

Semiannual Report to the Congress

October 1, 1993 – March 31, 1994



U.S. General Services Administration
Office of Inspector General

Foreword

This report summarizes the Office of Inspector General's (OIG) activities between October 1, 1993 and March 31, 1994. I would like to highlight several accomplishments that are important to both the OIG and GSA.

With the goal to reinvent Government, we continued to help GSA improve its performance in carrying out its mission. The OIG recommended over \$147 million "in funds to be put to better use and questioned costs." Our internal audits resulted in 61 reports which included recommendations to strengthen program management. Our review of a management information system provided by one of the FTS2000 vendors found a major internal control weakness reportable under the Federal Managers' Financial Integrity Act.

Our investigative activities included the conviction of a prospective supplier for forwarding false information in connection with a contract bid to GSA. Also, two Federal suppliers agreed to pay \$271,485 to settle their potential civil liability under the False Claims Act.

I want to take this opportunity to thank the GSA Administrator and Members of Congress for their unwavering support. I also want to commend the contributions of each OIG employee to our achievements during the past 6 months.

William R. Barton

WILLIAM R. BARTON
Inspector General

April 30, 1994

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Summary of OIG Performance

OIG Accomplishments	Total Financial Recommendations	\$147,233,249
	• Recommendations That Funds Be Put to Better Use	\$137,642,212
	• Questioned Costs	\$9,591,037
	Audit Reports Issued	262
	Investigative Referrals	237
Results Attained	Management Decisions and Other Savings Achieved	\$118,927,308
	Indictments and Informations	10
	Successful Criminal Prosecutions	16
	Civil Settlements	4
	Contractors Suspended/Debarred	79
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Overview and Focus on OIG Activities

This report, submitted pursuant to the Inspector General Act of 1978, as amended, chronicles the activities of the General Services Administration's Office of Inspector General. It is the thirty-first report to the Congress since the appointment of GSA's first Inspector General.

Overview

Procurement Activities

Significant OIG audits and investigations resulted in:

- Two civil fraud settlement agreements resulting in \$271,485 in recoveries.
- Improved process for awarding Travel Management Center contracts.
- Convictions of a former GSA employee and the owner of a paint supply company for accepting and providing gratuities.
- Conviction of a prospective supplier of household appliances for forwarding false information in connection with a contract bid to GSA.

Agency Operations

In a series of internal reviews, we advised management of the need to:

- Enforce contract provisions essential for GSA's oversight of one FTS2000 contractor.
- Determine GSA's role regarding FTS2000 revenue allocation.
- Improve billing information provided to Federal agencies for FTS2000 services.
- Maximize the use of direct delivery and remove slow moving items from the stock program.
- Improve management of long supply inventory at distribution centers.
- Improve control over the acquisition, assignment, and disposal of firearms and ammunition.

Prevention Activities

OIG prevention activities included:

- Preaward reviews of 167 contracts with an estimated value of \$1.1 billion.

Overview and Focus on OIG Activities

- Integrity Awareness Briefings of 478 GSA employees.
- Advisory reviews of 4 lease proposals aimed at heading off potential problems.

Focus

This period we continued our focus on significant Governmentwide areas, such as the FTS2000 telecommunications system and procurement fraud. We also continued to implement concepts reflected in the National Performance Review. We are committed to accomplishing our mission as defined by the Inspector General Act while at the same time working to serve as a valued in-house consultant to GSA management.

Our recent effort to specialize audit services and consolidate expertise is resulting in higher quality, more useful reports for GSA management. Our audit program strives to provide information aimed at helping the Agency achieve more positive outcomes such as better customer service, lower cost operations, lower contract prices, quicker results, and better control over services. We are dedicating substantial resources to the rapidly growing area of program evaluation. OIG program reviews provide GSA management with independent assessments of how well programs are meeting their missions and point out specific practices affecting results. These evaluations not only suggest needed improvements, they also point out what is working right at GSA.

We will continue programs which ensure proper stewardship over taxpayer resources. Guided by the requirements of the Chief Financial Officers Act, we oversee annual audits of the Agency's consolidated financial statements, financial systems, and related internal controls. We are expanding our efforts in this area to include the validation of key program performance measures reported in the narratives accompanying the financial statements.

Our investigations program is aimed at protecting the integrity of GSA's programs and operations by detecting and preventing fraud and other illegal conduct. By identifying systemic and procedural weaknesses, we further assist GSA management in improving program efficiency and effectiveness. A major emphasis is placed on initiating national proactive investigations resulting from preliminary indications of fraud or abuse called to our attention by OIG staff, GSA personnel, Government contractors, and the OIG Hotline. Because of the significant dollar volumes involved and the potential for abuse, we particularly focus our efforts on the detection of fraudulent activity associated with GSA's broad procurement, property disposal, and leasing responsibilities.

Overview and Focus on OIG Activities

We are continuing our efforts to achieve a total quality environment. Through both formal total quality efforts and our progress in “internalizing” total quality principles, we continue to critically examine our day-to-day tasks to find ways to streamline operations, improve services, and enhance employee morale.

We are pleased that our accomplishments this period have reflected such tangible benefits to the taxpayer and the Government and look forward to the challenges this dynamic time presents. We will continue our efforts to improve our own operations and to be an effective and positive force for improvement in the Agency. The personnel of the OIG are committed to continuing their tradition of service to GSA, its customers, and the American taxpayers.

Organization, Staffing, and Budget

Pursuant to the Inspector General Act of 1978, an Office of Inspector General was established within the General Services Administration on October 1, 1978. As currently configured, the OIG consists of six units that function cooperatively to perform the missions mandated by the Congress.

Organization

The OIG provides nationwide coverage of GSA programs and activities. It consists of:

- The **Office of Audits**, a multidisciplinary unit staffed with financial and technical experts who provide comprehensive coverage of GSA operations with program evaluations as well as reviews of GSA contractors.
- The **Office of Investigations**, an investigative unit that manages a nationwide program to prevent and detect illegal and/or improper activities involving GSA programs, operations, and personnel.
- The **Office of Counsel to the Inspector General**, an in-house legal staff that provides legal advice and assistance to all OIG components, represents the OIG in litigation arising out of or affecting OIG operations, and prepares OIG comments on proposed legislation.
- The **Office of Administration**, a centralized unit that provides information systems support, handles budgetary, administrative, and personnel matters, and formulates OIG comments on proposed regulations and GSA policy issuances.
- The **Office of Quality Management**, an in-house staff that promotes and coordinates the total quality process within all OIG components, and coordinates quality improvement initiatives with other Federal entities.
- The **Internal Evaluation Staff**, an analytical unit reporting directly to the Inspector General that plans and directs an in-house assessment program, including field office appraisals and sensitive reviews of OIG operations.

Office Locations

The OIG is headquartered in Washington, DC, at GSA's Central Office building. Field audit and investigations offices are maintained in Boston, New York, Philadelphia, Atlanta, Chicago, Kansas City, Fort Worth, San Francisco, Auburn, and Washington, DC. Investigative sub-offices are also maintained in Cleveland and Los Angeles.

Staffing and Budget

The OIG started Fiscal Year 1994 with a total on-board strength of 409 employees.

The OIG's Fiscal Year 1994 budget is approximately \$34.9 million.

Procurement Activities

GSA is responsible for providing space for almost 1 million Federal employees. GSA, therefore, acquires buildings and sites, constructs facilities, and leases space as well as contracts for repairs, alterations, maintenance, and protection of Government-controlled space. GSA also operates a Governmentwide service and supply system. To meet the needs of customer agencies, GSA contracts for billions of dollars worth of equipment, supplies, materials, and services each year. We review these procurements on both a preaward and postaward basis to ensure that the taxpayers' interests are protected. We perform approximately 400 reviews each year.

Significant OIG Accomplishments

Civil Settlements

This period, the Government entered into four civil settlement agreements negotiated by representatives of the Department of Justice and the GSA OIG. These agreements reflect the ongoing efforts of the OIG to pursue cases involving procurement fraud and practices which threaten the integrity of the Government's procurement process. Highlights of selected cases follow.

\$271,485 in Civil Settlements

The Government entered into two separate civil settlement agreements, one with a supplier of computer tape and the other with a supplier of paint stripping material. The companies agreed to pay the Government a total of \$271,485 to settle their potential civil liability under the False Claims Act.

- Under the terms of the first agreement, the computer tape supplier agreed to pay \$146,485. The OIG conducted an investigation after a GSA employee reported that there were problems with the computer tape furnished by the company. Our review disclosed that the firm provided used tape instead of new tape as required by the contracts.
- The second agreement provided that the supplier of paint stripping material pay \$125,000 to the Government to settle its potential civil liability. The agreement arose out of an audit and investigation that showed the contractor failed to pass along price reductions and aggregate sales discounts to which the Government was entitled during the course of a 3-year contract.

Awarding Travel Management Center Contracts

We evaluated the solicitation preparation and award process used by GSA in awarding Travel Management Center contracts in one region. Travel Management Centers provide ticketing and other travel services to Federal agencies. Although many functions were performed adequately, some areas could be improved.

Procurement Activities

GSA activities need to adhere to established internal control procedures when awarding contracts. We found that contracts were evaluated and awarded without regard for existing procedures. Key documents were not always complete and changes were not always signed, dated, or explained. Many of the conditions could have been identified and corrected by supervisory review.

Finally, we noted that travel management operations and procurement functions were closely entwined and reported to the same individual. The existence of such an organizational structure and operational relationship is in conflict with the need to separate key duties and responsibilities.

The March 14, 1994 report included recommendations that the Regional Administrator:

- Improve award documentation and supervisory review.
- Explore options for separating key functions performed by the Travel Management Center.

The Regional Administrator agreed with the recommendations in the report. The audit is still in the resolution process.

Government Employee Accepting Gratuities

A joint OIG and Department of Veterans Affairs investigation resulted in the convictions of a former GSA employee and the owner of a retail paint supply company for accepting and providing gratuities.

The investigation found that the former GSA employee used his official capacity to direct GSA and Department of Veterans Affairs contracts for paint and related supplies valued at approximately \$50,000 to the owner of the supply company. In exchange, the former GSA employee received payments from the owner amounting to \$2,100.

The former employee pled guilty to accepting a gratuity from a Government supplier. He was placed on 2 years probation. The owner of the retail paint supply company pled guilty to providing a gratuity to a public official and was placed on 3 years probation, ordered to perform 200 hours of community service, and fined \$10,000.

Contract Bid-Rigging

A prospective supplier of household appliances was convicted for forwarding false information in connection with a contract bid to GSA.

The investigation was initiated when an offeror alleged that the appliance firm official offered him a bribe to price-fix bids on a GSA contract solicitation. The investigation disclosed that the collusive

Procurement Activities

agreement was intended to divide the national market for the appliances being offered to GSA between the two competitors. The purpose of the agreement was to prevent the two offerors from fairly bidding against each other, and restricting fair and open competition in Government contracting.

The supplier was sentenced to 3 years probation, ordered to pay a \$5,000 fine, and ordered to perform 100 hours of community service. Also, the supplier, his company, and an affiliated firm were suspended from doing business with the Government and a debarment determination is pending.

