



Office of Inspector General

Semiannual
Report to
the Congress

October 1, 1984 to
March 31, 1985

May 1, 1985





APR 30 1985

Mr. Dwight Ink
Acting Administrator
General Services Administration
Washington, D.C. 20405

Dear Mr. Ink:

The enclosed Report to the Congress summarizes Office of Inspector General (OIG) activity over the six-month period ending March 31, 1985. It is submitted pursuant to the Inspector General Act of 1978, which requires that you submit this report to the Congress within 30 days, along with any comments you wish to make.

The report identifies major accomplishments in GSA program areas. For example, the leasing program has been improved substantially and the audit resolution and followup system is functioning effectively. In addition, GSA procurements continue to reflect negotiated pricing concessions that exceed the discounts initially offered by contractors. Each of these accomplishments underscores the benefits derived through the cooperative efforts of Agency management and the OIG.

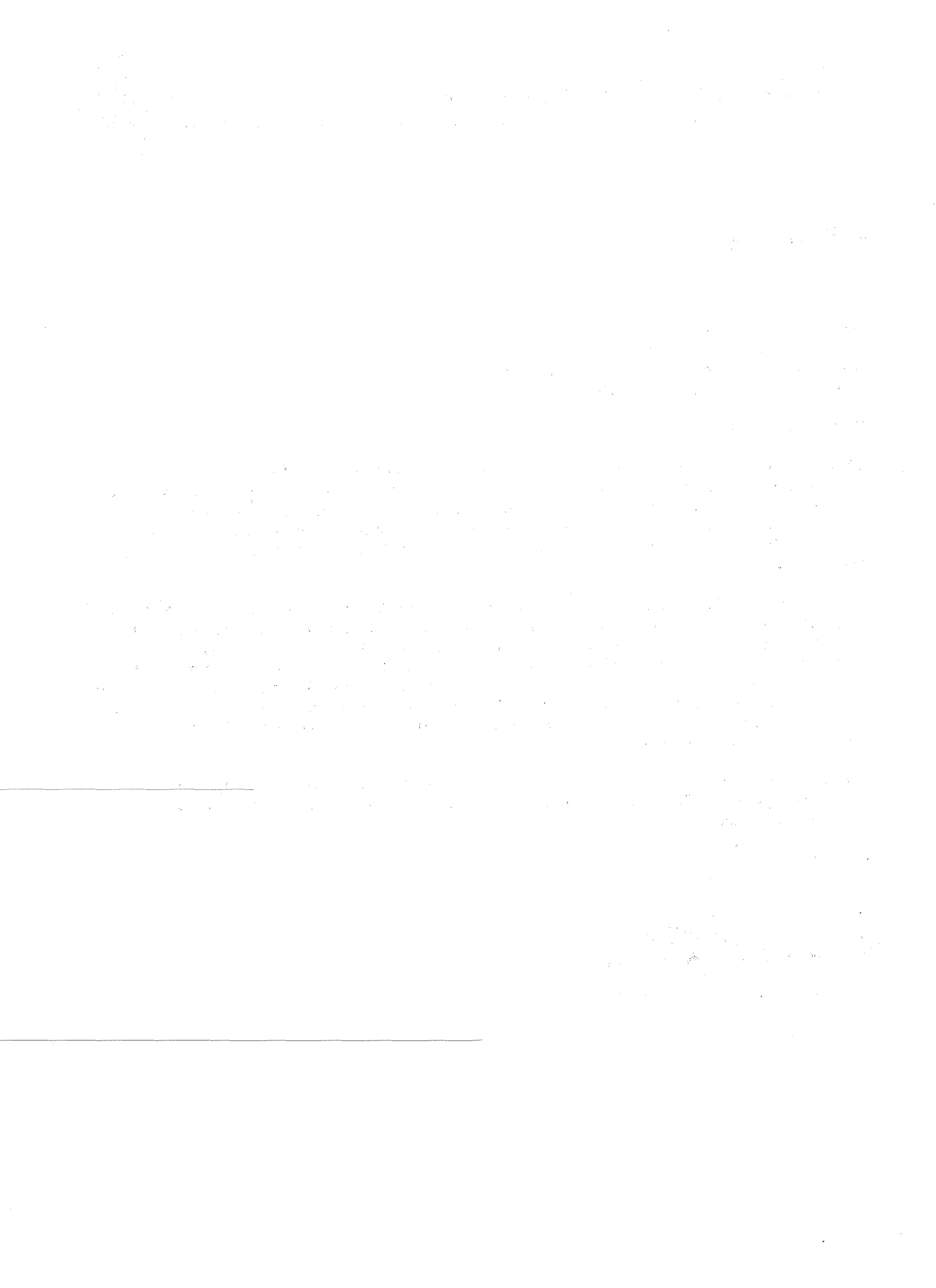
Working together, we can continue to improve the economy and efficiency of GSA operations. I look forward to your support in the months to come.

