155-3400064 TRC ENVIRONMENTAL CORP MA 7/ 2/93			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		
Summary: (PREAWARD AUDIT UNDER NEGOTIATION)			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.			D8AML3-03-0345-3100351 PREMIER, INC. VA 8/26/93		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.			Summary: (PREAWARD AUDIT UNDER NEGOTIATION)		
			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		

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IG FOLLOWUP STATUS AS OF 3/31/94	[1]	
E9AJ3-05-0212-3400048	PRC EMI (R10 ENF SUPP) Summary: (PREAWARD AUDIT UNDER NEGOTIATION)	IL 5/ 3/93
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94	[1]	
E9AJ3-05-0233-3400051	PRC EMI (R08 ENF SUPP) Summary: (PREAWARD AUDIT UNDER NEGOTIATION)	IL 5/13/93
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94	[1]	
E9AJ3-05-0234-3400052	PRC EMI (R09 ENF SUPP) Summary: (PREAWARD AUDIT UNDER NEGOTIATION)	IL 5/13/93
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94	[1]	
E9AJ3-05-0257-3400057	PRC EMI (R02 ENF SUPP) Summary: (PREAWARD AUDIT UNDER NEGOTIATION)	IL 6/ 1/93
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94	[1]	
E9AJ3-05-0258-3400058	PRC EMI (R05 ENF SUPP) Summary: (PREAWARD AUDIT UNDER NEGOTIATION)	IL 6/ 1/93
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94	[1]	
D9AJL3-07-0124-3100209	DPRA INC. Summary: (PREAWARD AUDIT UNDER NEGOTIATION)	KS 6/ 4/93
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94	[1]	
D9AJL3-08-0072-3100208	AGEISS ENVIRONMENTAL CORP. Summary: (PREAWARD AUDIT UNDER NEGOTIATION)	CO 6/ 4/93
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		

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IG FOLLOWUP STATUS AS OF 3/31/94	[1]	
D9AJL3-08-0078-3100212	AGEISS ENVIRONMENTAL CORP Summary: (PREAWARD AUDIT UNDER NEGOTIATION)	CO 6/ 7/93
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94	[1]	
D9AHN3-09-0143-3300053	INTERNATIONAL TECHNOLOGY Summary: (PREAWARD AUDIT UNDER NEGOTIATION)	CA 6/29/93
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: CONTRACT NEGOTIATIONS ARE PENDING.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: ANTICIPATE AWARD OF CONTRACT BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94	[1]	
Regional Administrator - Region 1		
S2CWL0-01-0073-3100161	SOUTH ESSEX SEWERAGE DIST Summary: THE GRANTEE CLAIMED FEDERAL SHARE OF \$16,388,803. WE RECOMMEND THAT REGION 1 NOT PARTICIPATE IN FUNDING INELIGIBLE COSTS OF \$101,428 AND UNNECESSARY/UNREASONABLE COSTS OF \$1,834,75	MA 4/13/93
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: REGION IS REVIEWING OIG MEMO OF FEBRUARY 28, 1994. REGION HELD PRELIMINARY MEETING WITH OIG ON MARCH 16, 1994. OIG CURRENTLY REVIEWING ISSUES TO EITHER ACCEPT PROPOSED DETERMINATION LETTER OR REFER TO HEADQUARTERS OIG.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION DATE CANNOT BE DETERMINED AT THIS TIME.		
IG FOLLOWUP STATUS AS OF 3/31/94	[2]	
G3HV3-01-0164-3500781	MASS WATER RESOURCES AUTHO. Summary: THE REPORT QUESTIONS \$22,986 IN INDIRECT COSTS CLAIMED WITHOUT AN APPROVED INDIRECT COST RATE; AND \$439,532 IN COSTS CLAIMED RELATED TO UNAPPROVED CHANGE ORDERS.	MA 7/12/93
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG DID NOT APPROVE OF THE COST ALLOCATION PLAN. THE REGION ISSUING A MEMO THE WEEK OF APRIL 11, 1994 ASKING THE OIG TO REVIEW THE PROPOSED PLAN.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTED RESOLUTION BY JUNE 30, 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94	[1]	
Regional Administrator - Region 2		
P2CWL1-02-0104-3100118	NYCDEP Summary: THE CITY OF NEW YORK CLAIMED UNALLOWABLE PROJECT COSTS OF \$13,953,725 FOR DESIGN AND CONSTRUCTION OF 8 DEPARTMENT OF ENVIRONMENTAL PROTECTION WATER POLLUTION CONTROL FACILITIES AND APPURTENANCES.	NY 3/ 2/93
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION IS THE DELEGATED AGENCY RESPONSIBLE FOR DRAFTING THE FINAL DETERMINATION LETTERS FOR FOUR OIG MEGA-AUDITS OF NEW YORK CITY COVERING 26 GRANTS, \$1.4 BILLION CLAIMED COSTS AND \$96 MILLION QUESTIONED COSTS.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTED RESOLUTION BY 4TH QUARTER FY 1994.		
IG FOLLOWUP STATUS AS OF 3/31/94	[1]	