Agency Operations

GSA is a central management agency that sets Federal policy in such areas as Federal procurement, real property management, and telecommunications. GSA also manages diversified Government operations involving buildings management, supply facilities, real and personal property disposals and sales, data processing, and motor vehicle and travel management. In addition, GSA manages over 135 accounting funds and provides cross-servicing support for client agencies. Our audits examine the efficiency, effectiveness, and integrity of GSA programs and operations and result in reports to management. Our internal audits program is designed to facilitate management's evaluation and improvement of control systems by identifying areas of vulnerability and including recommendations for improvement. This period, the OIG performed 61 internal reviews on Agency program areas.

Significant OIG Accomplishments

FTS2000

The OIG continued to review important aspects of the FTS2000 system. This service provides Federal agencies with long-distance telecommunications services provided by two vendors. At a potential cost of \$25 billion, it has been characterized as the largest private telecommunications system in the world, as well as the largest non-space civilian-agency procurement.

- **Management Information System Reports**

We assessed the management information system provided by one of the FTS2000 vendors. GSA relies on the data supplied by the system to present an accurate picture of the contractor's performance.

The FTS2000 contract requires vendors to provide GSA with a totally automated system for independently verifying contractor performance data. The audit disclosed that the vendor had not provided the totally automated system, and that the performance data supplied to the Agency was deficient. The vendor changed historical performance data without GSA's knowledge, making the data unreliable.

We concluded that the system is not useful to GSA for accomplishing its contractor performance oversight mission. This condition constitutes a major internal control weakness reportable under the Federal Managers' Financial Integrity Act.

The October 19, 1993 report recommended that the Commissioner, Information Resources Management Service, and the Associate Administrator, Office of FTS2000:

- Enforce contract provisions which are intended to provide GSA with the data capacity to verify performance levels reported by the contractor.

Agency Operations

- Seek appropriate compensation from the contractor until reliable and accurate performance data is supplied to GSA.

Responsive action plans were provided for implementing the report recommendations.

- **Business Allocation**

The OIG reviewed GSA's administration of the FTS2000 business allocation. The FTS2000 contracts were awarded based on an approximate 60 percent and 40 percent allocation of the anticipated business between two contractors.

GSA is required to consider the revenue allocation impact before assigning a new customer to one of its two long distance networks. However, there is disagreement concerning the meaning and intent of the contract clause governing the assignment of new users. The report pointed out that the contract clause identified a criterion which would attempt to maintain the allocation percentage for the contract period. This language produced many different interpretations of GSA's role in determining contractor revenue allocation.

We concluded that GSA should view the contractor revenue allocation as one of several factors influencing a new user assignment decision. Fixed revenue allocation is not a contractual guarantee to either contractor. The Agency has little effective method for controlling revenue allocation over the life of the contracts, nor is control over revenue allocation through costly and disruptive user reassignments desirable.

The review also disclosed that a monthly revenue report prepared by a contractor duplicates information in GSA's own management report. Eliminating the duplication could save about \$33,062, which is the estimated annual cost of the contractor's reports.

The December 15, 1993 report recommended that the Associate Administrator, Office of FTS2000:

- Determine GSA's role concerning contractor revenue allocation, and state this in future solicitations.
- Modify the GSA contract to eliminate the duplicated monthly report.

Responsive action plans were provided for implementing the report recommendations.

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- **Payments to Contractors and Billings to Customer Agencies**

A review of payments to contractors and billings to customer agencies for FTS2000 service showed that GSA paid invoiced amounts and billed customer agencies timely and accurately. The OIG also identified opportunities to improve financial management.

Customer agencies need to report regularly to GSA on efforts to verify the accuracy of the vendor charges so GSA has a reliable basis to certify payments to contractors. However, many customer agencies were unable to verify the validity of their calls because the bills lacked detailed information. While Automated Number Identifier switches can provide desired caller detail, the cost of this service needs to be considered.

To expedite the resolution of disputed amounts, the report suggested that GSA should, as directed by the contracts, require the vendors to resolve disputed charges within 30 days. Also, GSA should withhold payment of disputed amounts from future billings and only pursue disputed amounts that are cost-effective. In addition, the review showed that GSA needs to document all reimbursable funding agreements.

The October 29, 1993 report recommended that the Associate Administrator, Office of FTS2000:

- Make Automated Number Identifier switches available where cost effective.
- Implement contract requirements and pursue only cost-effective billing disputes.
- Obtain funding agreements from all customer agencies.

Responsive action plans were provided for implementing the report recommendations.

Theft of Government Property

An OIG investigation resulted in the convictions of a former state trooper, and a director and a captain in the rescue squad on conspiracy and theft of Government property charges. An investigation was initiated following allegations from the Tennessee Bureau of Investigations concerning the theft of U.S. Government surplus property.

The investigators found that the former state trooper, director, and captain obtained surplus property from GSA warehouses by claiming the property was to be used by the rescue squad, a legitimate donee. The subjects transported the property to a commercial surplus supply

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store owned by the state trooper, and sold it to the general public for personal profit. The Government property was valued at \$682,600.

On January 20, 1994, the former state trooper and owner of the supply store was found guilty of conspiracy and theft of Government property and sentenced in U.S. District Court to 10 months incarceration and 3 years parole. Previously, the director and captain pled guilty to conspiracy and theft of Government property. Sentencing has not been scheduled for these two subjects.

Inventory Management

This period we assessed the management of the stock program which makes available to customers about 19,000 items carried in depots. Each year, GSA processes about 7 million orders for stock items, representing about \$1 billion in sales and an average inventory value of about \$250 million.

We examined customer ordering patterns and evaluated items stocked in the depots. Our analysis revealed that approximately \$60 million could be saved by increasing direct delivery programs, discontinuing items which are more economically provided through nonstock methods, and removing slow moving and low dollar value items from the depots.

The review pointed out that customers could save money by having items shipped directly from the supplier. Although delivery time might be a little longer, customers should be given this option at the time of their initial order. Increased direct delivery would result in lower item cost, as well as reducing inventory and investment levels. Restocking Department of Defense warehouses by direct delivery rather than from GSA depots would save significantly. Also, since about 32 percent of stock items account for 95 percent of sales, significant improvements could be realized by better managing slow moving and uneconomical items.

The December 29, 1993 report recommended that the Commissioner, Federal Supply Service:

- Maximize the use of direct delivery.
- Ensure that items are stocked only when it is the most economical method of supply.
- Develop procedures for removing slow moving items from stock.

The Commissioner generally agreed with the recommendations in the report. The audit is still in the resolution process.

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Diversion of Federal Surplus Property

A joint OIG and Defense Criminal Investigative Service investigation resulted in the convictions of a community college instructor and his son for theft of Government property. An investigation was initiated upon receiving information from the Defense Logistics Agency that 200 diesel marine engines had been obtained by the community college through the GSA Federal Surplus Property Donation program. It was also learned that the diesel engines were being advertised for sale to the general public.

The investigation disclosed that an instructor for the community college was authorized to acquire Government surplus property to be used for the college's vocational training program. Between May 1991 and April 1992, the instructor, assisted by his son, obtained the engines on behalf of the college and immediately resold them for his own profit to an engine repair firm in violation of program requirements. Further, the instructor acquired additional Government property which he converted and sold for personal profit. In April 1992, the Government executed search warrants at various locations and seized Government property valued at more than \$5 million. Items seized included 200 diesel engines, 2 cranes, 3 aircraft tow tractors, several trucks and other vehicles, and numerous compressors, generators, turbochargers, welding machines, trailers, and other items of commercial value.

On February 14, 1994, the instructor and his son were sentenced in U.S. District Court after pleading guilty to theft of Government property. The instructor was sentenced to 41 months imprisonment, 3 years probation, and ordered to pay \$30,000 in restitution. His son was sentenced to 24 months imprisonment, 3 years probation, and ordered to pay restitution of \$15,000.

Distribution Centers

This period, we evaluated the long supply inventory at GSA's four wholesale supply distribution centers. Items are considered long supply when the estimated time period to exhaust the inventory is excessive, often caused by reduced product demand. Long supply ties up capital and warehouse space, and is more susceptible to damage and deterioration.

We found that the centers were writing off usable long supply stock instead of processing it through the excess disposal system, resulting in lost accountability and manageability. This situation contributed to a condition where usable stock was being donated to State agencies while the distribution centers were processing new orders for the same stock.

During reviews at two distribution centers, we found that maintenance and testing of stock locator systems were inadequately performed. Not maintaining the accuracy of these systems could lead to errors in the

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filling of orders or the inability to fill orders. Finally, several operational weaknesses impeded the inventory surveillance branch's ability to review and monitor inventory levels and warehouse activities.

The reports included recommendations to the Commissioner, Federal Supply Service, and Acting Regional Administrators to:

- End long supply inventory write-offs and transfer long supply inventory to excess stock.
- Have stock locator personnel update stock location records.
- Ensure that the inventory surveillance branch has independent authority and responsibility to carry out its duties.

Responsive action plans were provided for implementing the reports' recommendations.

Theft Convictions

Two GSA employees were sentenced in U.S. District Court after pleading guilty to theft of Government property. One employee was placed on 18 months probation and fined \$500. The other employee was placed on 1 year probation and fined \$500. These sentences concluded an investigation in which a total of eight GSA employees pled guilty, were placed on various terms of probation, and ordered to pay fines for theft of Government property from a GSA Distribution Center. As a result of these guilty pleas, four employees resigned from Government service, one retired, and administrative action is pending for the other three employees.

An investigation was initiated following allegations that a GSA employee improperly furnished another Federal employee Government property obtained from a GSA Distribution Center. The Federal employee became suspicious that he had received stolen property because it was still in the original containers bearing GSA issued national stock numbers. The investigators found that the property had been stolen and the subject was acting in collaboration with other GSA employees to steal GSA property from the Center.

Federal Protective Service

The OIG completed several regional reviews of the Federal Protective Service Division operations. The Division provides physical protection for buildings owned or occupied by the Federal Government under the charge and control of GSA. The Division uses its uniformed staff and contract guards to perform these duties.

We found that the firearms inventory records need to be maintained more accurately and completely. Better precautions need to be taken

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concerning the safekeeping of firearms and ammunition. For example, we observed loaded weapons stored in gun lockers and ammunition stored on a shelf with administrative equipment. Also, the facilities for safely loading and unloading weapons were inadequate.

In one region, ammunition was missing, a firearm was issued to an unqualified employee, and some personnel had not requalified in weapons use. In the same region, the control centers failed to respond to a significant number of intrusion alarms tested. Also, existing alarm reporting systems required manual intervention which prevented timely response.

The December 15, 1993 and March 25, 1994 reports included recommendations that the Regional Administrator and Acting Regional Administrator:

- Implement an inventory system to track the acquisition, assignment, and disposal of firearms and ammunition.
- Improve safety conditions relative to the loading and unloading of firearms.
- Evaluate the functions, duties, and operations of the control centers.

The Regional Administrator and Acting Regional Administrator agreed with or took no exceptions to the recommendations in the reports. The audits are still in the resolution process.

Lease Acquisition Program

GSA is responsible for the acquisition and assignment of space. When Government-owned space is not available to meet agency needs, GSA leases commercial space to fill the need.

We reviewed a regional lease acquisition program and found that customer agencies were very satisfied with the quality of space leased. Although the Agency has improved space delivery time, we found opportunities for improving the leasing program.