Sincerely,

A handwritten signature in cursive script, appearing to read "Charles R. Gillum".

CHARLES R. GILLUM
Acting Inspector General

Enclosure



INTRODUCTION AND OVERVIEW

A. Introduction

This report, submitted pursuant to the Inspector General Act of 1978, chronicles the activities of the General Services Administration (GSA) Office of Inspector General (OIG) between October 1, 1984 and March 31, 1985. It is the thirteenth Report to the Congress since the appointment of GSA's first Inspector General.

B. Overview

This report summarizes OIG activities during the period October 1, 1984 through March 31, 1985. It has been structured to correspond with the major functional elements of GSA.

1. Audit and Investigative Coverage of GSA Programs

Public Buildings Service

OIG internal audit coverage of the Public Buildings Service (PBS) focused on the leasing program. We performed 36 preaward advisory reviews of leases and issued a summary report evaluating the deficiencies surfaced in 138 preaward reviews performed between October 1982 and May 1984.

In addition, we completed audits in five regions on lease award procedures. The consolidated report summarizing these findings emphasizes that PBS continues to improve the leasing program. However, some of the same problems disclosed in prior reviews persist. For example, realty specialists are not documenting lease files with sufficient information to support award decisions. We attributed this problem to the lack of experience and training of realty specialists, coupled with inadequate supervisory review.

Another OIG audit disclosed a seriously deteriorated electrical safety system in a Federal building. Due to 8 years of neglect, the system did not detect two electrical malfunctions. One led to a fire, while the other resulted in an overheated transformer that could have exploded. Regional PBS officials are currently implementing an aggressive maintenance program for this building and other buildings in that region.

This period, a \$276,435 civil settlement agreement was reached with a former GSA buildings manager. The former GSA employee was involved in the award of \$3.5 million in contracts on which little or no work was performed. He had previously been convicted on criminal charges of bribery, fraud, conspiracy, and obstruction of justice.

In addition, a joint investigation conducted by the OIG and the Federal Bureau of Investigation (FBI) resulted in the conviction of two Federal Protective Officers on the non-work-related offense of conspiring to arrange a marriage of convenience for a foreign national. The marriage, which was being arranged for money, would have given the foreign national permanent resident status.

Detailed information on these and other activities is presented in Section II.

Federal Supply and Services

The majority of OIG audit effort within the Office of Federal Supply and Services (FSS) was directed at the small order supply distribution network and the multiple award schedule program (MASP). Specifically, we focused on evaluating self-service stores and customer supply centers, and continued to emphasize preaward reviews of the MASP.

A joint audit and investigation of one self-service store, assisted by the U.S. Air Force Office of Special Investigations, disclosed overpriced merchandise, over \$24,300 in missing inventory, and serious violations of procedures. FSS reassigned the store manager and suspended one store employee for 5 days in response to this review.

An internal audit of the MASP in one region identified multiple contract awards for identical items at significantly different prices. In one instance, customer agencies could have paid as much as \$348 or as little as \$200 for the same item. In addition, an OIG preaward audit and successful contract negotiations by FSS resulted in an avoidance of \$9.7 million on a contract for security cabinets and files.

A joint investigation by the OIG and the FBI resulted in the conviction of a GSA Deputy Regional Administrator for accepting approximately \$64,000 in bribes from an FSS contractor. The Deputy Regional Administrator, who had also served as the Acting Assistant Regional Administrator for FSS and the Director of Quality Control, was sentenced to 2 years in prison and fined \$30,000.

An FSS contractor was convicted of altering laboratory test results on materials supplied to GSA, and a city official was convicted of stealing Government surplus property. In connection with this latter case, the city's mayor agreed in lieu of indictment to a civil penalty of \$2,000 and debarment from the donated property program.

Detailed information on these and other activities is presented in Section III.

Information Resources Management

Within the Office of Information Resources Management (OIRM), the OIG completed three regional reviews of the Telephone Inventory Accounting System (TIAS). In one review, we found that the TIAS inventory, which is used to verify telephone company bills, contained telephone main lines (telephone numbers) that were either disconnected, not in use, or possibly not needed. We estimated that these inactive telephone lines could be costing GSA as much as \$1.8 million annually in terms of payments to telephone companies. GSA bills to customer agencies could be as much as \$2.4 million.

The OIG also continued to emphasize its preaward audits of OIRM's MASP. This period, through the cooperative efforts of OIRM and the OIG, \$40.8 million was avoided on a major procurement for general purpose automated data processing (ADP) equipment and software. Under the terms of the awarded contract, the Government is receiving total pricing concessions of \$62.3 million, based on estimated sales of \$519.5 million.

Detailed information on these and other activities is presented in Section IV.