Assignment Control Number	Title	Final Report Issued	Assignment Control Number	Title	Final Report Issued
P2CWL1-02-0104-3100169	NYCDEP	NY 4/29/93	- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG DID NOT ACCEPT THE REGION'S PROPOSED FINAL DETERMINATION LETTER OF JANUARY 15, 1994. THE REGION IS AWAITING THE OIG'S FINAL REPORT OF ITS OIG HEADQUARTER ENGINEERING REVIEW.		
Summary: THE CITY OF NY, NY CLAIMED QUESTIONED COST OF \$38,829,195 CONSISTING OF \$20,431,575 INELIGIBLE COSTS, \$14,635,447 UNSUPPORTED COSTS AND \$3,762,173 UNREASONABLE/UNNECESSARY COSTS FOR THE DESIGN AND CONSTRUCTION OF THE REDHOOK WASTEWATER TREATMENT PLANT AND APPURTENANCES.			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION IS EXPECTED BY APRIL 30, 1994.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION IS THE DELEGATED AGENCY RESPONSIBLE FOR DRAFTING THE FINAL DETERMINATION LETTERS FOR FOUR OIG MEGA-AUDITS OF NEW YORK CITY COVERING 26 GRANTS, \$1.4 BILLION CLAIMED COSTS AND \$96 MILLION QUESTIONED COSTS.			IG FOLLOWUP STATUS AS OF 3/31/94 [2]		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY 4TH QUARTER FY 1994.			E5CFP3-03-0308-3400060 SUPERFUND COOPERATIVE AGREE VA 6/ 8/93		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			Summary: VIRGINIA DID NOT ACCOUNT FOR THEIR COSTS IN ACCORDANCE WITH FEDERAL REGULATIONS AND DID NOT HAVE ADEQUATE SUPPORT FOR THE COSTS CLAIMED. AS A RESULT, SIGNIFICANT PORTIONS OF THE COSTS CLAIMED WERE UNSUPPORTED. (\$2,806,575 UNSUPPORTED AND \$2.66 INELIGIBLE).		
P2CWL1-02-0104-3100374	NYCDEP	NY 9/14/93	- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG DID NOT ACCEPT THE REGION'S PROPOSED FINAL DETERMINATION LETTER OF MARCH 31, 1994. THE REGION IS AWAITING A MEETING WITH THE OIG TO RESOLVE THE DIFFERENCES.		
Summary: THE CITY OF NEW YORK, NEW YORK CLAIMED UNALLOWABLE PROJECT COSTS OF \$65,169,354 FOR THE CONSTRUCTION OF THE NORTH RIVER SEWAGE TREATMENT PLANT AND A RECREATIONAL PARK.			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION IS EXPECTED BY MAY 15, 1994.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION IS THE DELEGATED AGENCY RESPONSIBLE FOR DRAFTING THE FINAL DETERMINATION LETTERS FOR FOUR OIG MEGA-AUDITS OF NEW YORK CITY COVERING 26 GRANTS, \$1.4 BILLION CLAIMED COSTS AND \$96 MILLION QUESTIONED COSTS.			IG FOLLOWUP STATUS AS OF 3/31/94 [2]		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY 4TH QUARTER FY 1994.			<u>Regional Administrator - Region 5</u>		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			P2CWP6-05-0298-2400004 W LAKE SUPERIOR MN 12/12/91		
E2AWT3-02-0016-3400002	EARLY WARNING-RED HOOK WPCP NY	10/28/92	Summary: THE GRANTEE CLAIMED \$8,595,588 OF INELIGIBLE CONSTRUCTION, ENGINEERING AND ADMINISTRATIVE COSTS, AND \$166,834 OF UNSUPPORTED COSTS.		
Summary: OUR REVIEW OF THE NEW YORK CITY RED HOOK WPCP DISCLOSED THAT LABORATORY FACILITIES WERE NOT IN USE AND HAD NOT BEEN UTILIZED SINCE CONSTRUCTION WAS COMPLETED. IN ADDITION, THE COMPUTERIZED CONTROL ROOM WAS UNFINISHED.			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG DID NOT ACCEPT THE REGION'S PROPOSED FINAL DETERMINATION LETTER OF JANUARY 7, 1992. THE AUDIT HAS BEEN ELEVATED TO THE HEADQUARTERS OIG AND PROGRAM OFFICE ON JULY 24, 1992 TO RESOLVE OUTSTANDING ISSUES. THE OIG AND THE OFFICE OF GENERAL COUNSEL MET AND DETERMINED THAT THE OUTSTANDING ISSUES ARE REGULATORY AND THAT THE OIG IS RESEARCHING THE REGULATION IN PLACE AT THE TIME OF THE AWARD.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION IS THE DELEGATED AGENCY RESPONSIBLE FOR DRAFTING THE FINAL DETERMINATION LETTERS FOR FOUR OIG MEGA-AUDITS OF NEW YORK CITY COVERING 26 GRANTS, \$1.4 BILLION CLAIMED COSTS AND \$96 MILLION QUESTIONED COSTS.			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION DATE CANNOT BE DETERMINED AT THIS TIME.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY 4TH QUARTER FY 1994.			IG FOLLOWUP STATUS AS OF 3/31/94 [6]		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			E2CWL9-05-0262-3100397 FLINT MI 9/30/93		
<u>Regional Administrator - Region 3</u>			Summary: FLINT CLAIMED \$2.8 MILLION UNNECESSARY/UNREASONABLE COSTS INCURRED TO RENEGOTIATE A CONTRACT. FLINT CLAIMED \$10,416,828 UNSUPPORTED COSTS FOR ADMINISTRATION, ENGINEERING AND CONSTRUCTION. WE QUESTIONED \$415,339 INELIGIBLE ENGINEERING COSTS INCURRED AFTER CONSTRUCTION COMPLETION DATE.		
P2CWN1-03-0123-2300062	PHILADELPHIA CITY OF	PA 7/23/92	- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: DUE TO THE COMPLEXITY OF ISSUES IN RESOLVING THE \$13 MILLION IN QUESTIONED COSTS, THE REGION PROVIDED THE CITY WITH ADDITIONAL TIME TO PROVIDE DOCUMENTATION. DUE TO RELATED LEGAL ISSUES, THE REGION REQUIRED THE ASSISTANCE OF REGIONAL COUNSEL.		
Summary: THE CITY OF PHILADELPHIA WATER DEPARTMENT CLAIMED MORE THAN \$20 MILLION OF INELIGIBLE COSTS INCLUDING \$8.7 MILLION OF COSTS ASSOCIATED WITH ABANDONED SYSTEMS AND EQUIPMENT.			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION CANNOT BE DETERMINED AT THIS TIME.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE SIZE AND COMPLEXITY OF THIS MEGA-AUDIT, INVOLVING SEVERAL GRANTS, HAS REQUIRED SIGNIFICANT TIME TO RESOLVE. MEETINGS AND CORRESPONDENCE WITH GRANTEE ARE ONGOING. THE REGION IS AWAITING THE RESULTS OF INDIRECT COSTS NEGOTIATION, EXPECTED TO BE COMPLETED BY MID APRIL.			IG FOLLOWUP STATUS AS OF 3/31/94 [3]		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: A FINAL DETERMINATION LETTER IS EXPECTED MAY 15, 1994.			E2BWL5-05-0136-7000980 SAUGET IL 3/31/87		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			Summary: WE QUESTIONED OVER \$7 MILLION FOR INELIGIBLE AND UNNECESSARY PROJECT COSTS.		
P2CWN8-03-0220-3300041	ELK PINCH PSD	WV 5/ 6/93	- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE REGION ISSUED A DRAFT FINAL DETERMINATION LETTER TO THE OIG ON MARCH 22, 1994. THE OIG AND REGION ARE IN DISAGREEMENT ON \$3.1 MILLION IN DISALLOWED COSTS.		
Summary: ELK PINCH PUBLIC SERVICE DISTRICT CLAIMED COSTS IN EXCESS OF \$3.4 MILLION. INELIGIBLE COSTS WERE CLAIMED PRIMARILY FOR EXCESSIVE PAVING FOR A SEWER LINE TRENCH.			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: THIS AUDIT IS BEING REFERRED TO THE HEADQUARTER'S OIG FOR RESOLUTION.		

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IG FOLLOWUP STATUS AS OF 3/31/94 [4]

E2AWT3-05-0354-3400093 CLEVELAND NEORS (EWS C/O) OH 9/27/93
Summary: OHIO EPA HAS NOT TIMELY FINALIZED CHANGE ORDER REQUESTS ON A GRANT AWARDED TO THE NORTHEAST OHIO REGIONAL SEWER DISTRICT (NEORS). IN TURN NEORS HAS NOT FILED TIMELY FINAL CLAIMS ON THREE GRANTS RELATED TO CONSTRUCTION OF THE WESTERLY FACILITY.