The report disclosed that GSA could increase competition by actively contacting potential lessors, encouraging their submission of offers, and increasing the offerors' understanding of lease requirements. This should allow lessors to reduce reliance on brokerage firms and eliminate the added fees which ultimately show up as higher rental rates. Currently, some brokers represent multiple lessors for the same procurement and, therefore, have access to information which can adversely affect competition.

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GSA has used fast track procedures to award increased numbers of small leases. We believe that this program should be expanded. Also, implementing a simple time reporting system could help reduce space delivery time and increase competition.

The January 28, 1994 report to the Acting Regional Administrator recommended that the Real Estate Division:

- Work with lessors to foster competition and provide more assistance to lessors seeking to make offers.
- Continue using fast track leasing procedures while minimizing the time and paperwork devoted to these leases.

The Acting Regional Administrator generally agreed with the recommendations in the report. The audit is still in the resolution process.

Fraudulently Obtained Retirements

In response to a GSA employee complaint, the OIG and the U.S. Office of Special Counsel conducted an investigation of improper personnel actions by a GSA regional personnel officer and other senior regional officials. At the conclusion of the investigation, the personnel officer was discharged from employment for scheming to falsify documents to obtain employee discontinued service retirements. Another senior official retired from Government service prior to disciplinary action being taken, and a regional official was officially reprimanded.

Subsequent to the termination of the personnel officer, a retired GSA employee agreed to reimburse the Government \$34,608 as restitution for his improperly obtained retirement. This retirement was fraudulently granted as part of the scheme by the regional officials. The investigation also identified three other retired GSA employees in which court action is presently underway to obtain restitution to the Government for the fraudulently obtained retirements.

Prevention Activities

In addition to detecting problems in GSA operations, the OIG is responsible for initiating actions to prevent fraud, waste, and abuse and to promote economy and efficiency.

Significant Preaward Audits

The OIG's preaward audit program provides information to contracting officers for use in negotiating contracts. The pre-decisional, advisory nature of preaward audits distinguishes them from other audits. This program provides vital and current information to contracting officers, enabling them to significantly improve the Government's negotiating position. This period, the OIG performed preaward audits of 167 contracts with an estimated value of \$1.1 billion. The audit reports contained over \$76 million in financial recommendations.

Multiple Award Schedule Contracts

This period, four of the more significant audits involving Multiple Award Schedule contracts had estimated Governmentwide sales totaling over \$98 million. Based on our findings, the auditors recommended that over \$15 million in funds be put to better use.

The OIG evaluated discount schedule and marketing data submitted in response to GSA's solicitations for communication recording systems and accessories, automatic data processing equipment and software, and lettering devices and supplies.

The auditors found common problems among the audits. Companies were offering commercial customers better discounts than offered to GSA. The companies either did not disclose the higher discounts or did not provide adequate justification for not offering the higher discounts to GSA.

Other Contracts

The OIG performed audits involving a claim for increased costs and a lease escalation proposal. The two audits reviewed amounts of over \$5 million and recommended adjustments of more than \$2 million.

- The OIG audited a claim for increased costs related to the renovation of a Federal building. The contractor alleged that Government-caused delays resulted in increased costs. The audit advised the contracting officer that the accounting records for the original contract work and change order work were not adequately segregated, overhead expenses were overstated, and costs claimed for productivity loss were not attributable to the Government.
- The OIG audited a lease escalation proposal. We advised the contracting officer that the proposal was overstated because the lessor included non-operating expense items in the operating cost proposal. For example, capital expenditures to upgrade building elevators were proposed as an operating expense. The lease excludes these items from escalation.

Prevention Activities

Federal Managers' Financial Integrity Act Reviews

The Federal Managers' Financial Integrity Act requires GSA management to provide assurance to the President and the Congress that Agency resources are protected from fraud, waste, mismanagement, and misappropriation.

We advised management that three material control weaknesses should have been reported to the Administrator. One assurance statement did not disclose a material weakness concerning controls for documenting and substantiating rental rates charged to Federal agencies. For another office, the assurance statement was not complete in its reporting of material weaknesses concerning a violation of the Advance Payment Statute and oversight of a major GSA telecommunications contract. In addition, we believe the risk ratings for nine program components should either be raised or retained at their high risk designation, not reduced as management recommended. Nothing else came to our attention during the reviews for the OIG to conclude that reporting officials had other than reasonable and reliable bases for their assurance statements.

Our findings were presented to the Agency's Management Control Oversight Council which adopted the OIG's concerns as GSA issues. The Administrator's December 30, 1993 Assurance Letter to the President included the three material weaknesses identified in our report.

Integrity Awareness

Integrity Awareness Briefings comprise the OIG's primary vehicle for educating employees on their responsibilities for the prevention of fraud and abuse, and for reinforcing employees' roles in helping to ensure the integrity of Agency operations.

This period, we presented 24 briefings which were attended by 478 regional employees. These briefings explain the statutory mission of the OIG and the methods available for reporting suspected instances of wrongdoing. In addition, through case studies and slides, the briefings expose GSA employees to actual instances of fraud in GSA and other Federal agencies.

Advisory Lease Reviews

The OIG's program for reviewing leases prior to award provides front-end assurance that GSA is adhering to regulations and procedures before awarding selected leases exceeding established thresholds. These reviews, although advisory in nature, promote opportunities for economy and efficiency in the leasing area, and the avoidance of problems before they occur.

This period we received 22 lease proposals for review and completed 4 audits. Two of the proposals reviewed had deficiencies. The Agency has identified the leasing program for evaluation as a nationwide reinvention project. We are cooperating with management in this endeavor as leasing practices are studied in several regional locations.

Prevention Activities

Hotline

The Hotline is another part of our prevention program. It provides an avenue for concerned employees to report suspected wrongdoing. Hotline posters located in GSA-controlled buildings, as well as Hotline brochures, encourage employees to use the Hotline.

During this reporting period, we received 128 Hotline calls and letters. Of these, 97 complaints warranted further action. We also received 8 referrals from GAO and 29 referrals from other agencies; 19 of these referrals required further action.

Implementation Reviews

The OIG performs independent reviews of implementation actions, on a test basis, to ensure that management's corrective actions are being accomplished according to established milestones. This period, the OIG performed 10 implementation reviews. In each of these cases, management was successfully implementing the recommendations.

Financial Statements Audit

The Chief Financial Officers Act of 1990 requires the OIG to conduct or arrange for an annual audit of GSA's consolidated financial statements. The Act also requires a report on GSA's system of internal accounting controls and on GSA's compliance with laws and regulations. With oversight and guidance from the OIG, an independent public accounting firm performed this audit for Fiscal Year 1993. In the auditor's report, dated February 4, 1994, GSA received unqualified opinions on its financial statement as well as on its system of internal accounting controls. Several reportable conditions were identified where steps should be taken to strengthen internal controls. None of these was considered material. GSA is one of the few Federal agencies to receive an unqualified opinion on its financial statements. The report on GSA's compliance with laws and regulations cited only one instance of noncompliance—a violation of the Advance Payment Statute.

Performance Measures

In our continuing effort to implement the Chief Financial Officers Act, the OIG completed limited reviews of the internal controls for two program performance measures. The Office of Management and Budget Circular 93-06, "Audit Requirements for Federal Financial Statements," requires an assessment of the reasonableness of the control structure to generate reliable performance information. Our preliminary assessment showed that the design and implementation of the existing control structure could be improved. Consistent with the forthcoming Office of Management and Budget audit guidance, we plan to expand our reviews to include detailed testing of the internal controls relating to selected performance measures.

Legislative Requirements

This period, the OIG conducted two evaluations to satisfy legislative requirements for Fiscal Year 1993 activities. In one review, the OIG evaluated GSA's compliance with Public Law 101-121, also known as the Byrd Amendment Restriction on Lobbying Activities. The Amendment requires that recipients of contracts, loans, or cooperative agreements over certain dollar thresholds certify that no Federal funds were used for lobbying activities. Disclosure of lobbying activity costs

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paid from non-Federal funds is also required. Our review indicated that GSA was in compliance with the Amendment's requirements.

In the second review, the OIG evaluated GSA's controls to ensure that acquisition of advisory and assistance services complies with the provisions of Office of Management and Budget Circular A-120. Also, in accordance with Public Law 97-258, the OIG reported on the accuracy of advisory and assistance contract data reported in the Federal Procurement Data System. We did not identify any reportable conditions.

Review of Legislation and Regulations

Pursuant to the Inspector General Act of 1978, the OIG is required to review existing and proposed legislation and regulations to determine their effect on the economy and efficiency of the Agency's programs and operations and on the prevention and detection of fraud and abuse.

During this period, the OIG reviewed 309 legislative matters and 54 proposed regulations and directives. The OIG provided significant comments on the following legislative items:

- **S. 1587, The Federal Acquisition Streamlining Act of 1993.** We strongly supported the goal of streamlining the Federal procurement process. However, we expressed concern that certain provisions of the bill and of the Office of Management and Budget mark-up would eliminate or weaken important safeguards against fraud and contractor overcharges. In particular, we strongly opposed the curtailment of Government audit rights, pointing out that recent audits conducted by this office alone have resulted in nearly one half billion dollars in recoveries and cost avoidances for one of the Agency's commercial product acquisition programs. We detailed our concerns regarding a number of provisions which we believed would result in greater costs and less "business-like" practices including: provisions requiring the Government to presume contractors' prices were reasonable; provisions limiting the Government's ability to obtain contractor pricing information and otherwise weakening the Government's negotiating posture; and provisions altering the definition of commerciality. We identified proposed changes which we believed would cost hundreds of millions of dollars in needless additional product costs and lost recoveries. While we agreed with the need to streamline the procurement process, we urged that this be balanced with the need to protect the taxpayers' interests.
- **S. 1760, To Amend the Public Buildings Act of 1959 to Improve the Process of Constructing, Altering, Purchasing, and Acquiring Public Buildings, and for Other Purposes.** We commented that there is already a significant amount of Congressional oversight of public buildings projects, and the additional reporting requirements called for in the bill would be unduly burdensome for GSA. We also noted the bill's proposal for an automatic 5 percent across-the-board reduction in the space allotted to agencies does not take into account the real needs of agencies to meet their various missions.
- **H.R. 1900, The Privacy for Consumers and Workers Act.** We commented that the bill did not clearly state that its exemptions for law enforcement agencies also apply to Offices of Inspector General. We recommended that such offices be specifically exempted from some of the bill's requirements in the same manner and to the same extent as other law enforcement agencies.

Review of Legislation and Regulations

- **S. 1782, Electronic Freedom Of Information Act.** The bill proposes to permit significant civil penalties against agencies that do not comply with mandated response time requirements. The OIG noted that such a proposal does not take into account the Freedom of Information Act workload of the responding offices, and the additional expenditures which would be needed if agencies were to meet these time requirements and still complete their missions.

Statistical Summary of OIG Accomplishments

Audit Reports Issued

The OIG issued 262 audit reports, including 1 audit performed by the OIG that was issued to another agency and 15 audits performed for the OIG by another agency. The 262 reports contained financial recommendations totaling \$147,233,249, including \$137,642,212 in recommendations that funds be put to better use and \$9,591,037 in questioned costs. Due to GSA's mission of negotiating contracts for Governmentwide supplies and services, most of the recommended savings that funds be put to better use would be applicable to other Federal agencies.