Other GSA Coverage

Within the remaining programs and operations of GSA, the OIG issued 20 internal audit reports evaluating such diverse activities as Presidential library operations, consultant contracts, audit resolution and followup, contract clearance functions, and imprest funds. In one review, the OIG found that GSA has been generally successful in developing, implementing, and administering an audit resolution and followup system that conforms to the requirements established by the Office of Management and Budget.

Detailed information on these and other activities is presented in Section V.

2. OIG Accomplishments and Productivity

The OIG tracks its accomplishments both on an aggregate basis and, in critical areas of our performance, on the basis of actual staffyears incurred. Calculating accomplishments on this latter basis results in productivity data that are not influenced by fluctuating staffing levels.

Overall OIG Accomplishments

OIG accomplishments this period included:

- 328 audit reports;
- \$68,731,343 in recommendations for more efficient use of resources and \$2,725,116 in recovery recommendations;
- \$114,032,556 in management commitments to more efficiently use resources;
- \$4,498,239 in management commitments to recover funds, court-ordered recoveries, and investigative recoveries;
- 336 investigative cases opened and 383 closed;
- 41 case referrals accepted for criminal prosecution and 7 case referrals accepted for civil litigation;

- 42 indictments/informations/complaints on criminal and civil referrals;
- 30 successful criminal prosecutions;
- 7 judgments and 4 settlements on civil referrals;
- 2 contractor suspensions and 12 contractor debarments on administrative referrals;
- 33 reprimands, 22 suspensions, 21 terminations, and 3 demotions on administrative referrals involving GSA employees;
- 13 Inspector General subpoenas; and
- 194 legislative and 187 regulatory initiatives reviewed.

Detailed information on these and other activities is presented in Sections VI and VII.

OIG Productivity

As noted above, in critical areas of our performance we compute OIG productivity based on actual staffyears — full-time equivalent (FTE) positions — incurred. Since these data are not influenced by fluctuating staffing levels, they are an excellent mechanism for measuring OIG performance over time.

The following table presents these productivity data for Fiscal Years 1982, 1983, and 1984, as well as for this reporting period. The table shows that:

- Costs recovered/avoided per operations employee hit a new high during the reporting period. As a result, the OIG achieved a return of \$10.89 for every \$1 budgeted for OIG operations this period. Returns achieved during Fiscal Years 1982, 1983, and 1984 were \$5.61, \$6.65, and \$9.93, respectively.
- OIG productivity in the other categories was lower this period than in Fiscal Year 1984, but still was not inconsistent with the general trend toward increased productivity that has been building since Fiscal Year 1982. We attribute the slowdown from Fiscal Year 1984 to a variety of factors, including: the dislocations and inefficiencies that are the inevitable result of our efforts to reduce OIG staffing through attrition (see Budget Issues in Section I); the residual effects of our lack of travel funds during the second half of Fiscal Year 1984, which forced us to initiate local audits and investigations and limit travel to only priority efforts; and output fluctuations reflecting some exceptional circumstances in Fiscal Year 1984 and some changes in management emphasis during Fiscal Year 1985.

Productivity Factor	FY 82	FY 83	FY 84	First Half FY 85
Total costs recovered/avoided* per operations employee	\$242,252	\$352,910	\$522,688	\$653,422
Recommended cost avoidance and recovery per auditor	\$498,533	\$587,875	\$1,357,104	\$566,396
Audit reports per auditor	2.4	3.2	3.1	2.6
Referrals (criminal, civil, and administrative) per investigator	2.9	5.9	8.4	7.8
Criminal referrals per investigator	0.8	2.2	2.3	2.0
Employee actions (reprimands, terminations, suspensions, and demotions) per investigator	0.9	1.2	1.6	1.5

*Includes management commitments, court-ordered recoveries, and investigative recoveries.

3. Prevention Activities

As detailed in Section VIII, the OIG's program to prevent fraud, waste, and mismanagement encompasses a wide variety of activities. Highlights of our efforts during the period include:

- An operational survey of a supply distribution facil-

ity by a multidisciplinary team comprised of auditors, investigators, and inspectors.

- Integrity Awareness briefings for 870 GSA employees.
- Receipt of 521 Hotline calls/letters and referral of 147 of these complaints for further action.

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REPORTING REQUIREMENTS

The table below cross-references the reporting requirements prescribed by the Inspector General Act of 1978 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.