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: DUE TO SIGNIFICANT AND COMPLEX TECHNICAL ISSUES, THIS AUDIT IS STILL UNDER REVIEW BY THE STATE AGENCY. THE REGIONAL HAS BEEN DELAYED IN DETERMINING WHETHER IT AGREES WITH THE AUDITORS' RECOMMENDATIONS.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION CANNOT BE DETERMINED AT THIS TIME.

IG FOLLOWUP STATUS AS OF 3/31/94 [1]

Regional Administrator - Region 6

P2CWN2-06-0189-3300055 PORT NECHES TX 7/ 1/93
Summary: GRANTEE DID NOT MAINTAIN ADEQUATE RECORDS TO SUPPORT CLAIMED COST TOTALING \$150,612. GRANTEE ALSO CLAIMED INELIGIBLE CHANGE ORDER COSTS AND IMPROPERLY CALCULATED THE DESIGN ALLOWANCE WHICH RESULTED IN AN ADDITIONAL \$25,008 OF COST QUESTIONED.

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE REGIONAL COUNSEL REQUESTED ADDITIONAL INFORMATION FROM TEXAS WATER DEVELOPMENT BOARD ENGINEERS. THE REGION FORWARDED THE FINAL DETERMINATION LETTER TO THE OIG ON APRIL 7, 1994.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION WAS REACHED ON APRIL 7, 1994.

IG FOLLOWUP STATUS AS OF 3/31/94 [3]

Regional Administrator - Region 8

E2CWN7-08-0139-3300028 CASPER WY 3/29/93
Summary: GRANTEE OVERESTIMATED REQUIRED WASTEWATER TREATMENT CAPACITY VALUED AT \$6.1 MILLION. THE GRANTEE DID NOT BASE ITS PROJECTED NON-RESIDENTIAL FLOWS ON ACTUAL MEASURED FLOW INFORMATION EVEN THOUGH THE INFORMATION WAS INCLUDED IN THE FACILITY PLAN.

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE MANAGEMENT DECISION WAS DELAYED BECAUSE OF A LACK OF RESOURCES TO ADDRESS AUDIT RESOLUTION. A FINAL DETERMINATION LETTER WAS ISSUED ON MARCH 29, 1994.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION WAS REACHED ON APRIL 5, 1994.

IG FOLLOWUP STATUS AS OF 3/31/94 [6] (The response was received by the OIG and the report was closed on April 5, 1994)

P5BGN2-08-0019-3300033 DEPT OF HEALTH & ENVIR SCI MT 3/31/93
Summary: WE QUESTIONED \$12 MILLION OF UNSUPPORTED SUPERFUND CONTRACT COSTS. THE STATE DID NOT HAVE ADEQUATE CONTROLS OVER SUPERFUND CONTRACTS. IN ADDITION, MDHES DID NOT HAVE AN ACCEPTABLE LEAVE ALLOCATION METHOD OR AN EFFECTIVE AUDIT RESOLUTION PROCESS.

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE MANAGEMENT DECISION WAS DELAYED BECAUSE OF A LACK OF RESOURCES TO ADDRESS AUDIT RESOLUTION.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: A FINAL DETERMINATION LETTER IS EXPECTED BY APRIL 8, 1994.

IG FOLLOWUP STATUS AS OF 3/31/94 [1] (A draft response was received by the OIG on April 8, 1994)

E2BWN2-08-0052-3300054 HUGHES COUNTY SD 6/30/93
Summary: PROJECT NOT ELIGIBLE FOR GRANT PARTICIPATION.

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- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE MANAGEMENT DECISION WAS DELAYED BECAUSE OF A LACK OF RESOURCES TO ADDRESS AUDIT RESOLUTION.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: A FINAL DETERMINATION LETTER IS EXPECTED BY APRIL 8, 1994.

IG FOLLOWUP STATUS AS OF 3/31/94 [2] (No change in status as of 4/21/94)

G3HVK3-08-0059-3500437 LAKE ANDES SD 3/16/93
Summary: THE CITY RECEIVED AN ADVERSE OPINION ON ITS FINANCIAL STATEMENTS DUE TO CONTROL AND PROCEDURAL DEFICIENCIES AND ERRORS AND OMISSIONS IN THE FINANCIAL STATEMENTS. LAKE ANDES DID NOT HAVE A SUFFICIENT FINANCIAL MANAGEMENT SYSTEM TO QUALIFY FOR A GRANT.

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE MANAGEMENT DECISION WAS DELAYED BECAUSE OF A LACK OF RESOURCES TO ADDRESS AUDIT RESOLUTION.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: A FINAL DETERMINATION LETTER IS EXPECTED BY APRIL 29, 1994.

IG FOLLOWUP STATUS AS OF 3/31/94 [1]

G3HVK3-08-0093-3500889 TRIPP SD 8/13/93
*Summary:

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE MANAGEMENT DECISION WAS DELAYED BECAUSE OF A LACK OF RESOURCES TO ADDRESS AUDIT RESOLUTION.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: A FINAL DETERMINATION LETTER IS EXPECTED BY MAY 13, 1994.

IG FOLLOWUP STATUS AS OF 3/31/94 [1]

N3HVK3-08-0107-3500932 ROCK SPRINGS WY 9/ 1/93
*Summary:

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE MANAGEMENT DECISION WAS DELAYED BECAUSE OF A LACK OF RESOURCES TO ADDRESS AUDIT RESOLUTION.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: A FINAL DETERMINATION LETTER IS EXPECTED BY MAY 13, 1994.

IG FOLLOWUP STATUS AS OF 3/31/94 [1]

Regional Administrator - Region 9

S2CWX*8-09-0157-1300112 LOS ANGELES, CITY OF CA 9/25/93
Summary: INELIGIBLE COSTS OF \$723,627 INCLUDED: \$650,255 OF UNALLOWABLE FORCE ACCOUNT (F/A) COSTS; AND \$73,372 FOR UNALLOWABLE ENGINEERING COSTS. UNREASONABLE COSTS INCLUDE \$879,630 OF UNDOCUMENTED F/A AND \$1,099,261 ARCHITECT/ENGINEERING COSTS INCURRED UNDER PROHIBITED CONTRACT METHOD.

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG HAS REVIEWED THE DRAFT PROPOSED FINAL DETERMINATION LETTER DRAFTED BY THE STATE BUT THE REGION HAS NOT SUBMITTED THE OFFICIAL PROPOSED FINAL DETERMINATION LETTER TO THE OIG. DUE TO OUTSTANDING ISSUES, THE OIG HAS DEFERRED DISCUSSION OF THIS AND THREE OTHER LOS ANGELES DRAFT FINAL DETERMINATION LETTERS UNTIL AFTER MARCH 31, 1994.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTED FINAL DETERMINATION LETTER BY SEPTEMBER 30, 1994.