Management Decisions on Audit Reports

Table 1 summarizes the status of the universe of audits requiring management decisions during this period, as well as the status of those audits as of March 31, 1994. Five reports more than 6 months old were awaiting management decisions as of March 31, 1994; all of them were preaward audits which are not subject to the 6 month management decision requirement. Table 1 does not include 1 report issued to another agency this period and 25 reports excluded from the management decision process because they pertain to ongoing investigations.

Table 1. Management Decisions on OIG Audits

	No. of Reports	Reports with Financial Recommendations	Total Financial Recommendations
For which no management decision had been made as of 10/1/93			
Less than 6 months old	100	76	\$ 71,638,074
More than 6 months old	4	4	17,388,728
Reports issued this period	<u>257</u>	<u>157</u>	<u>146,229,693</u>
TOTAL	361	237	\$235,256,495
For which a management decision was made during the reporting period			
Issued prior periods	99	76	\$ 76,382,000
Issued current period	<u>175</u>	<u>95</u>	<u>38,385,282</u>
TOTAL	274	171	\$114,767,282
For which no management decision had been made as of 3/31/94			
Less than 6 months old	82	62	\$ 107,844,411
More than 6 months old	<u>5</u>	<u>4</u>	<u>12,644,802</u>
TOTAL	87	66	\$120,489,213

Statistical Summary of OIG Accomplishments

Management Decisions on Audit Reports With Financial Recommendations

Tables 2 and 3 present the audits identified in Table 1 as containing financial recommendations by category (funds to be put to better use or questioned costs). One of the reports contained recommendations that funds be put to better use as well as questioned costs, and this report is therefore included in both Tables 2 and 3.

Table 2. Management Decisions on OIG Audits with Recommendations that Funds be Put To Better Use

	No. of Reports	Financial Recommendations
For which no management decision had been made as of 10/1/93		
Less than 6 months old	65	\$ 67,959,094
More than 6 months old	2	271,377
Reports issued this period	<u>133</u>	<u>136,638,656</u>
TOTAL	200	\$203,869,127
For which a management decision was made during the reporting period		
Recommendations agreed to by management based on proposed		
• management action		\$ 79,882,746
• legislative action		—
Recommendations not agreed to by management		<u>4,869,589</u>
TOTAL	145	\$ 84,752,335
For which no management decision had been made as of 3/31/94		
Less than 6 months old	51	\$ 106,471,990
More than 6 months old	<u>4</u>	<u>12,644,802</u>
TOTAL	55	\$119,116,792

Statistical Summary of OIG Accomplishments

Table 3. Management Decisions on OIG Audits with Questioned Costs

	<u>No. of Reports</u>	<u>Questioned Costs</u>	<u>Unsupported Costs</u>
For which no management decision had been made as of 10/1/93			
Less than 6 months old	12	\$ 4,678,980	\$—
More than 6 months old	2	17,117,351	—
Reports issued this period	<u>24</u>	<u>9,591,037</u>	<u>—</u>
TOTAL	38	\$31,387,368	\$—
For which a management decision was made during the reporting period			
Disallowed costs		\$ 29,976,932*	\$—
Costs not disallowed		<u>38,015</u>	<u>—</u>
TOTAL	27	\$30,014,947	\$—
For which no management decision had been made as of 3/31/94			
Less than 6 months old	11	\$ 1,372,421	\$—
More than 6 months old	<u>0</u>	<u>0</u>	<u>—</u>
TOTAL	11	\$ 1,372,421	\$—

* \$106,813 of this amount was recovered in civil settlements, as reported in Table 5.

Investigative Workload

The OIG opened 119 investigative cases and closed 126 cases. In addition, the OIG received and evaluated 77 complaints and allegations from sources other than the Hotline that involved GSA employees and programs. Based upon our analyses of these complaints and allegations, OIG investigations were not warranted.

Statistical Summary of OIG Accomplishments

Referrals

The OIG makes criminal referrals to the Department of Justice or other authorities for prosecutive consideration and civil referrals to the Civil Division of the Department of Justice or U.S. Attorneys for litigative consideration. The OIG also makes administrative referrals to GSA officials on certain cases disclosing wrongdoing on the part of GSA employees, contractors, or private individuals doing business with the Government.

Table 4. Summary of OIG Referrals

Type of Referral	Cases	Subjects
Criminal	29	62
Civil	9	18
Administrative	<u>50</u>	<u>157</u>
TOTAL	88	237

In addition, the OIG made 1 referral to another Federal agency for further investigation or other action and 28 referrals to GSA officials for informational purposes only.

Actions on OIG Referrals

Based on these and prior referrals, 12 cases (19 subjects) were accepted for criminal prosecution and 5 cases (7 subjects) were accepted for civil litigation. Criminal cases originating from OIG referrals resulted in 10 indictments/informations and 16 successful prosecutions. OIG civil referrals resulted in 3 civil fraud complaints, and 4 case settlements (involving 5 subjects). Based on OIG administrative referrals, management debarred 56 contractors, suspended 23 contractors, and took 22 personnel actions against employees.

Statistical Summary of OIG Accomplishments

Monetary Results

Table 5 presents the amounts determined to be owed the Government as a result of criminal and civil actions. The amounts do not necessarily reflect actual monetary recoveries.

In addition, the OIG identified for recovery \$7,799,179 in money and/or property during the course of its investigations.

Table 5. Criminal and Civil Recoveries

	<u>Criminal</u>	<u>Civil</u>
Fines and Penalties	\$ 1,019,175	\$ —
Settlements or Judgments	—	311,089*
Restitutions	<u>45,000</u>	<u>—</u>
TOTAL	\$1,064,175	\$311,089

**This amount includes \$106,813 reportable pursuant to section 5(a)(8) of the Inspector General Act as management decisions to disallow costs. See Table 3.*

Appendices

Appendix I – Significant Audits From Prior Reports

Under the Agency's audit management decision process, GSA's Office of Administration, Office of Management Controls and Evaluation, is responsible for tracking implementation of audit recommendations after a management decision has been reached. That office furnished the following status information.

Nine audits highlighted in prior Reports to the Congress have not yet been fully implemented; all are being implemented in accordance with currently established milestones.

Procurement Personnel Development

Period First Reported: April 1, 1993 to September 30, 1993

This review advised management to streamline and update its development programs for procurement personnel. The report contained one recommendation; it has not yet been implemented.

This recommendation involves improving the warranting, training, and certification programs. These improvements are scheduled for completion by August 31, 1994.

Occupant Emergency Plans

Period First Reported: April 1, 1993 to September 30, 1993

The review identified the need to improve occupant emergency plans to ensure the safety of people in Federal buildings. The report contained three recommendations; one has been implemented.

One of the remaining recommendations involves performing annual reviews of occupant emergency plans for multi-story buildings. By December 31, 1994, the OIG will conduct a reexamination to verify that the annual reviews are being conducted. The other remaining

recommendation requires instituting a training program to assist Federal agencies in developing and maintaining their occupant emergency plans. It is scheduled for completion by July 31, 1994.

Local Telephone Service Program

Period First Reported: April 1, 1993 to September 30, 1993

The review disclosed the need to provide better service to Federal customers of the local telecommunications program. The report included six recommendations; none have been implemented.

One of the recommendations involves using multi-year rates to determine local telephone service and is scheduled for completion by May 31, 1994. Two recommendations involve comparing costs with telephone services available from the private sector and identifying customers who should be provided service from another type of system. They are scheduled for completion by August 31, 1994. Three recommendations involve improving payment processing, rate agreements, and management of toll calls. They are scheduled for completion by October 31, 1994.

7 to 10 Digits Dialing Conversion

Period First Reported: April 1, 1993 to September 30, 1993

This review advised management to determine if interest charges may be assessed due to an advance payment for services not yet provided. The report contained seven recommendations.

Resolution was achieved on March 31, 1994 and the final action plan is being implemented. All actions are scheduled to be completed by September 30, 1994.

Appendix I – Significant Audits From Prior Reports

Vacant Space Management

Period First Reported: October 1, 1992 to March 31, 1993

This review revealed that GSA needed to improve its management of vacant space. The report contained five recommendations; four have been implemented.

The remaining recommendation involves updating assignment files and drawings with current data and correcting reports. Space inspections for the purpose of updating assignment files and drawings are scheduled to be completed by June 30, 1994. A follow-up review to ensure that assignment files and drawings have been updated is scheduled for completion by September 30, 1994.

Special Order Program for Tools

Period First Reported: October 1, 1992 to March 31, 1993

This review identified the need to improve the management of the special order program for tools. The report contained nine recommendations; seven have been implemented.

One of the remaining recommendations concerns analyzing special order program information needs and establishing controls to ensure the information is accurate and useful. It is scheduled for completion by April 30, 1994. The other recommendation involves strengthening controls over the processing of memoranda. All actions related to the implementation of the recommendation have been completed except for the follow-up review. This review is scheduled to be completed by August 31, 1994.

Employee Benefits Programs

Period First Reported: October 1, 1992 to March 31, 1993

This review found that the processing of health benefit insurance transactions needed improvement. The report

contained two recommendations; one has been implemented.

The remaining recommendation required a determination whether it would be cost beneficial to recover health benefit insurance contributions for prior years and to take appropriate action based on that determination. While all pertinent actions have been taken on this recommendation, it remains open until all recovery actions are completed.

Contract Workload Management

Period First Reported: April 1, 1992 to September 30, 1992

This review revealed the need to develop a strategy for addressing procurement workload concerns. The report contained one recommendation; it has not yet been implemented.

This recommendation involves establishing a working group to develop a system for addressing identified issues and to give attention to the Multiple Award Schedule program concerns. The action plan is being revised to incorporate changes for streamlining the procurement system through the use of electronic commerce.

Controls Over Receivables

Period First Reported: October 1, 1991 to March 31, 1992

This review identified needed improvements to the billing procedures and financial computer programs for receivables. The report contained three recommendations; two have been implemented.

The last recommendation requires the development of a computer program which allows updates to multiple bills automatically for the same customer. It is scheduled for completion by September 30, 1994.