SOURCE	PAGE
Inspector General Act	
1. Section 4(a)(2) — Review of Legislation and Regulations	26
2. Section 5(a)(1) — Significant Problems, Abuses, and Deficiencies	3, 9, 13, 16
3. Section 5(a)(2) — Recommendations With Respect to Significant Problems, Abuses, and Deficiencies	3, 9, 13, 16
4. Section 5(a)(3) — Prior Recommendations Not Yet Implemented	6, 12, 15, 17
5. Section 5(a)(4) — Matters Referred to Prosecutive Authorities	23
6. Sections 5(a)(5) and 6(b)(2) — Summary of Instances Where Information Was Refused	None This Period
7. Section 5(a)(6) — List of Audit Reports	32
Senate Report No. 96-829	
1. Resolution of Audits	20
2. Delinquent Debts	45

SECTION I — ORGANIZATION, STAFFING, AND BUDGET

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

A. Organization

The OIG utilizes a functional organizational structure to provide nationwide coverage of GSA programs and activities. The organization consists of:

- The **Office of Audits**, a multidisciplinary unit staffed with financial and technical experts who provide comprehensive internal (management) and external (contract) audit coverage. Headquarters divisions, structured to correspond to GSA's major functional areas, direct and coordinate the audit program principally performed by 11 field audit offices.
- The **Office of Investigations**, an investigative unit that manages a nationwide program to prevent and detect illegal and/or improper activities involving GSA programs, personnel, and operations. Operations officers at headquarters coordinate the investigative activity of 11 field investigations offices and 4 resident offices.
- The **Office of Counsel to the Inspector General**, an in-house legal staff that provides opinions and advice on matters under OIG review. These attorneys also manage the civil referral system, review existing and proposed legislation and regulations, and prepare OIG subpoenas as required.
- The **Office of Policy, Plans, and Management Systems**, a centralized planning and assessment function that oversees and evaluates the operations of the other OIG components, coordinates specialized fraud prevention activities, and provides data systems support.
- The **Office of Executive Director**, an administrative support function that handles budgetary, financial, and administrative matters for the OIG.
- The **OIG Personnel Office**, a staff unit that handles personnel and employee development activities for the OIG.

B. Office Locations

The OIG is headquartered in Washington, D.C., at GSA's Central Office building. Field audit and investigations offices are maintained in each of GSA's regional headquarters—Boston, New York, Philadelphia, Atlanta, Chi-

cago, Kansas City, Fort Worth, Denver, San Francisco, Auburn, and Washington, D.C. Resident investigations offices are located in Cleveland, St. Louis, Los Angeles, and San Juan, Puerto Rico. The San Juan office includes an audit capability.

C. Staffing and Budget

The approved Fiscal Year (FY) 1985 budget for the GSA OIG is approximately \$21.3 million. Approximately \$10.9 million was available for obligation during the reporting period.

The OIG's approved staffing level is 444 full-time equivalent (FTE) positions. As of March 31, 1985, OIG staffing consisted of 396 permanent and 3 temporary employees. However, on April 1, 1985, five OIG employees and appropriate funding were permanently transferred to the newly formed National Archives and Records Administration.

D. Budget Issues

This period, the FY 1986 budget reductions mandated by the "passback" created a major budget issue for the OIG. Under the passback, OIG appropriations in FY 1986 will be \$2.2 million less than the FY 1985 appropriation level, and \$5.1 million less than the appropriation level requested for FY 1986. The mandated reductions are in OIG staffing and related administrative areas.

While the passback authorizes 444 FTEs for the OIG in FY 1986, the passback appropriation level will fund only 381 to 404 FTEs. This period, the OIG was forced to take action to ensure that we are at a fundable staffing level by the start of FY 1986. This involved: cancelling 18 vacancy announcements; filling subsequent professional vacancies on an extremely selective basis; and filling subsequent clerical vacancies with temporary employees. As the result of these measures, OIG staffing decreased from 419 permanent employees as of September 30, 1984 to 396 permanent employees as of March 31, 1985. Continued attrition will be necessary during the second half of FY 1985 to ensure that we start FY 1986 at a fundable staffing level.

In addition to staffing decreases, the passback requires significantly reduced expenditures in FY 1986 for travel, equipment rentals, office space, training, computer services, and Defense Contract Audit Agency audits. Based on FY 1984 statistics, we estimate that the programmatic impact of the passback in FY 1986 will be on the order of:

- 82 fewer audits and 109 fewer investigations;
- 112 fewer criminal, civil, and administrative referrals; and
- \$36 million less in cost avoidances and recoveries.

E. Personnel Issues

Faced with the staffing decreases required by the pass-back, the OIG's major personnel concern has been with enhancing the quality and effectiveness of our reduced staff. This period, for instance, the OIG moved forward in the implementation of its employee development program. Training plans for both the Office of Audits and Investigations were developed, each emphasizing the training needs of entry level personnel. In addition, 185 OIG employees attended formal courses in work-related disciplines.

Special emphasis was placed on expanding in-house training courses developed and taught by OIG staff members. Between October 1, 1984 and March 31, 1985, OIG staff members presented courses on microcomputer applications in audits and investigations; audit software packages; multiple award schedule contract audit techniques; and the OIG's management information system. In addition, a preaward contract audit training course was developed for presentation during the next reporting period. The course provides detailed procedures for verifying contractor cost and pricing data, emphasizing construction contracts and multiple award schedule contracts.