OIG FOLLOWUP STATUS AS OF 3/31/94 [1]

S2CWN9-09-0039-1300117 LOS ANGELES, CITY OF CA 9/30/93
Summary: INELIGIBLE COSTS INCLUDED \$4,004,695 FOR COST INCURRED PRIOR TO APPROVAL \$3,659,407 IN EXCESS OF APPROVAL ADDITIONAL \$1,345,288 QUESTIONED \$3,999,353 RELATED TO REPLACEMENT OF BAS ENGINES WITH ELECTRIC MOTORS AND \$5,275,186 FOR INADEQUATELY DOCUMENTED FOR ACCOUNT COSTS.

Assignment Control Number	Title	Final Report Issued	Assignment Control Number	Title	Final Report Issued
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG HAS REVIEWED THE DRAFT PROPOSED FINAL DETERMINATION LETTER DRAFTED BY THE STATE BUT THE REGION HAS NOT SUBMITTED THE OFFICIAL PROPOSED FINAL DETERMINATION LETTER TO THE OIG. DUE TO OUTSTANDING ISSUES, THE OIG HAS DEFERRED DISCUSSION OF THIS AND THREE OTHER LOS ANGELES DRAFT PROPOSED FINAL DETERMINATION LETTERS UNTIL AFTER MARCH 31, 1994.			COMPLETION AND STARTUP OF INTERIM PRETREATMENT FACILITY; AND REVIEW OF STATES ROLE.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY SEPTEMBER 30, 1994.			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: RESOLUTION WAS DELAYED UNTIL THE OIG'S CONCERNS COULD BE ADDRESSED VIA ADDITIONAL TECHNICAL AND LEGAL SETTLEMENT EFFORTS. ADDITIONAL COMMITMENTS ARE BEING SOUGHT FROM THE GRANTEE BY THE OFFICE OF REGIONAL COUNSEL.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY JUNE 30, 1994.		
S2CWN9-09-0032-1300118 MONTEREY REG WATER POLL CON CA 9/30/91			IG FOLLOWUP STATUS AS OF 3/31/94 [2]		
Summary: THE STATE CLAIMED \$7,491,007 OF INELIGIBLE CONSTRUCTION, ENGINEERING, ADMINISTRATIVE, AND OTHER COSTS. ADDITIONAL \$51,118,958 OF UNREASONABLE PROJECT COSTS WERE QUESTIONED.			E2CWN1-09-0092-2300082 RUSSIAN RIVER CSD CA 9/25/92		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG DISAGREED WITH FOUR AUDIT ISSUES OF THE PROPOSED POSITION PAPERS AND HAS ASKED TO DEFER DISCUSSION UNTIL DISCUSSION ON FOUR LOS ANGELES AUDITS ARE CONCLUDED. THE REGION HAS NOT SUBMITTED THE OFFICIAL PROPOSED FINAL DETERMINATION LETTER TO THE OIG.			Summary: COSTS OF \$8,344,066 HAVE BEEN QUESTIONED AS INELIGIBLE, INCLUDING INELIGIBLE CONSTRUCTION ENGINEERING AND FORCE ACCOUNT COSTS. AN ADDITIONAL \$18,297,400 HAVE BEEN QUESTIONED AS UNNECESSARY BECAUSE THE PLANT WAS NOT FULLY UTILIZED.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY SEPTEMBER 30, 1994.			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE STATE IS CURRENTLY REVIEWING THE OIG'S COMMENTS ON THE STATES POSITION PAPERS. THE REGION HAS NOT SUBMITTED THE OFFICIAL PROPOSED FINAL DETERMINATION LETTER TO THE OIG. THERE WERE 15 ISSUES NONCONCURRED ON BY OIG.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY DECEMBER 31, 1994.		
S2CWN8-09-0156-1300119 LOS ANGELES. CITY OF CA 9/30/91			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
Summary: INELIGIBLE COSTS OF \$2,483,872 INCLUDED \$2,039,554 OF CONST- RUCTION AND FORCE ACCOUNT (F/A) COST OUTSIDE SCOPE OF APPROVED PROJECT; \$444,318 OF F/A ALLOCABLE TO INELIGIBLE CONSTRUCTION; UNREASONABLE COSTS OF \$68,150,598 RELATED TO EXCESSIVE LANDSCAPING, F/A AND UNUSED FACILITIES.			S2CWN0-09-0262-2300089 SAN FRANCISCO. CITY & CO CA 9/30/92		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG HAS REVIEWED THE DRAFT PROPOSED FINAL DETERMINATION LETTER DRAFTED BY THE STATE BUT THE REGION HAS NOT SUBMITTED THE OFFICIAL PROPOSED FINAL DETERMINATION LETTER TO THE OIG. DUE TO OUTSTANDING ISSUES, THE OIG HAS DEFERRED DISCUSSION OF THIS AND THREE OTHER LOS ANGELES DRAFT PROPOSED FINAL DETERMINATION LETTERS UNTIL AFTER MARCH 31, 1994.			Summary: INELIGIBLE COST INCLUDE \$50,015 OF UNALLOWABLE ARCHITECT/ ENGINEERING (A/E) COSTS AND \$271,092 FOR COSTS ALLOCABLE TO OTHER FEDERAL FACILITIES RELATED TO UNSUPPORTED CONSTRUCTION A/E FORCE ACCOUNT COSTS.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY SEPTEMBER 30, 1994.			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG CONTINUES TO QUESTION THE USE OF COMPUTER TAPE DATA IN PLACE OF TIMECARDS. THE STATE WATER RESOURCES CONTROL BOARD AND THE OIG CONTINUES TO HOLD MEETINGS ON THIS ISSUE.		
IG FOLLOWUP STATUS AS OF 3/31/94 [2]			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY SEPTEMBER 30, 1994.		
S2CWN1-09-0228-2300044 LOS ANGELES. CITY OF CA 3/13/92			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
Summary: INELIGIBLE COSTS INCLUDED \$1,400,564 FOR UNUSED EQUIPMENT ITEMS; \$202,058 FOR UNALLOWABLE ARCHITECT/ENGINEERING (A/E) FEES; AND \$572,354 FOR UNALLOWABLE FORCE/ACCOUNT (F/A); UNREASONABLE COSTS OF \$1,010,586 FOR EXCESSIVE A/E AND F/A; ADDITIONAL \$11,188,321 BECAUSE PLANT WAS NOT OPERATING IN ACCORDANCE WITH PLANT CONCEPTS.			S2CWM9-09-0192-3200056 SAN FRANCISCO. CITY & CO CA 9/30/93		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG HAS REVIEWED THE DRAFT PROPOSED FINAL DETERMINATION LETTER DRAFTED BY THE STATE BUT THE REGION HAS NOT SUBMITTED THE OFFICIAL PROPOSED FINAL DETERMINATION LETTER TO THE OIG. DUE TO OUTSTANDING ISSUES, THE OIG HAS DEFERRED DISCUSSION OF THIS AND THREE OTHER LOS ANGELES DRAFT PROPOSED FINAL DETERMINATION LETTERS UNTIL AFTER MARCH 31, 1994.			Summary: THE AUDIT QUESTIONED COSTS OF \$137,651 AS INELIGIBLE AND \$257,228 AS UNSUPPORTED.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY SEPTEMBER 30, 1994.			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE REGION SUBMITTED A DRAFT PROPOSED FINAL DETERMINATION LETTER WAS SENT TO THE OIG ON MARCH 8, 1994. THE OIG OBJECTED TO THE FORCE ACCOUNT COSTS. THE REGION HAS NOT SUBMITTED THE PROPOSED FINAL DETERMINATION LETTER TO THE OIG.		
IG FOLLOWUP STATUS AS OF 3/31/94 [1]			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY JULY 31, 1994.		
E1SG*7-09-0219-2300063 REGION 9 MGMT OF STNGFELLO CA 7/30/92			IG FOLLOWUP STATUS AS OF 3/31/94 [1]		
Summary: REGION 9 HAS NOT EFFECTIVELY MANAGED THE STRINGFELLOW SUPERFUND COOPERATIVE AGREEMENT. PROBLEMS WITH ACCURACY OF LABORATORY ANALYSES; DELAY IN COMPLETION OF RI/FS; DELAY IN			S2CWN0-09-0073-3300036 SAN FRANCISCO. CITY & CO CA 4/26/93		
			Summary: INELIGIBLE COST OF \$493,315 INCLUDES \$3,112 OUTSIDE THE SCOPE OF PROJECT AND \$490,203 NORMAL COST OF GOVERNMENT. UNREASONABLE COST OF \$2,872,442 FOR RECONSTRUCTED FORCE ACCOUNT COSTS NOT SUPPORTED BY ACTUAL SOURCE DOCUMENTATION.		
			- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE STATE WATER RESOURCES CONTROL BOARD SENT DETAILED DOCUMENTATION ON HOW TO ADDRESS THE FORCE ACCOUNT COSTS ISSUE TO THE OIG ON MARCH 2, 1994. THE EPA REGION HAS NOT SUBMITTED AN OFFICIAL PROPOSED FINAL DETERMINATION LETTER TO THE OIG.		
			= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY JULY 31, 1994.		