Appendix II – Audit Report Register

Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
<i>(Note: Due to the pre-decisional nature of some audits, the financial recommendations pertaining to these reports are not listed in this Appendix.)</i>				
PBS INTERNAL AUDITS				
10/14/93	A31518	Audit of the Purchasing Activities of the Central Field Office, Region 5		
10/18/93	A32158	Audit of Estimating Procedures Used by the Region 7 Design and Construction Division		
10/18/93	A32468	Audit of Controls Over Funding for Prospectus Projects, Region 9		
10/28/93	A30698	Review of the Rochester, New York Buildings Management Field Office, Region 2		
10/28/93	A32458	Audit of Estimating Practices, Design and Construction Division, Region 9		
11/05/93	A21575	Audit of the Cincinnati Buildings Management Field Office, Region 5		
11/08/93	A30939	Postaward Audit of Lease Number GS-03B-20130: 615 Chestnut Street, Philadelphia, PA		
11/24/93	A30947	Audit of Energy Conservation, Repair and Alteration Program, Region 3		
12/02/93	A42455	Preaward Lease Review: 1132 Bishop Street, Honolulu, Hawaii, Region 9, Lease Number GS-09B-92023		
12/15/93	A30649	Audit of the Federal Protective Service Division Operations, Region 2		
12/17/93	A32488	Audit of the Federal Protective Service Division Operations, Region 9		
12/21/93	A31554	Audit of the Purchasing Activities of the Springfield Field Office, Region 5		
12/30/93	A30679	Review of the Long Island Buildings Management Field Office, Region 2		
12/30/93	A31526	Audit of Region 5's Design and Construction Division's Estimating Practices		

Appendix II – Audit Report Register

Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
01/20/94	A32489	Audit of Procurement Program, Alaska Field Office, Region 10		
01/24/94	A32547	Postaward Lease Review: 901 Market Street, San Francisco, California, Region 9		
01/27/94	A42464	Preaward Lease Review: 2929 N. Central Avenue, Phoenix, Arizona, Region 9, Lease Number GS-09B-92539		
01/28/94	A21552	Audit of the Lease Acquisition Process, Region 5		
02/03/94	A31568	Audit of the Postaward Lease Administration: U.S. Fish and Wildlife Service 1924 Industrial Parkway, Marquette, Michigan, Lease Number GS-05B-15179, Region 5		
02/28/94	A41211	Audit of Preaward Lease Actions, IRS Building, Birmingham, Alabama, Lease Number GS-04B-34007		
03/10/94	A32481	Audit of Certified Invoice Procedures, Region 9		
03/11/94	A43030	Preaward Lease Review: 1919 M Street NW, Washington, DC, Lease Number GS-11B-80412		
03/25/94	A31550	Audit of Region 5, Federal Protective Service Division Operations	\$20,000	
03/25/94	A32548	Postaward Lease Review: Park Place Building, Seattle, Washington, Lease Number GS-10B-05803		\$60,532

PBS CONTRACT AUDITS

10/02/93	A31867	Preaward Audit of Architect and Engineering Services Contract: The Clark Eversen Partners, Inc., Solicitation Number GS06P93GYD0042		
10/05/93	A31868	Preaward Audit of Architect and Engineering Services Contract: M.E. Group, Inc., Solicitation Number GS06P93GYD0042		
10/05/93	A32543	Preaward Audit of Architect and Engineering Services Contract: Keating Mann Jernigan Rottet, Solicitation Number GS-09P-93-KTC-0014		

Appendix II – Audit Report Register

Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
10/06/93	A30687	Preaward Audit of a Claim for Increased Costs: Active Fire Sprinkler Corporation, Contract Number GS-02P-86CUC0096		
10/08/93	A30693	Review of Foley Square, Draw Request Procedures: Linpro New York Realty, Inc., Contract Number GS-02P-91CUC0058		
10/19/93	A30688	Review of Pretrial Stipulation on Accounting for Subcontractor Pass-thru Premium Time Costs: Worth Construction Co., Inc., Bunker Metal Fabricators, Inc., Subcontractors to Terminal Construction Corporation, Contract Number GS-02P-23256		
10/19/93	A30691	Review of Pretrial Stipulation on Accounting for Subcontractor's Pass-thru Costs: Otis Elevator Company, Subcontractor to Terminal Construction Corporation, Contract Number GS-02P-23256		
10/19/93	A32186	Limited Preaward Review of Forward Pricing Proposal for Corporate Overhead Rate: Fire Security Systems, Inc., Contract Number GS-07P-92-HUC-0022		
10/21/93	A33055	Report on Audit of Subcontractor Proposal for Change Order to: Grunley Construction Company, Inc., Under Contract No. GS11P90MKC0199, PLK, Inc., (Formerly JWP Cornell-AEC), Brentwood, Maryland		
10/22/93	A32193	Review of Termination Proposal: Fibertection Corporation, Contract Number GS-07P-91-HUC-0051		
10/26/93	A30952	Audit of Claim for Increased Costs: Ranco Construction, Inc., Contract Number GS-02P-88-CUC-0050		
10/27/93	A30700	Preaward Audit of Architect and Engineering Services Contract: Jan Hird Pokorny Architects and Planners, Solicitation Number GS02P93CUC0033(N)		
10/27/93	A31574	Preaward Audit of Architect and Engineering Services Contract: Leonard Parker Associates, Architects, Inc., Contract Number GS05P91GBC0039, Modification Number 3		
10/28/93	A31873	Preaward Audit of Architect and Engineering Services Contract: Engineering Design & Management, Inc., Solicitation Number GS06P93GYD0043		

Appendix II – Audit Report Register

Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
10/28/93	A33058	Preaward Audit of Architect and Engineering Services Contract: Charles Ford & Associates, Solicitation Number GS11P93EGD0018		
10/29/93	A30699	Preaward Audit of Architect and Engineering Services Contract: Perkins Eastman and Partners, Solicitation Number GS02P93CUC0033(N)		
10/29/93	A31575	Preaward Audit of Architect and Engineering Services Contract: Sverdrup Corporation, Consultant to Leonard Parker Associates, Solicitation Number GS05P91-GBC0039, Modification Number 3		
10/29/93	A33059	Report on Application of Agreed-Upon Procedures for Review of Pricing Proposal Under Solicitation No. GS11P93EGD0016: Engineering Design Group, Inc., Washington, DC		
11/02/93	A31872	Preaward Audit of Architect and Engineering Services Contract: Trivers Associates, Inc., Solicitation Number GS06P93GYD0043		
11/03/93	A42416	Preaward Audit of Change Order Proposal: Koll Construction Company, Inc., Solicitation Number GS-09P-92-KTC-0019		
11/04/93	A31573	Preaward Audit of Lease Escalation Proposal: Balcor Property Management, Inc., Lease Number GS-04B-15730		
11/08/93	A31249	Preaward Audit of Architect and Engineering Services Contract: Barber and McMurry, Incorporated, Contract Number GS-04P-91-EXC-0027		
11/08/93	A31253	Preaward Audit of Architect and Engineering Services Contract: J. N. Pease Associates, Solicitation Number GS-04P-93-EXC-0012		
11/09/93	A31247	Audit of Initial Invoice: MManTec, Incorporated, Contract Number GS-04P-91-EWC-0055		
11/09/93	A31870	Audit of New Termination Proposal: Leo A. Daly Company, Contract Number GS06P89GYC0209(N)		

Appendix II – Audit Report Register

Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
11/09/93	A33464	Preaward Audit of Architect and Engineering Services Contract: Vertrans Design Associates, Solicitation Number GS05P93GBD0001-ZIL92270		
11/12/93	A30706	Preaward Audit of Architect and Engineering Services Contract: Haines Lundberg Waehler, Contract Number GS-02P-93-CUC0040(N)		
11/16/93	A32198	Preaward Audit of Architect and Engineering Services Contract: Harwood K. Smith, Inc., Contract Number GS-07P-93-JUC-0008		
11/17/93	A30701	Preaward Audit of Architect and Engineering Services Contract: Cosentini Associates, Solicitation Number GS02P93CUC0033(N)		
11/17/93	A31252	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: JMG Contractors Funding Control, Incorporated, Solicitation Number GS-04P-93-EWC-0033		
11/17/93	A33057	Preaward Audit of Change Order Proposal: Ennis Electric Company, Inc., a Subcontractor to Grunley Construction Co., Inc., Contract Number GS-11P90-MKC0199 IDC 68201		
11/17/93	A41509	Preaward Audit of Architect and Engineering Services Contract: Melvin Cohen and Associates, Inc., Solicitation Number GS05P93GBC0017		
11/23/93	A42415	Preaward Audit of Change Order Proposal: Scott Company of California, Subcontractor to Koll Construction Company, Inc., Contract Number GS-09P-92-KTC-0019		
11/29/93	A30707	Preaward Audit of Cost or Pricing Data: Regis Contracting, Inc., Solicitation Number GS-02P-93-CUC-0056		
11/30/93	A30690	Preaward Audit of Cost or Pricing Data: BPT Properties Foley Square, L. P., Contract Number GS-02P-91-CUC-0057		
12/06/93	A33053	Preaward Audit of Sole Source Contract: Jones Electric Company, Inc., Solicitation Number GS-11P93MQC0023 "Neg"		

Appendix II – Audit Report Register

Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
12/08/93	A32498	Preaward Audit of Change Order Proposal: Rosendin Electric, Inc., Contract Number GS-09P-92-KTC-0019		
12/15/93	A33051	Preaward Audit of Change Order Proposal: Grunley Construction Company, Inc., Contract Number GS-11-P90MKCO199		
12/15/93	A41508	Preaward Audit of Lease Extension: 10 West Jackson, Limited Partnership, Lease Number GS-05B-14966		
12/17/93	A43403	Preaward Audit of Sole Source Contract: Beautify Professional Cleaning Services, Inc., Solicitation Number GS-11P93MJC0054		
12/20/93	A40907	Preaward Audit of Architect and Engineering Services Contract: Marshall Craft Associates, Incorporated, Project Number IMD94518		
12/20/93	A43433	Audit of Costs Claimed on General Services Administration Grants PF-90-018 and GS-00P-91-BQ-G-020: University of Texas at El Paso		
12/22/93	A42452	Audit of Claim for Increased Costs: Will Bendix Electric, Inc., Subcontractor to North American Construction Corporation, Contract Number GS-09P-90-KTC-0123		
12/27/93	A20691	Preaward Audit of Cost or Pricing Data, Liability Insurance Costs: The Port Authority of New York and New Jersey, Lease Number GS-02B-15370		
01/20/94	A40908	Preaward Audit of Architect and Engineering Services Contract: KCI Technologies, Inc., Project Number IMD94518		
01/21/94	A32194	Audit of Claim for Equitable Adjustment: Hill Constructors, Inc., Contract Number GS-07P-89-HUC-0074		
01/28/94	A40615	Audit of Claim for Additional Costs: Laquila Construction, Inc., Second Tier Subcontractor to Linpro NY Realty, Inc., Contract Number GS02P91CUC0058		
01/31/94	A40613	Preaward Audit of Architect and Engineering Services Contract: J. Martin Associates, Solicitation Number GS-05P-93-GBC-0018(N)		