SECTION II—PUBLIC BUILDINGS SERVICE

The Public Buildings Service (PBS) manages much of the Federal Government's real estate assets nationwide. Its responsibilities extend from constructing, purchasing, and leasing space for Government use to maintaining and protecting that space. In the first half of Fiscal Year 1985, the total available funding authority of the Federal Buildings Fund was over \$1.8 billion. During the same period, PBS obligated almost \$1.2 billion of these funds.

Commensurate with this level of activity, the OIG devoted some 59,165 direct staffhours pursuing 555 audit and investigative assignments. These figures reflect over 38 percent of total OIG direct staffhours and approximately 44 percent of all work assignments.

A. Overview of OIG Activity

The OIG focused its internal audit coverage of PBS on the leasing program. This period, we issued a consolidated report summarizing the results of five regional reviews of lease award procedures. In addition, we evaluated 36 proposed leasing actions and issued a summary report evaluating the deficiencies surfaced through 138 preaward reviews issued between October 1982 and May 1984. The purpose of this evaluation, as discussed in Section VIII, was to identify any systemic problems in the lease award process.

Although we noted that PBS continues to make improvements in the leasing program, some recurring problems still exist. For example, lease files still do not contain documentation such as analyses, independent estimates, and market surveys, that fully support award decisions. The fundamental cause appears to be the lack of training and experience of realty specialists, coupled with inadequate supervisory reviews of lease files.

PBS has taken steps to remedy this recurring problem. In addition to implementing standardized procedures for developing and maintaining lease files, major efforts are underway to hire some 50 new leasing specialists and establish career development and training programs. These positive steps, coupled with actions already taken in other areas, should have a favorable impact on the leasing program.

Other internal audits evaluated repair and alteration projects, concession contracts, energy conservation, and buildings management operations. Relative to buildings management, we identified a potentially serious safety problem in a Federal building. Due to 8 years of neglect, the building's electrical safety system was so deteriorated that two relatively serious electrical malfunctions were never detected. Regional PBS officials are currently implementing an aggressive maintenance program for this building and other buildings in the region.

The OIG also performed 84 contract audits of PBS procurement actions. Collectively, we recommended cost avoidances of \$23.4 million and recoveries of over \$182,200. Notably, one audit of a proposed rent increase found that the rent for the final 5-year lease period should actually decrease, rather than increase by the \$4 million proposed by the lessor.

The OIG also completed 172 investigative cases involving PBS programs, operations, and employees. Notably, one OIG investigation, conducted jointly with the Federal Bureau of Investigation (FBI), resulted in the conviction of two Federal Protective Officers on the non-work-related offense of conspiring to arrange a marriage of convenience. The marriage would have given permanent resident status to a foreign national. One of the officers has since resigned from GSA. The other was terminated.

B. Significant Audits and Investigations

This section summarizes significant internal audits and investigations dealing with PBS. Significant preaward contract audits are presented in Section C.

More Improvements Needed in Lease Award Procedures

OIG reviews of lease award procedures in five GSA regions disclosed substantial improvements in the leasing program since our last review of the leasing process. Representative improvements include: reductions in the number of leases, the amount of space leased, holdover tenancies, and the time to award leases; inclusion of leasing guidelines in the Federal Acquisition Regulation and the General Services Acquisition Regulation; implementation of standard lease file procedures; and initiation of preaward audits of large dollar lease proposals.

However, significant problems still adversely affect GSA's capability to assure that lease award procedures protect the Government's interests and that lease awards are economical and timely. Our reviews found, for example, that realty specialists are still not documenting the lease files with all the information needed to support the actions taken. Without documentation, such as negotiation memoranda, independent cost estimates, and market surveys, there are no assurances that prudent awards have been made.

Our reviews also disclosed that the computer-generated Solicitations for Offers (SFOs), designed to promote uniformity in solicitations, contain unclear, unnecessary, and/or contradictory clauses. In fact, many of GSA's realty specialists and contracting officers do not fully understand some of the clauses. Moreover, in some instances, the clauses fail to achieve the desired objectives because of their ambiguity.

In our consolidated report dated February 15, 1985, we offered 16 recommendations to the Commissioner, PBS, and 4 recommendations to the Acting Administrator to correct these and other deficiencies. Some of the more significant recommendations included: establish a continuing training curriculum for realty specialists; review current SFO clauses and, where appropriate, restate or clarify confusing or ambiguous clauses; refine the present time-measuring system for lease awards; and ensure separation of the award and administration functions within the leasing area.

The action plans for implementing the recommendations in the final report are due April 16, 1985.

\$276,435 Civil Settlement

On November 5, 1984, attorneys from the Justice Department and the GSA OIG reached a civil settlement agreement with a former GSA buildings manager. Under the terms of the settlement, the former employee agreed to pay the Government \$276,435.

GSA OIG inspectors assisted the FBI in an investigation disclosing that the former employee was involved in the award of more than 2,000 contracts, valued at \$3.5 million, for repair and maintenance of Federal buildings on which little or no work was performed. The investigation also found that he had received bribes and kickbacks of \$614,000 in return for facilitating the rigging of bids and waiving the Government's right to performance by the contractors.