Assignment Control Number	Title	Final Report Issued
IG FOLLOWUP STATUS AS OF	3/31/94	[1]
S5BGN1-09-0132-3300037	SAN GABRIEL VALLEY MWD	CA 4/27/93
Summary: INELIGIBLE COSTS OF \$212,920 INCLUDES: \$145,896 OF UNSUBSTANTIATED SALARY COSTS; \$30,752 FOR UNALLOWABLE CONTRACTUAL SERVICE COSTS; AND \$36,452 RELATED TO AN OVERPAYMENT OF FUND AND INTEREST.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE OIG RESPONDED MARCH 1, 1994 THAT THEY DISAGREED WITH THREE DETERMINATIONS AND DEEMED A FOURTH INCOMPLETE BASED ON THE REGION'S DRAFT PROPOSED FINAL DETERMINATION LETTER DATED FEBRUARY 15, 1994.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: THE REGION EXPECTS TO ISSUE ITS MANAGEMENT DECISION BY JUNE 30, 1994.		
IG FOLLOWUP STATUS AS OF	3/31/94	[2]
E2CWN0-09-0247-3300063	SEWER AUTH. MIDCOASTSIDE	CA 9/14/93
Summary: INELIGIBLE COSTS OF \$581,489 CONSISTED OF \$8,405 FOR EXCESSIVE INDIRECT COSTS; \$64,815 OF CONTINGENCY RELATED COSTS; \$187,095 FOR REDESIGN \$27,425 PAST COMPLETION DATE; \$286,720 ALLOCABLE TO INELIGIBLE CONSTRUCTION AND \$7,029 IN EXCESS OF APPROVAL.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE STATE WATER RESOURCES CONTROL BOARD IS REVIEWING ADDITIONAL DOCUMENTATION RECENTLY SUBMITTED BY THE GRANTEE.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF	3/31/94	[1]
E2BWL3-09-0190-3300072	SAN DIEGO, CITY OF OUTFALL	CA 9/29/93
Summary: CITY OF SAN DIEGO CLAIMED \$9.1 MILLION OF INELIGIBLE CONSTRUCTION, ENGINEERING, AND ADMINISTRATIVE COSTS. ANOTHER \$122,810 OF COSTS WERE NOT SUPPORTED AND WERE ALSO QUESTIONED.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE STATE WATER RESOURCES CONTROL BOARD SENT THE REGION POSITION PAPERS ON MARCH 11, 1994. UPON APPROVAL, THE REGION WILL SUBMIT A PROPOSED FINAL DETERMINATION LETTER TO THE OIG.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF	3/31/94	[1]
S2CWN0-09-0050-3300078	SAN FRANCISCO, CITY AND CO	CA 9/30/93
Summary: INELIGIBLE COST OF \$281,859 REPRESENT COST IN EXCESS OF THE APPROVED AMOUNT. UNSUPPORTED COSTS OF \$43,598 RELATE TO FORCE ACCOUNT COSTS NOT SUPPORTED BY ORIGINAL SOURCE DOCUMENTATION.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE STATE SENT POSITION PAPERS TO THE OIG ON MARCH 2, 1994. THE OIG OBJECTED TO THE FORCE ACCOUNT COSTS. THE REGION HAS NOT SUBMITTED THE OFFICIAL PROPOSED FINAL DETERMINATION LETTER.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY APRIL 29, 1994.		
IG FOLLOWUP STATUS AS OF	3/31/94	[1]
S2CWN0-09-0076-3300080	LAS VIRGENES MWD	CA 9/30/93
Summary: INELIGIBLE COSTS OF \$5,091,815 INCLUDES: \$42,564 FOR CONSTRUCTION COSTS NOT INCURRED; \$912,643 OF INTEREST EARNED; \$647,791 FOR UNALLOWABLE ARCHITECT/ENGINEERING AND ADMINISTRATIVE; \$1,226,989 FOR ARCHITECT/ENGINEERING AND CONSTRUCTION OUTSIDE SCOPE OF PROJECT. \$2,289,573 RELATED TO EXCESS CAPACITY AND \$757,976 UNREASONABLE ARCHITECT/ENGINEERING COSTS.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE STATE WATER RESOURCES CONTROL BOARD IS REVIEWING THE ENGINEERING AND TECHNICAL ISSUES. BASED ON THIS REVIEW, THEY WILL		