Appendix II – Audit Report Register

Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
01/31/94	A43422	Preaward Audit of Architect and Engineering Services Contract: Klinker and Associates, Inc., Solicitation Number GS11P93EGD0020		
02/01/94	A41814	Preaward Audit of Small Business Administration 8(A) Pricing Proposal: Gill Construction, Inc., Solicitation Number GS06P93GYC0087		
02/03/94	A41212	Preaward Audit of Architect and Engineering Services Contract: Lerch, Bates & Associates, Inc., Solicitations Number GS-04P-93- EXD-0016; 0017; 0018; 0019; 0046		
02/07/94	A43421	Audit of Cost Reimbursable Contract: Radan Systems, Inc., Contract Number GS-00P-88-BQD-0021		
02/09/94	A43423	Preaward Audit of Sole Source Contract: NAPA Development Corporation, Solicitation Number GS-11-P93MQC0033 "NEG" 8(A)		
02/17/94	A40903	Preaward Audit of Architect and Engineering Services Proposal: Glave/Spillis Joint Venture, Solicitation Number GS-03P-93-DXC-0026		
02/17/94	A42510	Preaward Audit of Cost or Pricing Data: Statewide Private Patrol & Guard Services, Solicitation Number GS-09P-93-KSD-0110		
02/17/94	A43436	Preaward Audit of Architect and Engineering Services Contract: Vincent Chan & Associates, Inc., Solicitation Number GS11P93EGD0019		
02/17/94	A43437	Preaward Audit of Architect and Engineering Services Contract: PKP Engineers, P.C., Subcontractor for Vincent Chan and Associates, Inc., Solicitation Number GS11P93EDG0019		
02/23/94	A40610	Preaward Audit of Cost or Pricing Data: BPT Properties Foley Square, L. P., Contract Number GS-02P-91-CUC-0057		
02/28/94	A40603	Preaward Audit of Cost or Pricing Data, Review of Overhead Cost Elements: Linpro New York Realty, Inc., Contract Number GS02P91CUC0058		
02/28/94	A40620	Audit of Termination Settlement Proposal: Waters Craftsmen, Inc., Contract Number GS-02P-93-CUC-0009		

Appendix II – Audit Report Register

Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
03/08/94	A40918	Preaward Audit of Construction Cost Estimating Services Contract, Joint Venture of: Promatech, Inc., with International Consultants, Inc., Solicitation Number GS-03P-93-DXD-0033		
03/10/94	A43434	Preaward Audit of Change Order Proposal: William V. Walsh Construction Company, Inc., Contract Number GS-11P92-MKC-0058“Neg”		
03/15/94	A41219	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: CDA, Incorporated, Solicitation Number GS-04P-93-EWC-0386		
03/15/94	A43443	Preaward Audit of Architect and Engineering Services Contract: Law Engineering, Inc., Solicitation Number GS11P93EGD0021		
03/17/94	A40616	Preaward Audit of Cost or Pricing Data: Hall's Security Analysts, Inc., Contract Number GS01P93-BWD0118		
03/24/94	A43440	Preaward Audit of Architect and Engineering Services Contract: Ross Murphy Finkelstein, Inc., Solicitation Number GS11P93EGD0021		
03/25/94	A43435	Preaward Audit of Sole Source Contract: Heritage Services, Inc., Contract Number GS-11P93MJC00728(a)		
03/30/94	A40619	Review of Pretrial Stipulation on Accounting Relating to Field Office Overhead Costs for Litigation Purposes: Terminal Construction Corporation, Contract Number GS-02P-23256		
03/30/94	A40926	Preaward Audit of Construction Cost Estimating Services: International Consultants, Inc., Joint Venture with Promatech, Inc., Solicitation Number GS-03P-93-DXD-0033		
03/30/94	A41213	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: Randolph and Company, Incorporated, Solicitation Number GS-04P-93-EXC-0045		
03/30/94	A41214	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: Middlebrooks Construction Company, Subcontractor to Randolph and Company, Inc., Solicitation Number GS-04P-93-EXC-0045		

Appendix II – Audit Report Register

Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
03/30/94	A42511	Audit of Claim for Increased Costs: Latch-On Insulation, Inc., Subcontractor to North American Construction Corporation, Contract Number GS-09P-90-KTC-0123		
FSS INTERNAL AUDITS				
11/02/93	A32480	Audit of Operation of the Santa Barbara Area Travel Management Center, Contract Number GS-09F-80373		
11/08/93	A31856	Audit of Federal Supply Service's Response to the Audit of the Standardization and Control of Industrial-Quality Tools Program		
12/08/93	A30919	Audit of FSS Inventory Controls and Procedures, Northeast Distribution Center, Burlington, NJ, Region 3		
12/10/93	A23348	Audit of US Travel Systems, Inc., Travel Management Center		
12/21/93	A32482	Audit of Inventory Controls and Procedures, Western Distribution Center, Region 9		
12/29/93	A21253	Audit of Federal Supply Service's Inventory Management Practices	\$60,800,000	
01/26/94	A30334	Audit of Waltham, Massachusetts, and Hartford, Connecticut, Fleet Management Center Operations		
01/26/94	A40909	Limited Scope Audit of the FSS Long Supply Excess Process		
03/14/94	A33436	Audit of Method of Awarding Travel Management Center Contracts		
FSS CONTRACT AUDITS				
10/06/93	A30348	Preaward Audit of Multiple Award Schedule Contract: Dictaphone Corporation, Solicitation Number FCGE-93-C6-0128-N		
10/07/93	A21565	Postaward Audit of Multiple Award Schedule Contract: 3M Company, Contract Number GS-00F-06328 for the Period November 8, 1988 through September 30, 1990		\$110,087
10/08/93	A31861	Preaward Audit of Multiple Award Schedule Contract: Kroy, Inc., Solicitation Number FCGE-93-C6-0128-N		\$70,315

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Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
10/12/93	A30350	Limited Scope Postaward Audit of Government Billings Under Contract Number GS-00F-4410A: Wang Laboratories, Inc.		
10/13/93	A31860	Preaward Audit of Multiple Award Schedule Contract: Varitronic Systems, Inc., Solicitation Number FCGE-93-C6-0128-N		
10/20/93	A30351	Preaward Audit of Multiple Award Schedule Contract: Organizational Dynamics Incorporated, Solicitation Number OPM-RFP-91-02503		
10/20/93	A30702	Preaward Audit of Multiple Award Schedule Contract: Ohaus Corporation, Solicitation Number FCGS-X2-93-0037-B		
10/21/93	A42422	Preaward Audit of Cost or Pricing Data: Management Analysis Company, Solicitation Number OPM-91-RFP-02503		
10/25/93	A30349	Preaward Audit of Cost or Pricing Data: Design Contempo Inc., Solicitation Number 3FNH-93-D303-B		
10/25/93	A30704	Preaward Audit of Multiple Award Schedule Contract: Dantec Measurement Technology, Incorporated, Solicitation Number FCGS-Z2-93-0036-B-N		
11/02/93	A30709	Preaward Audit of Multiple Award Schedule Contract: Gilian Instrument, Corporation, Solicitation Number FCGS-Z2-93-0036-B-N		
11/03/93	A30353	Preaward Audit of Cost or Pricing Data: Turner & Seymour Manufacturing Company, Solicitation Number 7FXG-I3-93-7339-N		
11/05/93	A31569	Preaward Audit of Multiple Award Schedule Contract: Haworth, Inc., Solicitation Number FCXA-IC-93IFS-B		
11/05/93	A31578	Preaward Audit of Multiple Award Schedule Contract: TSI Inc., Solicitation Number FCGS-Z2-93-0036-B		
11/09/93	A42424	Audit of Multiple Award Schedule Contract, Contract Number GS-00F-7407A: Ashtech, Inc.		

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Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
11/10/93	A20335	Postaward Audit of Multiple Award Schedule Contract: U.S. Technology Corporation, Contract Number GS-07F-17736		\$106,813
11/16/93	A42429	Audit of Multiple Award Schedule Contract: Giga-tronics, Inc., Contract Number GS-00F-0771A		
11/24/93	A42421	Preaward Audit of Multiple Award Schedule Contract: Abekas Video Systems, Inc., Solicitation Number GS-03F-93-AYC-0036		
11/29/93	A30705	Preaward Audit of Multiple Award Schedule Contract: Energy Efficiency Systems, Inc., Solicitation Number FCGS-Z2-93-0036-B-N		
11/30/93	A41203	Preaward Audit of Multiple Award Schedule Contract: Ampro Corporation, Solicitation Number GS-03F-93-AYC-0036		
11/30/93	A42457	Limited Audit of Government Billings: Danner Shoe Manufacturing Company, Contract Number GS-07F-4083A		\$14,380
12/07/93	A40608	Preaward Audit of Multiple Award Schedule Contract: Wheatstone Corporation, Solicitation Number GS-03F-93-AYC-0036		
12/09/93	A41506	Preaward Audit of Multiple Award Schedule Contract: 3M Company, Occupational Health and Environmental Safety Division, Solicitation Number TFTC-93-LF-7905B		
12/10/93	A30941	Preaward Audit of Multiple Award Schedule Contract: Exide Electronics Corporation, Solicitation Number 7FXI-R7-92-6109-1		
12/13/93	A43413	Preaward Audit of Multiple Award Schedule Contract: Wallac, Inc., Solicitation Number FCGS-Z8-93-0038-B-N		
12/15/93	A40314	Preaward Audit of Multiple Award Schedule Contract: Packard Instrument Company, Solicitation Number FCGS-Z8-93-0038-B-N		
12/15/93	A41511	Preaward Audit of Multiple Award Schedule Contract: Globe Firefighters Suits, Solicitation Number 7FXG-E4-93-8409-B		

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Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
12/15/93	A41518	Preaward Audit of Multiple Award Schedule Contract: Adjustable Fixture Co., Solicitation Number 3FNH-93-A232-N		
12/20/93	A40902	Preaward Audit of Multiple Award Schedule Contract: New Pig Corporation, Solicitation Number TFTC-93-LF-7905B		
12/21/93	A41510	Preaward Audit of Multiple Award Schedule Contract: A. Daigger & Co., Solicitation Number FCGS-X2-93-0037-B		
12/21/93	A41513	Preaward Audit of Multiple Award Schedule Contract: SLM Instruments, Inc., Solicitation Number FCGS-Z8-93-0038-B-N		
12/22/93	A40604	Preaward Audit of Multiple Award Schedule Contract: Lehigh Safety Shoe Company, Solicitation Number 7FXG-E4-93-8409-B		
12/22/93	A43419	Preaward Audit of Multiple Award Schedule Contract: Carolina Shoe Company, Solicitation Number 7FXG-E4-93-8409-B		
12/23/93	A21579	Postaward Audit of Multiple Award Schedule Contract: Brandt, Inc., Contract Number GS-00F-01661 for the Period July 1, 1988 through June 30, 1989 and Contract Number GS-00F-06570 for the Period July 1, 1989 through April 30, 1992		
12/23/93	A42427	Preaward Audit of Multiple Award Schedule Contract: Javelin Electronics, Solicitation Number GS-03F-93-AYC-0036		
12/30/93	A42428	Preaward Audit of Multiple Award Schedule Contract: Mustang Engineered Technical Apparel, Solicitation Number 7GXG-E4-93-8409-B		
12/30/93	A42430	Preaward Audit of Multiple Award Schedule Contract: Beckman Instruments, Inc., Solicitation Number FCGS-Z8-93-0038-B-N		
12/30/93	A42431	Preaward Audit of Multiple Award Schedule Contract: Grass Valley Group, Inc., Solicitation Number GS-03F-93-AYC-0036		