In 1980, the former buildings manager had pled guilty to criminal charges of bribery, fraud, conspiracy, and obstruction of justice. He served a 3½ year prison term.

Deteriorated Electrical Safety System

During a review of buildings management operations at a Federal building, the OIG found that the building's electrical safety system had not been inspected or repaired in 8 years. As a result, the system was so deteriorated that the switchgear, which are designed to automatically shut off power in the event of electrical malfunction, did not perform this function consistently.

The audit disclosed that the last known maintenance and inspection tests were performed by a contractor in 1976. The contractor's report characterized system operation as extremely poor at best and recommended corrective action in three specific areas. No corrective action was taken and the system has continued to deteriorate.

Between October 1983 and August 1984, two electrical malfunctions occurred; neither was detected by the switchgear. The first resulted in a fire, while the second incident, an overheated transformer, was discovered by a building electrician. Had the electrician not intervened, the transformer, which is filled with a coolant containing polychlorinated biphenyls (PCB), could have exploded and burst into flames. Thus, a serious threat to building occupants and the general population in the area of the building could have resulted.

In our report dated January 28, 1985, we recommended that the Assistant Regional Administrator, Public Buildings and Real Property, repair and/or replace all known faulty breakers and other switchgear defects; identify other defective electrical safety equipment and repair/replace it; and maintain electrical safety equipment in accordance with the GSA handbook. In addition, since information obtained during the audit indicated that the maintenance of electrical systems at two other buildings had not been performed, we recommended that the Assistant Regional Administrator expedite necessary maintenance and repairs at other buildings where safety equipment maintenance has been neglected.

The Regional Administrator agreed with the recommendations in our draft report. He stated that action was

underway to correct the identified problems and to implement an aggressive maintenance program.

The action plans for implementing the recommendations in the final report are due April 1, 1985.

GSA Employees Convicted for Alien Marriage Scheme

Based on a referral from GSA management, the GSA OIG and the FBI investigated an allegation that a Federal Protective Officer (FPO) conspired to arrange a marriage of convenience between another FPO and a foreign national in exchange for money. The marriage would have given permanent resident alien status to the foreign national.

The officer who conspired to arrange the marriage was convicted in Federal District Court on one count of conspiracy; on January 17, 1985, he was sentenced to 2 years imprisonment (18 months suspended) and placed on 18 months probation. The other FPO pled guilty to one count of conspiracy and one count of false statements on November 16, 1984. He was sentenced to 18 months imprisonment on each count (suspended), 18 months probation, and 200 hours of community service.

One officer has resigned from GSA and the other has been terminated. The foreign national is a fugitive.

Protecting the Government's Right to a Corporation's Assets

In an audit of the agreement between GSA and a non-profit corporation formed to provide Government employees with food and other services, the OIG raised issues and made recommendations pertaining to: the Government's right to this corporation's assets in the event of its dissolution; the legality of monies reserved for the corporation's use in purchasing/replacing Government-owned equipment; and GSA oversight of the corporation's operations. At the time of our audit, the corporation's net worth was \$21 million.

The OIG found that the corporation's Certificate of Incorporation, which presently designates the Government as the residual donee for its assets, can be amended by the corporate Board of Trustees without Government approval or notification. Since the corporation originally enjoyed sole source contracts with the Government, and benefited from expenditures of Federal funds for space and equipment, we felt action was necessary to protect the Government's right to the corporation's assets. In response to our recommendation for periodic reviews to detect any substantial changes in the Certificate of Incorporation, GSA's General Counsel undertook such a review and determined that no substantial changes had occurred.

We also questioned and asked for a General Accounting Office (GAO) decision on the legality of a reserve provision in the Master Agreement between GSA and this corporation. Under this provision, monies are reserved for the corporation's use in purchasing/replacing Government-owned equipment. Subsequent to the audit, GAO advised that the reserve provision was not illegal.

Finally, we found that GSA needs to adopt a strong oversight posture relative to corporate operations. Whereas

the Government was previously the corporation's sole customer, the corporation is now diversified. GSA therefore needs to ensure that the original purpose for which this corporation was formed is not modified in a manner jeopardizing the long-range interests of the Government.

Our report was issued on October 31, 1984. We are awaiting the action plans for implementing our recommendations relative to continuing reviews of the corporation's Certificate of Incorporation and oversight of the corporation's operations.

C. 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.

\$4.4 Million of Proposed Rent Increase Questioned

The OIG audited a lease escalation proposal to determine if the proposed operating expenses and real estate tax escalations were allowable under the terms of the lease. The proposal submitted by the lessor involved a \$4 million rent increase over the final 5-year period of the lease.