Assignment Control Number	Title	Final Report Issued
ISSUE A POSITION PAPER FOR REGION AND OIG REVIEW. THE REGION HAS NOT SUBMITTED AN OFFICIAL PROPOSED FINAL DETERMINATION LETTER TO THE OIG.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF	3/31/94	[1]
E2AWT2-09-0333-3400016	LAKEPORT SD MIDDLETOWN	CA 1/21/93
Summary: THE LAKE COUNTY SANITATION DISTRICT SEWER PROJECT CONSTRUCTED IN MIDDLETOWN, CALIFORNIA DID NOT MEET THE EFFLUENT DISPOSAL OBJECTIVE OF ITS \$7.2 MILLION CONSTRUCTION GRANT.		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE BEFORE THE FINAL DETERMINATION LETTER CAN BE PREPARED, THE GRANTEE MUST FIRST COMPLETE SEVERAL STATE-REQUESTED TESTS SCHEDULED FOR THE SUMMER OF 1994.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF	3/31/94	[2]
E2AWT3-09-0082-3400037	SAN DIEGO, CITY OF	CA 3/29/93
Summary: THE CITY OF SAN DIEGO HAS CONSTRUCTED AN \$11.8 MILLION LAND OUTFALL WHICH WILL NOT BE USED BY THE CITY FOR THE INTENDED PURPOSE OF THE GRANT NOR WILL IT BE USED IN THE FORESEEABLE FUTURE		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE THE REGION IS AWAITING THE COURT DECISION ON CONSENT DECREE ISSUES		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF	3/31/94	[2]
E2AWP9-09-0065-9400025	HOMELAND EARLY WARNING	CA 3/31/93
Summary: SPECIAL REVIEW OF CONSTRUCTION GRANT OF WASTEWATER TREATMENT PLANT FOUND \$3,737,139 IN FEDERAL SHARE COSTS QUESTIONED AN EARLY WARNING LETTER ADVISED THAT COSTS FOR THE COLLECTION SYSTEM PORTION OF THE PROJECT DID NOT QUALIFY FOR FUNDING BECAUSE OF THE "2/3 RULE".		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE THE REGION REQUESTED ASSISTANCE FROM THE AUDIT RESOLUTION GROUP I RESOLVING THIS AUDIT. THE OFFICE OF WATER PROPOSED A POLICY CLARIFICATION ON THE 2/3 RULE. THE OFFICE OF WATER AND THE OIG ARE WORKING TO REACH AGREEMENT ON THIS POLICY CLARIFICATION.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: WHEN AGREEMENT IS REACHED THE REGION WILL APPLY THE CLARIFICATION TO REACH RESOLUTION.		
IG FOLLOWUP STATUS AS OF	3/31/94	[5]
E2AWP9-09-0230-9400043	EARLY WARNING-MARINA CWD	CA 9/26/93
Summary: SPECIAL REVIEW OF GRANT TO BUY CAPACITY RIGHTS FROM REGIONAL WASTEWATER TREATMENT PLANT RESULTED IN AN EARLY WARNING LETTER TO EPA MANAGEMENT THAT THE AWARD VIOLATED 40 CFR 35 2250 AN THAT TOTAL COSTS QUESTIONED OF \$1,694,000 (F.S. \$931,700) WOULD CAUSE "WINDFALL".		
- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE RESOLUTION OF THIS AUDIT IS LINKED TO THE MONTEREY EARLY WARNING AUDIT. THE REGION AND OIG ARE DISCUSSING ISSUES TO HELP REACH RESOLUTION.		
= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS FINAL DETERMINATION LETTER BY SEPTEMBER 30, 1994.		
IG FOLLOWUP STATUS AS OF	3/31/94	[2]
<u>Regional Administrator - Region 10</u>		
P2CWL9-10-0002-2100669	PIERCE COUNTY UTILITIES DEP WA	9/30/93
Summary: THE GRANTEE CLAIMED TOTAL QUESTIONABLE COSTS OF		