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Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
12/30/93	A42454	Audit of Multiple Award Schedule Contract: Grass Valley Group, Inc., Contract Number GS-03F-2040A		
01/03/94	A40312	Preaward Audit of Multiple Award Schedule Contract: The Foxboro Company, Environmental Monitoring Operations, Solicitation Number FCGS-Z2-93-0036		
01/04/94	A42456	Preaward Audit of Cost or Pricing Data: Air, Inc., Solicitation Number 6FEP-CO-BT-910066B-N-6-17-92		
01/06/94	A42468	Limited Audit of Government Billings: Abekas Video Systems, Inc., Contract Number GS03F2022A		\$12,432
01/06/94	A43418	Report on Audit of Proposal for Initial Pricing Under RFP No. OPM-RFP-91-02503: Coopers & Lybrand		
01/07/94	A42426	Preaward Audit of Multiple Award Schedule Contract: Odetics Broadcast, Solicitation Number GS-03F-93-AYC-0036		
01/11/94	A42458	Preaward Audit of Multiple Award Schedule Contract: Windsor Industries, Inc., Solicitation Number 7FXG-Z3-93-7927-B		
01/11/94	A43411	Preaward Audit of Multiple Award Schedule Contract: Shimadzu Scientific Instruments, Inc., Solicitation Number FCGS-Z8-93-0038-B-N		
01/13/94	A41512	Preaward Audit of Multiple Award Schedule Contract: Petro Vend, Inc., Solicitation Number 7FXI-P5-93-4904-B		
01/21/94	A40605	Preaward Audit of Multiple Award Schedule Contract: Sony Electronics, Incorporated, Solicitation Number GS-03F-AYC-0036		
01/21/94	A42423	Preaward Audit of Multiple Award Schedule Contract: Bend-Pak, Inc., Solicitation Number 7FXI-P5-93-4904-B		
01/26/94	A41516	Preaward Audit of Multiple Award Schedule Contract: Tennant Company, Solicitation Number 7FXG-Z3-93-7927-B		
01/27/94	A41514	Preaward Audit of Multiple Award Schedule Contract: Advance Machine Company, Solicitation Number 7FXG-Z3-93-7927-B		

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Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
01/27/94	A42432	Preaward Audit of Multiple Award Schedule Contract: Danner Shoe Manufacturing Company, Solicitation Number 7FXG-E4-93-8409-B		
01/27/94	A43430	Preaward Audit of Multiple Award Schedule Contract: Refrigerant Recovery Systems, Inc., Solicitation Number 7FXI-P5-93-4904-B		
01/28/94	A40606	Preaward Audit of Multiple Award Schedule Contract: Panasonic Broadcast & Television Systems Company, Solicitation Number GS-03F-AYC-0036		
02/01/94	A40303	Interim Period Postaward Audit of Multiple Award Schedule Contracts: Moduform Incorporated, Contract Numbers GS-00F-5309A, GS-00F-5230A and GS-00F-5231A		\$2,531
02/03/94	A40304	Price Adjustments on Multiple Award Schedule Contract: Millipore Corporation, Contract Number GS-00F-6165A for the Interim Period August 16, 1991 through September 30, 1993		
02/07/94	A80421	Postaward Audit of Multiple Award Schedule Contract: Virco Manufacturing Corporation, Contract No. GS-00F-68464		\$1,004,295
02/07/94	A80422	Postaward Audit of Multiple Award Schedule Contract: Virco Manufacturing Corporation, Contract No. GS-00F-76572		\$60,609
02/08/94	A40311	Preaward Audit of Multiple Award Schedule Contract: Dictaphone Corporation, Solicitation Number GS-03F-93-AYC-0036		
02/09/94	A40319	Preaward Audit of Multiple Award Schedule Contract: Leeman Labs, Inc., Solicitation Number FCGS-Z8-93-0038-B-N		
02/09/94	A41517	Preaward Audit of Multiple Award Schedule Contract: Breuer/Tornado Corporation, Solicitation Number 7FXG-Z3-93-7927-B		
02/10/94	A42484	Preaward Audit of Multiple Award Schedule Contract: Trojan Metal Products, Solicitation Number 3FNO-93-J301-N-12-7-93		

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Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
02/10/94	A43427	Preaward Audit of Multiple Award Schedule Contract: Washington Professional Systems, Solicitation Number GS-03F-93-AYC-0036		
02/11/94	A41811	Postaward Audit of Multiple Award Schedule Contract: RD Instruments, Contract Number GS00F06751 for the Period December 1, 1989 through November 30, 1991		\$10,564
02/15/94	A40617	Preaward Audit of Multiple Award Schedule Contract: Milton Roy Company, Solicitation Number FCGS-Z8-93-0038-B-N		
02/17/94	A40305	Price Adjustments on Multiple Award Schedule Contract: Baker School Specialty Co., Inc., Contract Number GS-00F-6252A for the Interim Period October 1, 1991 through December 31, 1993		
02/17/94	A40323	Postaward Audit of Multiple Award Schedule Contract: Baker School Specialty Co., Inc., Contract Number GS-00F-6252A for the Interim Period October 1, 1991 through December 31, 1993		\$36,614
02/17/94	A40611	Preaward Audit of Multiple Award Schedule Contract: Spex Industries, Incorporated, Solicitation Number FCGS-Z8-93-0038-B-N		
02/17/94	A41209	Preaward Audit of Multiple Award Schedule Contract: Barco, Incorporated, Solicitation Number GS-03F-93-AYC-0036		
02/17/94	A41217	Limited Audit of Government Billings: Barco, Incorporated, Contract Number GS-03F-1055A		\$95,778
02/17/94	A42453	Preaward Audit of Multiple Award Schedule Contract: The Perkin-Elmer Corporation, Solicitation Number FCGS-Z8-93-0038-B-N		
02/18/94	A41207	Preaward Audit of Multiple Award Schedule Contract: Trak Engineering, Incorporated, Solicitation Number 7FXI-P5-93-4904-B		
02/18/94	A41218	Limited Audit of Government Billings: Trak Engineering, Incorporated, Contract Number GS-07F-3112A		\$25,290
02/22/94	A43439	Preaward Audit of Multiple Award Schedule Contract: Data Visible Corporation, Solicitation Number FCGE-93-C1-0134-N		

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Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
02/24/94	A41524	Preaward Audit of Multiple Award Schedule Contract: White Consolidated Industries, Richards-Wilcox Division, Solicitation Number FCGE-93-0134-N		
02/25/94	A42483	Preaward Audit of Multiple Award Schedule Contract: Russ Bassett Company, Solicitation Number FCGE-93-0134-N		
02/28/94	A30940	Preaward Audit of Multiple Award Schedule Contract: Exide Electronics Corporation, Subcontractor to Universal Power Systems, Inc., Solicitation Number 7FXI-R7-92-6109-1		
03/02/94	A41525	Preaward Audit of Multiple Award Schedule Contract: Kardex Systems, Inc., Solicitation Number FCGE-93-0134-N		
03/03/94	A41521	Limited Scope Audit of Government Billings: Advance Machine Company, Contract Number GS-07F-4268A		\$7,887
03/03/94	A42435	Preaward Audit of Multiple Award Schedule Contract: Vestec Corporation, Solicitation Number FCGS-Z8-93-0038-B-N		
03/04/94	A41526	Preaward Audit of Multiple Award Schedule Contract: Alumacraft Boat Company, Solicitation Number 7FXI-T5-93-1901-B		
03/08/94	A40320	Preaward Audit of Multiple Award Schedule Contract: Thermo Jarrell Ash Corporation, Solicitation Number FCGS-Z8-93-0038-B-N		
03/08/94	A40327	Postaward Audit of Government Billings Under Contract Number GS-00F-2354A: Thermo Jarrell Ash Corporation		\$5,991
03/09/94	A42522	Preaward Audit of Cost or Pricing Data: Ebsco Interiors, Inc., Contract Number GS-00F-0024A		
03/10/94	A40628	Preaward Audit of Multiple Award Schedule Contract: Poster Originals, Limited, Solicitation Number 3FNH-93-A333-N		
03/14/94	A40317	Preaward Audit of Multiple Award Schedule Contract: Canberra Industries, Inc., Solicitation Number FCGS-Z8-93-0038-B-N		

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Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
03/16/94	A42482	Preaward Audit of Multiple Award Schedule Contract: Oberg International, Inc., Solicitation Number 7FXI-P5-93-4904-B		
03/17/94	A40915	Preaward Audit of Multiple Award Schedule Contract: Burle Industries, Incorporated, Solicitation Number GS-03F-93-AYC-0036		
03/18/94	A40315	Preaward Audit of Multiple Award Schedule Contract: Spectro Incorporated, Solicitation Number FCGS-Z8-93-0038-B-N		
03/18/94	A40919	Postaward Audit of Multiple Award Schedule Contract: Teknion, Inc., Contract Number GS-00F-07285 for the Period April 12, 1989 through September 30, 1991		
03/18/94	A41532	Preaward Audit of Multiple Award Schedule Contract: Stearns Manufacturing Company, Supplier to Lifesaving Systems Corporation, Solicitation Number 7FXG-E4-93- 8409-B		
03/22/94	A42535	Limited Scope Postaward Audit of Multiple Award Schedule Contract: Geometrics, Inc., Contract Number GS-00F-7449A		
03/25/94	A41813	Postaward Audit of Multiple Award Schedule Contract: Wieland Furniture Company, Contract Number GS-00F-07289 for the Period May 1, 1989 through April 30, 1991		\$44,685
03/30/94	A40917	Preaward Audit of Multiple Award Schedule Contract: Douglass Industries, Incorporated, Solicitation Number FCXAI-IC-93IFS-B		
03/30/94	A41223	Preaward Audit of Multiple Award Schedule Contract: Parker Marine Enterprises, Incorporated, Solicitation Number 7FXI-T5-93-1901-B		
03/30/94	A41522	Preaward Audit of Proposed Price Increase: Hamilton Sorter Company, Inc., Contract Number GS-00F-8996A		
03/30/94	A42434	Audit of Multiple Award Schedule Contract: Bianchi International, Contract Number GS-07F-4791A		

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Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
IRMS INTERNAL AUDITS				
11/23/93	A33710	Audit of the Federal Information Systems Support Program, Capital Zone		
12/01/93	A30945	Audit of Administration of Purchase of Telecommunications Services (POTS) Contracts, Region 3		
12/21/93	A33719	Audit of Everex Computer Pricing, Contract Number GS00K89AFD1700		
03/25/94	A30930	Audit of Administration Over Government Telephone Services, Information Resources Management Service, Eastern Zone		
03/25/94	A31546	Audit of ADP/OA Equipment Inventory, IRMS Offices in Chicago		
IRMS CONTRACT AUDITS				
10/13/93	A30943	Preaward Audit of Multiple Award Schedule Contract: Xerox Corporation, Solicitation Number GSC-KESO-C-00049-N-4-20-93		
10/15/93	A20331	Limited Scope Postaward Audit of Hardware and Software Maintenance: Digital Equipment Corporation, Multiple Award Schedule Contract Numbers: GS00K86AGS5669, GS00K88AGS5918, GS00K89-AGS5608, GS00K90AGS5726, and GS00K91AGS5811		\$2,764,384
10/19/93	A32177	Preaward Audit of Multiple Award Schedule Contract: Fischer International Systems Corporation, Solicitation Number GSC-KESO-C-00049-N-4-20-93		
10/20/93	A30703	Preaward Audit of Change Order Proposal: AT&T Communications, Contract Number GS-00K-89AHD-0008		
10/28/93	A30942	Preaward Audit of Multiple Award Schedule Contract: Xerox Corporation, Solicitation Number GSC-KESO-C-00049-N-4-20-93		
11/08/93	A30347	Audit of Cost and Pricing Data: Data Products New England, Inc., Solicitation Number GS-KESF-B-C-00048		