During audit, we examined the operating costs for the previous 5-year lease period, as well as the escalation proposal itself. We found that, in certain categories of operating costs, the lessor's costs had decreased significantly from the amounts provided for in the negotiated base rate for the previous 5-year lease period. Even after allowing for cost escalation in other categories, this resulted in our questioning proposed 5-year costs of \$4,353,390. Thus, GSA's rent payments during the new 5-year lease period would actually be \$322,516 less than in the previous 5-year period — in contrast with the

lessor's proposal that these rent payments be increased by \$4 million.

In our report dated December 19, 1984, we advised the contracting officer of the audit findings. The audit was resolved on January 16, 1985; the contracting officer agreed to seek the full amount questioned in negotiations with the contractor.

\$3.8 Million of a Contractor Claim Questioned

At the request of the Regional Administrator, the OIG audited a contractor claim for increased costs allegedly arising from Government-caused delays on a building renovation and alteration project. The contractor alleged that change orders and stop work orders extended the contract performance period by 1,095 days, resulting in increased costs of \$4.2 million.

In the December 20, 1984 audit report, we advised the contracting officer that the cost and pricing data submitted by the contractor were inadequate in several respects. We also advised that, if the contractor were paid the total amount claimed, the firm would realize a 93 percent profit on the contract. We questioned \$3.8 million of the \$4.2 million, principally in the following cost categories: labor inefficiency, overhead, finance costs, subcontractor costs, and profit.

On January 8, 1985, the report was resolved. As a result of the audit, management made a commitment to avoid \$3.8 million.

D. Statistical Highlights

The following table compares OIG activity and accomplishments within PBS to the overall GSA totals for the period.

Activity	PBS	All GSA
Audit Reports Issued	155	326
Recommended Cost Avoidance	\$23,958,376	\$68,731,343
Recommended Cost Recovery	\$430,930	\$2,725,116
Management Commitments to Avoid Costs	\$18,085,349	\$114,032,556
Management Commitments to Recover Funds	\$473,822	\$2,527,589
Percentage of Recommended Cost Avoidance Agreed to by Management	80%	52%
Percentage of Recommended Cost Recovery Agreed to by Management	57%	24%
Unresolved Audits Older Than 6 Months (Excluding Preawards)	3	3
Implementation Reviews Finding Unimplemented Recommendations	6	7
New Investigative Cases	162	336
Criminal Referrals (Subjects)	48	152
Civil Referrals (Subjects)	2	15
Administrative Referrals (Subjects)	166	354
Suspension/Debarment Referrals (Subjects)	10	41
Indictments/Informations/Complaints	17	42
Successful Criminal Prosecutions	12	30
Civil Settlements/Judgments	3	11

E. Significant Audits From Prior Reports

Under GSA's audit resolution system, the OIG is responsible for ensuring resolution of audit recommendations, while the Office of Audit Resolution, Office of Policy and Management Systems, is responsible for ensuring implementation of resolved audit recommendations. That office therefore furnished the status information on implementation presented herein.

Fifteen audits highlighted in prior Reports to the Congress require action by PBS management before they are fully implemented. Two reports are unresolved, four are not being implemented in accordance with established milestones, and the remaining nine are being implemented in accordance with established milestones.

I. Unresolved Significant Audits

Inspection of the Lease Construction of a Laboratory Facility

Period First Reported: October 1, 1982 to March 31, 1983

This March 31, 1983 review disclosed that inadequate contract administration and a lack of technical input in the conceptual, design, and construction phases of a laboratory facility has resulted and/or will result in Government losses of over \$1.5 million. As of March 31, 1985, this audit was still unresolved.

Twelve of the 18 recommendations in the report have been resolved; however, formulation of action plans on the remaining recommendations has been deferred pending the outcome of Grand Jury proceedings. These recommendations have been removed from the audit resolution process because of the Grand Jury involvement.

Improvements to the Building Delegations Program

Period First Reported: April 1, 1984 to September 30, 1984

This September 26, 1984 review disclosed the need to improve GSA's program for delegating buildings management responsibilities to the occupying agency. As of March 31, 1985, this audit was unresolved.

Although the Commissioner, PBS, provided action plans for the recommendations in this report, resolution has been deferred until the Task Force on Delegations, comprised of high level officials from GSA and other agencies, makes its recommendations to the Administrator, GSA. This decision was made because the Task Force recommendations could substantially affect the actions proposed by PBS in response to our review.

The Task Force is scheduled to make its recommendations by April 12, 1985. Once these recommendations are evaluated by management, revised action plans are due.

2. Significant Audits Not Being Implemented According to Established Milestones

Fire and Life Safety Systems

Period First Reported: October 1, 1983 to March 31, 1984

A series of seven OIG reviews identified deficiencies in fire and life safety systems in GSA-controlled space. As of March 31, 1985: implementation had been completed on one report; implementation was overdue on three reports; and implementation was proceeding according to established milestones on the remaining three reports. This section discusses the three overdue audits. The three audits proceeding according to established milestones are discussed in the next section.