Assignment Control Number	Title	Final Report Issued	Assignment Control Number	Title	Final Report Issued
\$4,496,181	FOR REIMBURSEMENT UNDER EPA'S CONSTRUCTION GRANTS PROGRAM. COST CLAIMED OF \$2,179,647 WERE FOUND TO BE INELIGIBLE AND CLAIMS FOR \$2,316,534 WERE UNNECESSARY AND UNREASONABLE.			FINAL DETERMINATION LETTER AS A COURTESY TO THE OIG. THE REGION WILL SUBMIT A DRAFT LETTER TO THE OIG BY APRIL 15, 1994.	
-	EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE REGION IS REVIEWING 16 GRANTS AND CONSIDERABLE DOCUMENTATION TO RESOLVE ISSUES RAISED BY THE OIG.		=	DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY MAY 30, 1994.	
=	DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: THE REGION EXPECTS TO ISSUE A DRAFT FINAL DETERMINATION LETTER TO THE OIG ON MAY 31, 1994.		IG	FOLLOWUP STATUS AS OF 3/31/94 [2]	
IG	FOLLOWUP STATUS AS OF 3/31/94 [1]		P2CWN2-10-0016-3300067	PETERSBURG, CITY OF AK 9/21/93	
P2CWN1-10-0042-2300088	NEWBERG, CITY OF OR 9/30/92		Summary:	INELIGIBLE COSTS OF \$215,898 INCLUDES: \$8,064 OF UNALLOWABLE ADMINISTRATIVE; \$43,473 OF INELIGIBLE ARCHITECT/ENGINEERING COSTS; AND \$164,356 OF INELIGIBLE CONSTRUCTION COSTS. COSTS OF \$21,877 NOT SUPPORTED BY SOURCE DOCUMENTATION.	
Summary:	INELIGIBLE COSTS OF \$8,998 RELATED COSTS IN EXCESS OF APPROVAL; \$151,758 FOR COSTS NOT SUPPORTED BY ADEQUATE SOURCE DOCUMENTATION; AND \$15,480,301 UNREASONABLE RELATED TO UNUSED FACILITIES AND EXPIRED NPDES PERMIT.		-	EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THIS IS THE OLDEST CONSTRUCTION SITE IN THE REGION AND HAS BEEN INVOLVED IN EXTENSIVE LITIGATION. THE REGION IS ATTEMPTING TO OBTAIN SUPPORTING DOCUMENTS TO ISSUE A DRAFT FINAL DETERMINATION LETTER BY APRIL 30, 1994.	
-	EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE REGION SENT A DRAFT FINAL DETERMINATION LETTER TO THE OIG ON OCTOBER 4, 1993. BASED ON OIG COMMENTS, THE REGION WILL ISSUE A NEW DRAFT LETTER TO THE OIG BY APRIL 30, 1994.		=	DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: THE REGION EXPECTS TO ISSUE A FINAL DETERMINATION LETTER BY JUNE 15, 1994.	
=	DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION DATE CANNOT BE DETERMINED AT THIS TIME.		IG	FOLLOWUP STATUS AS OF 3/31/94 [1]	
IG	FOLLOWUP STATUS AS OF 3/31/94 [1]		P2CWN0-10-0052-3300069	SEATTLE WA 9/29/93	
P2CWN9-10-0107-2300091	FED WAY WATER AND SEW WA 9/30/92		Summary:	INELIGIBLE COSTS OF \$162,801 INCLUDES: \$6,904 ALLOCABLE TO INELIGIBLE CONSTRUCTION, \$155,897 COSTS OUTSIDE SCOPE OF APPROVED PROJECT. COSTS OF \$290,076 NOT SUPPORTED BY ADEQUATE SOURCE DOCUMENTATION.	
Summary:	INELIGIBLE COSTS OF \$1,304,725 CONSISTED OF \$67,287 FOR UNALLOWABLE CONSTRUCTION COST, \$61,048 RELATED TO INELIGIBLE CONSTRUCTION PERCENTAGE; \$21,243 OF UNAPPROVED ARCHITECT/ENGINEERING COSTS; AND \$1,155,147 RELATED TO EXCESS CAPACITY. ALSO QUESTIONED WERE \$2,242,049 AS UNSUPPORTED.		-	EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE REGION IS OBTAINING ADDITIONAL INFORMATION FOR INCLUSION IN THE DRAFT FINAL DETERMINATION LETTER.	
-	EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE REGION IS ATTEMPTING TO RESOLVE THE ISSUE OF GRANT ELIGIBLE COSTS FOR A 30 YEAR PLAN VS A 20 YEAR PLAN. BECAUSE THE PROJECT IS VERY OLD, RESOLUTION IS TIME CONSUMING.		=	DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: THE REGION EXPECTS TO ISSUE A FINAL DETERMINATION LETTER BY MAY 31, 1994.	
=	DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: THE REGION EXPECTS TO ISSUE A DRAFT FINAL DETERMINATION LETTER TO THE OIG BY MAY 31, 1994.		IG	FOLLOWUP STATUS AS OF 3/31/94 [1]	
IG	FOLLOWUP STATUS AS OF 3/31/94 [1]		P2CWN1-10-0048-3300071	EUGENE, CITY OF OR 9/29/93	
E6EWN2-10-0020-3300012	REVIEW OF ADEC SDW PROGRAM AK 2/10/93		Summary:	INELIGIBLE COST OF \$142,437 INCLUDES; \$41,370 FOR UNALLOWABLE ADMINISTRATIVE; \$8,803 FOR UNALLOWABLE ARCHITECT/ENGINEERING (A/E); \$34,863 FOR A/E IN EXCESS OF APPROVED AMOUNT; AND \$94,401 FOR FORCE ACCOUNT INSPECTION COSTS PAST APPROVED CONSTRUCTION CONTRACT COMPLETION DATE.	
Summary:	PROCEDURAL WEAKNESSES IN THE ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION'S (ADEC) SAFE DRINKING WATER PROGRAM RESULTED IN COSTS THAT WERE UNAUDITABLE. ALSO, ADEC FAILED TO EITHER COMPLETE TIMELY OR DOCUMENT COMPLETION FOR SIX WORK PLAN OBJECTIVES THAT WE REVIEWED.		-	EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE REGION SENT A DRAFT FINAL DETERMINATION LETTER TO THE OIG ON JANUARY 4, 1994. BASED ON OIG COMMENTS, THE REGION WILL LOCATE ADDITIONAL DOCUMENTATION AND ISSUE A NEW LETTER TO THE OIG BY MAY 6, 1994.	
-	EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE REGION SENT A DRAFT FINAL DETERMINATION LETTER TO THE OIG ON SEPTEMBER 30, 1993. AS A RESULT, THE REGION IS MEETING WITH THE STATE TO NEGOTIATE ADDITIONAL CORRECTIVE ACTIONS FOR A FINAL DETERMINATION LETTER.		=	DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION CANNOT BE DETERMINED AT THIS TIME.	
=	DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: THE REGION EXPECTS TO ISSUE A FINAL DETERMINATION LETTER BY APRIL 30, 1994.		IG	FOLLOWUP STATUS AS OF 3/31/94 [2]	
IG	FOLLOWUP STATUS AS OF 3/31/94 [2]		P2CWN1-10-0044-3300075	PORTLAND, CITY OF OR 9/29/93	
P2CWN0-10-0008-3300030	CHEHALIS, CITY OF WA 3/29/93		Summary:	INELIGIBLE COSTS OF \$93,739 INCLUDES: \$1,305 OF UNALLOWABLE INTEREST COSTS; \$52,434 OF ARCHITECT/ENGINEERING ADMINISTRATIVE AND CONSTRUCTION COSTS ALLOCABLE TO INELIGIBLE CONSTRUCTION; COSTS OF \$709,917 NOT SUPPORTED BY ORIGINAL SOURCE DOCUMENTATION.	
Summary:	TOTAL INELIGIBLE COSTS QUESTIONED OF \$119,184 INCLUDES \$6,770 OF UNALLOWABLE ADMINISTRATIVE AND ARCHITECT/ENGINEERING (A/E); \$22,986 OF COSTS OUTSIDE SCOPE OF APPROVED PROJECT; \$13,038 FOR REPAIR WORK; \$43,390 FOR UNSUBSTANTIATED FIXED ACCOUNT AND A/E COSTS.		-	EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE REGION HAS BEEN GATHERING INFORMATION AND COMMENTS FROM THE CONTRACTING OFFICER AND THE STATE. THE REGION WILL SUBMIT A DRAFT FINAL DETERMINATION LETTER TO THE OIG BY APRIL 15, 1994.	
-	EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: ALTHOUGH THE AUDIT FINDINGS ARE UNDER THE \$100,000 FEDERAL SHARE QUESTIONED CUTOFF, THE REGION IS HOLDING ISSUANCE OF THE		=	DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: THE REGION EXPECTS TO ISSUE A FINAL DETERMINATION LETTER BY MAY 30, 1994.	

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IG FOLLOWUP STATUS AS OF 3/31/94 [1]

P2CWN1-10-0049-3300076 SEASIDE, CITY OF OR 9/30/93
Summary: INELIGIBLE COST OF \$97,155 INCLUDES \$71,889 OF UNALLOWABLE FORCE ACCOUNT AND \$89,266 OF CONSTRUCTION COSTS RELATED TO SERVICE LATERALS, COSTS OF \$188,202 NOT SUPPORTED BY SOURCE DOCUMENTATION.

* = Agency procedures do not require the IG's approval on Agency's Management Decision on an audit (other than a preaward or an internal and management audit) with the Federal share of questioned costs of less than \$100,000. Therefore, we have not provided a summary of the audit.