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Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
11/09/93	A32185	Preaward Audit of Multiple Award Schedule Contract: Alcatel Network Systems, Inc., Solicitation Number GSC-KES-00064-N-05-19-93		
11/10/93	A31849	Audit of Proposed 1992 Overhead Rates: U.S. Sprint Communications Company, Contract Number GS-00K-GS00K89AHD0009		
11/19/93	A23632	Postaward Audit of Multiple Award Schedule Contract: IBM Corporation, Contract Number GS00K86AGS5557 for the Period October 1, 1985 to September 30, 1986		\$1,755,294
11/23/93	A31248	Preaward Audit of Multiple Award Schedule Contract: Knowledgeware, Incorporated, Solicitation Number GSC-KESO-C-00049-N-4-20-93		
11/23/93	A43424	Preaward Audit of Cost or Pricing Data: H. J. Ford Associates, Inc., Solicitation No. GSC-KEGB-9316		
12/06/93	A43428	Preaward Audit of Cost or Pricing Data: H. J. Ford Associates, Inc., Solicitation No. GSC-KEGB-9316		
12/08/93	A30352	Limited Scope Postaward Audit of Hardware and Software Purchases: Digital Equipment Corporation, Multiple Award Schedule Contract Numbers: GS00K-86AGS5669, GS00K88AGS5918, GS00K89AGS5608, GS00K90AGS5726, and GS00K91AGS5811		\$2,451,410
12/14/93	A33739	Preaward Audit of Cost or Pricing Data: PRC, Inc., Solicitation No. GSC-KEGD-92-0008		
12/16/93	A30953	Preaward Audit of Multiple Award Schedule Contract: Xerox Corporation, Solicitation Number GSC-KES-00064-N-05-19-93		
12/16/93	A40302	Limited Scope Postaward Audit of Government Billings Under Contract Number GS00K93AGS5692: Computer-vision Corporation		\$24,487
12/17/93	A30697	Preaward Audit of Multiple Award Schedule Contract: AT&T Global Business Communications, Systems Business Unit, Solicitation Number GSC-KES-00064-N-5-19-93		
12/20/93	A43425	Preaward Audit of Cost or Pricing Data: Tri-Cor Industries, Inc., Solicitation Number GSC-KEGB-9314		

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Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
12/22/93	A40602	Preaward Audit of Cost or Pricing Data: AT&T Communications, Inc., Contract Number GS00K89AHD0008		
01/06/94	A33727	Preaward Audit of Multiple Award Schedule Contract: IBM Corporation, Solicitation Number GSC-KESO-C-00049-N-4-20-93		
01/10/94	A43426	Report on Audit of Proposal for Initial Pricing Under RFP No. WKC-93-MW-N-0001: Ogden Government Services Corporation, Fairfax, Virginia		
01/11/94	A43432	Report on Audit of Proposal for Initial Pricing Under RFP No. WKC-93-MW-N-0001: American Management Systems, Inc., Fairfax, Virginia		
01/14/94	A00608	Postaward Audit of Multiple Award Schedule Contract: Telenex Corporation, Contract Number GS00K88-AGS5046 Option Year One for the Period April 1, 1989 through April 30, 1990		\$120,753
01/14/94	A90478	Postaward Audit of Multiple Award Schedule Contract: Telenex Corporation, Contract Number GS00K88AGS-5046 for the Period April 15, 1988 through March 31, 1989		\$126,709
01/25/94	A43420	Report on Application of Agreed Upon Procedures Regarding Review of Proposal for Initial Pricing Under RFP No. GSC-KEGB-9319: Calibre Systems, Inc., Falls Church, Virginia		
01/28/94	A31869	Audit of Proposed Labor Rates: U.S. Sprint Communications Company, Contract Number GS00K89AHD0009		
02/10/94	A43445	Preaward Audit of Cost or Pricing Data: American Management Systems, Inc., Contract No. GS00K-92AFS2500		
02/14/94	A43402	Preaward Audit of Cost or Pricing Data: FC Business Systems, Solicitation Number GSC-KEGB-9304		
03/02/94	A43431	Preaward Audit of Cost or Pricing Data: Mastech Systems Corporation, Solicitation Number WKC-93-MW-0001		

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Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
03/21/94	A43448	Preaward Audit of Cost or Pricing Data: Telecommunication Systems, Inc., Request for Proposal Number GSC-KEGB-9312		
03/30/94	A40328	Postaward Audit of Multiple Award Schedule Contract: Tylink Corporation, Contract Number GS00K93-AGS6454		

FTS2000 INTERNAL AUDITS

10/19/93	A23608	Audit of Office of FTS2000 Sprint Oversight Center, Management Information Systems		
10/29/93	A22720	Audit of FTS2000 Payments to Contractors and Billings to Customer Agencies		
12/15/93	A33723	Audit of FTS2000 60/40 Business Allocation		\$33,062

OTHER INTERNAL AUDITS

10/15/93	A31819	Audit of Controls Over Payments Made by the Transportation Accounts Payable System		
10/19/93	A31529	Audit of Region 5's Controls Over the Credit Card Program		
11/09/93	A32138	Audit of Business Service Center Operations, Region 7		
11/10/93	A32731	Limited Audit of the Office of Administration's Fiscal Year 1993 Section 2 Assurance Statement		
11/16/93	A33061	Limited Audit of the Federal Property Resources Service, Fiscal Year 1993 Section 2 Assurance Statement		
11/19/93	A33062	Limited Audit of the Public Buildings Service Fiscal Year 1993 Section 2 Assurance Statement		
11/19/93	A33410	Limited Audit of the Federal Supply Service's Fiscal Year 1993 Section 2 Assurance Statement		
11/19/93	A33744	Limited Audit of Information Resources Management Service's Fiscal Year 1993 Section 2 Assurance Statement		

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Date of Report	Audit Number	Title	Financial Recommendations	
			Funds To Be Put To Better Use	Questioned (Unsupported) Costs
11/19/93	A33745	Limited Audit of the Office of FTS2000 Assurance Statement, Fiscal Year 1993 Section 2		
11/29/93	A31864	Audit of the Propriety of GSA Employees Accepting Cash Awards and Gifts from Client Agencies		
11/30/93	A32732	Limited Audit of the Chief Financial Officer's Fiscal Year 1993 Section 2 Federal Managers' Financial Integrity Act Assurance Statement		
12/06/93	A32734	Consolidated Report of Fiscal Year 1993, FMFIA, Section 2 Assurance Statements		
12/10/93	A31876	Audit of GSA's Controls Over Processing of Donated Leave Transactions		
12/23/93	A32733	Limited Audit of the Chief Financial Officer's Fiscal Year 1993 Section 4 Federal Managers' Financial Integrity Act Assurance Statement		
01/13/94	A43002	Limited Audit of the General Services Administration's Compliance with the Byrd Amendment Restrictions on Lobbying Activities		
01/28/94	A31821	Audit of Duplicate Payments to Vendors for Vehicle Maintenance and Repair Services		
01/31/94	A43004	Audit of Controls Over Advisory and Assistance Service Contracts for Fiscal Year 1993		
02/17/94	A31562	Audit of the Regional Acquisition Management Staff, Region 5		
02/22/94	A32115	Audit of Imprest Fund, Cashier Training and Supervision		
03/01/94	A32729	General Services Administration Results of the Fiscal Years 1993 and 1992 Consolidated Financial Statements Audit		

NON-GSA INTERNAL AUDITS

03/15/94	A43028	Audit of the Thomas Jefferson Commemoration Commission		
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Appendix III – Delinquent Debts

GSA's Office of the Chief Financial Officer provided the following information:

GSA Efforts To Improve Debt Collection

During the period October 1, 1993 through March 31, 1994, GSA efforts to improve debt collection and reduce the amount of debt written off as uncollectible focused on upgrading the collection function and enhancing debt management. These activities included the following:

- Participated in the IRS Tax Refund Offset Program for consumer debtors. GSA is making plans to participate in the IRS Business Offset Program which will begin in 1995 for commercial debtors.
- Hosted a forum in January to display Dun and Bradstreet software currently available on CD ROM that provides, among other things, the location of business debtors.
- Entered into an agreement with the Defense Data Management Center and the U.S. Postal Service to match GSA's delinquent debtor file against Federal employment files to identify delinquent debtors who are Federal employees.
- Wrote demand letters directly to vehicle owners rather than to insurance companies. This improves the timeliness required for notification of a due debt and the assessment of late payment charges.
- Tested a system that will result in the transmission of consumer debtor data to credit bureaus via diskette. GSA will begin reporting credit data for commercial debtors this year; three credit collection contractors have been contacted in this regard.
- Asked bidders at personal property sales for their taxpayer identification number. This will result in better debt collection in the event of default.
- Participated with the General Accounting Office in an audit effort to identify certain contractor claims that previously have gone undetected.
- Continued to make strides in debt collection improvement: recognition of employees' contributions; constant upgrading of equipment and software; formal training and seminars which focus on programs or new developments; ongoing efforts to keep abreast of new regulations and to ensure dissemination of regulations' information to the various Services and Staff Offices within GSA.

Non-Federal Accounts Receivable

	As of October 1, 1993	As of March 31 1994	Difference
Total Amounts Due GSA	\$43,085,423	\$44,384,572	\$1,299,149
Amount Delinquent	\$18,973,390	\$25,888,394	\$6,915,004
Total Amount Written Off as Uncollectible Between 10/1/93 and 3/31/94	\$ 232,743		

Of the total amounts due GSA and the amounts delinquent as of October 1, 1993 and March 31 1994,

approximately \$1.9 million and \$1.0 million, respectively, are being disputed.

Appendix IV – Reporting Requirements

The table below cross-references the reporting requirements prescribed by the Inspector General Act of 1978, as amended, to the specific pages where they are addressed. The information requested by the

Congress in Senate Report No. 96-829 relative to the 1980 Supplemental Appropriations and Rescission Bill is also cross-referenced to the appropriate page of the report.

Requirement	Page
Inspector General Act	
Section 4(a)(2)–Review of Legislation and Regulations	17
Section 5(a)(1)–Significant Problems, Abuses, and Deficiencies.....	2,5
Section 5(a)(2)–Recommendations With Respect to Significant Problems, Abuses, and Deficiencies	2,5
Section 5(a)(3)–Prior Recommendations Not Yet Implemented	27
Section 5(a)(4)–Matters Referred to Prosecutive Authorities.....	22
Sections 5(a)(5) and 6(b)(2)–Summary of Instances Where Information Was Refused	None
Section 5(a)(6)–List of Audit Reports	29
Section 5(a)(7)–Summary of Each Particularly Significant Report	2,5
Section 5(a)(8)–Statistical Tables on Management Decisions on Questioned Costs	21
Section 5(a)(9)–Statistical Tables on Management Decisions on Recommendations That Funds Be Put to Better Use.....	20
Section 5(a)(10)–Summary of Each Audit Report Over 6 Months Old for Which No Management Decision Has Been Made	None
Section 5(a)(11)–Description and Explanation for Any Significant Revised Management Decision.....	None
Section 5(a)(12)–Information on Any Significant Management Decisions With Which the Inspector General Disagrees	None
Senate Report No. 96-829	
Resolution of Audits	19
Delinquent Debts.....	51

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