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE REGION HAS BEEN OBTAINING INFORMATION AND COMMENTS FROM THE STATE. THE REGION WILL SUBMIT A DRAFT FINAL DETERMINATION LETTER TO THE OIG BY APRIL 30, 1994.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: THE REGION EXPECTS TO ISSUE A FINAL DETERMINATION LETTER BY JUNE 15, 1994.

IG FOLLOWUP STATUS AS OF 3/31/94 [1]

P2CWN1-10-0041-3300077 METROPOLITAN WASTEWTR. MGT. CA 9/30/93
Summary: INELIGIBLE COSTS OF \$2,511,772 INCLUDES: \$26,970 OF MISCELLANEOUS COSTS, \$107,481 OF INSURANCE PREMIUMS, \$181,830 ALLOCABLE TO INELIGIBLE PERCENT; \$2,195,491 OUTSIDE SCOPE OF PROJECT \$6,657,189 NOT SUPPORTED BY ADEQUATE SOURCE DOCUMENTS.

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: BECAUSE OF VERY COMPLEX ISSUES, THE REGION IS SEEKING ADDITIONAL COMMENTS AND DOCUMENTATION FROM THE PROGRAM OFFICE, THE STATE AND FROM THE WASTEWATER COMPANY. THE REGION WILL ISSUE A DRAFT FINAL DETERMINATION LETTER TO THE OIG BY SEPTEMBER 30, 1994.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: RESOLUTION DATE CANNOT BE DETERMINED AT THIS TIME.

IG FOLLOWUP STATUS AS OF 3/31/94 [1]

P2CWN9-10-0173-3300079 ST MARIES, CITY OF ID 9/30/93
Summary: INELIGIBLE COSTS OF \$77,977 INCLUDED \$46,321 FOR UNALLOWABLE LEGAL COSTS; \$21,078 FOR UNALLOWABLE ARCHITECT/ENGINEERING (A/E) COSTS; AND \$10,578 FOR ADMINISTRATIVE AND A/E COSTS ALLOCABLE TO INELIGIBLE CONSTRUCTION; COSTS OF \$5,206 NOT SUPPORTED BY SOURCE DOCUMENTATION.

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE REGION SENT A DRAFT FINAL DETERMINATION LETTER TO THE OIG ON JANUARY 10, 1994. BASED ON OIG COMMENTS, THE REGION WILL ISSUE A NEW DRAFT LETTER TO THE OIG ON APRIL 15, 1994.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: EXPECTS RESOLUTION BY MAY 30, 1994.

IG FOLLOWUP STATUS AS OF 3/31/94 [2]

E3BG*6-10-0066-8100761 MOSES LAKE IRR & REHAB DIST WA 8/31/88
Summary: INTERIM AUDIT OF DEMONSTRATION GRANT TO RESTORE MOSES LAKE AND TO CONTROL NON-POINT POLLUTION SOURCES FOUND TOTAL COSTS QUESTIONED OF \$2,439,103 (F.S. \$1,205,039). GRANTEE USED STANDARD METHODOLOGY INSTEAD OF DEVELOPING NEW INNOVATIVE TECHNIQUES.

- EXPLANATION OF THE REASONS MANAGEMENT DECISION HAS NOT BEEN MADE: THE DIVISIONAL INSPECTOR GENERAL AND REGIONAL OFFICE COULD NOT RESOLVE ISSUES IN THIS AUDIT.

= DESIRED TIMETABLE FOR ACHIEVING A MANAGEMENT DECISION: HEADQUARTERS IS AWAITING INFORMATION FROM THE OFFICE OF WATER TO RESOLVE THE AUDIT.

IG FOLLOWUP STATUS AS OF 3/31/94 [6]

TOTAL AUDITS ISSUED BEFORE REPORTING PERIOD FOR WHICH NO MANAGEMENT DECISION WAS MADE DURING THE REPORTING PERIOD: 124

OIG MAILING ADDRESSES and TELEPHONE NUMBERS
OIG HOTLINE (800) 424-4000 or (202) 260-4977

Headquarters

Environmental Protection Agency
Office of Inspector General
401 M Street, S.W. (2441)
Washington, DC 20460
(202) 260-3137

Atlanta

Environmental Protection Agency
Office of Inspector General
1475 Peachtree Street, NE
Suite 1100
Atlanta, GA 30309-3003
Audit: (404) 347-3623
Investigations: (404) 347-2398

Boston

Environmental Protection Agency
Office of Inspector General
JFK Federal Building (OIG)
(office at 1 Congress St)
Boston, MA 02203
Audit: (617) 565-3160
Investigations: (617) 565-3928

Chicago

Environmental Protection Agency
Office of Inspector General
77 West Jackson Boulevard
13th Floor (IA-13J)
Chicago, IL 60604
Audit: (312) 353-2486
Investigations: (312) 353-2507

Cincinnati

Environmental Protection Agency
Office of Inspector General
4411 Montgomery (MS Norwood)
Cincinnati, OH 45268-7001
Audit: (513) 366-4360
Investigations: (312) 353-2507 (Chicago)

Dallas

Environmental Protection Agency
Office of Inspector General (6OIG)
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733
Audit: (214) 655-6621
Investigations: (404) 347-2398 (Atlanta)

Denver

Environmental Protection Agency
Office of Inspector General
999 18th Street, Suite 500
Denver, CO 80202-2405
Audit: (303) 294-7520
Investigations: (312) 353-2507 (Chicago)

Kansas City

Environmental Protection Agency
Office of Inspector General
726 Minnesota Avenue
(office at 630 Minnesota Ave)
Kansas City, KS 66101
Audit: (913) 551-7878
Investigations: (312) 353-2507 (Chicago)

New York

Office of Inspector General
90 Church Street, Room 802
New York, NY 10007
Audit: (212) 264-5730
Investigations: (212) 264-0399

Philadelphia

Environmental Protection Agency
Office of Inspector General
841 Chestnut Street, 13th Floor
Philadelphia, PA 19107
Audit: (215) 597-0497
Investigations: (215) 597-9421

Research Triangle Park, NC

Environmental Protection Agency
Office of Inspector General
Catawba Building
Highway 54, Mail Drop 53
Research Triangle Park, NC 27711
Audit: (919) 541-2204
Investigations: (919) 541-1027

Sacramento

Environmental Protection Agency
Office of Inspector General
650 Capitol Mall, Suite 6309
Sacramento, CA 95814
Audit: (916) 551-1076
Investigations: (415) 744-2465 (SF)

San Francisco

Environmental Protection Agency
Office of Inspector General
75 Hawthorne St (I-1)
19th Floor
San Francisco, CA 94105
Audit: (415) 744-2445
Investigations: (415) 744-2465

Seattle

Environmental Protection Agency
Office of Inspector General
1111 3rd Avenue, Suite 1460
Seattle, WA 98101
Audit: (206) 553-4403
Investigations: (415) 744-2465 (SF)