The first overdue report has one outstanding recommendation; it involves determining the extent of contractor liability for boiler damage. The recommendation had an implementation date of December 31, 1984. As of March 31, 1985, the recommendation had not been implemented and no extension had been granted.

The second overdue report contains two unimplemented recommendations; they involve correcting maintenance deficiencies and correcting asbestos hazards. The first was scheduled for completion by November 30, 1984. As of March 31, 1985, the recommendation had not been implemented and no extension had been granted. The second recommendation is scheduled for completion by September 30, 1985.

Relative to the third overdue report, the OIG issued an implementation review on October 23, 1984. Although the Office of Audit Resolution had advised us that all of the recommendations contained in the report had been fully implemented as of April 4, 1984, we found that actions on two of the five recommendations were not in accordance with the action plans. The Regional Administrator has since provided revised action plans for these two recommendations; we are evaluating their responsiveness.

Application of the ICB System Concept

Period First Reported: October 1, 1982 to March 31, 1983

This review of the mandatory use of Integrated Ceiling and Background (ICB) systems in Federal facilities found that this policy created customer dissatisfaction and wasted millions of dollars. The report contained six recommendations; four are implemented.

The remaining recommendations involve implementation of an acoustics training program and development of guidelines for decisions on partitioning open-space areas. Both recommendations were originally scheduled for implementation in March 1984. These dates were renegotiated to May 1984.

In response to an April 1984 request from PBS to revise the action plans, the OIG and PBS entered into discussions relative to the actions to be taken and an informal agreement was reached. As of March 31, 1985, the OIG still had not received revised action plans from PBS.

3. Significant Audits Being Implemented According to Established Milestones

Effective Lease Enforcement Efforts Are Needed

Period First Reported: April 1, 1984 to September 30, 1984

This audit disclosed a series of deficiencies, including Government payments for utilities and rent on space contracted to a private concern and for overtime services that were neither needed nor provided. The report contained 16 recommendations to correct the identified deficiencies.

On March 29, 1985, the audit was resolved. Accordingly, it has just been referred to the Office of Audit Resolution for tracking of implementation actions.

Excessive Energy Consumption

Period First Reported: April 1, 1984 to September 30, 1984

This review of the heating and cooling operations at a Federal office building identified an estimated \$203,000 in wasted energy annually. The report contained ten recommendations; six have been implemented.

The remaining four recommendations involve: (1) cleaning and purging of perimeter heating/cooling units; (2) restoration of the pneumatic control system; (3) reduction of lighting levels; and (4) restoration of the elevator control program. Recommendations (1) and (2) were originally due for implementation by August 31, 1984 and December 1, 1984, respectively. Through a series of extensions, both recommendations are now scheduled for implementation by April 15, 1985.

The third and fourth recommendations were originally scheduled for completion by November 15, 1984 and October 1, 1984, respectively. Extensions to May 15, 1985 and April 15, 1985, respectively, were granted after an extended completion date of January 15, 1985 could not be met.

Fire and Life Safety Systems

Period First Reported: April 1, 1984 to September 30, 1984

This consolidated report identified the need for GSA action to ensure the proper functioning of fire and life safety systems in Federal buildings throughout the country. The report contained ten recommendations; none are implemented.

Implementation is proceeding according to schedule. All action is scheduled for completion by June 30, 1985.

GSA Efforts to Reduce Space Rental Costs

Period First Reported: October 1, 1983 to March 31, 1984

This review of GSA efforts to reduce Government space rental costs found that the amount of leased office space grew by some 139,000 square feet and rental costs rose by more than \$51 million despite concurrent reductions in the Federal civilian work force. We made 15 recommendations to correct the identified deficiencies; 12 are implemented.

The remaining three recommendations involve: (1) re-evaluation of a commitment of space; (2) utilization surveys of the occupied space in selected buildings; and (3) development of space reduction and backfill plans.

The first recommendation is due for implementation by August 31, 1985. The second recommendation is partially implemented — only one of the selected buildings has not been surveyed; the scheduled completion date is September 30, 1985. The remaining recommendation was originally due for implementation by January 31, 1985. An extension was granted to March 31, 1985. As of March 31, 1985, documentation supporting its implementation had not been received.

Fire and Life Safety Systems

Period First Reported: October 1, 1983 to March 31, 1984

A series of seven OIG reviews identified deficiencies in fire and life safety systems in GSA-controlled space. One report was fully implemented as of March 31, 1985; three reports, as previously reported, contain recommendations that are not being implemented in accordance with established milestones. The remaining three reports contained 10 recommendations; 5 are implemented.

Implementation of the other five recommendations is generally proceeding in accordance with the action plans, although delays have been experienced. Full implementation is scheduled for various dates between June 1985 and June 1987.

Opportunities for Savings Exist Through Energy Conservation

Period First Reported: October 1, 1983 to March 31, 1984

Two OIG reviews identified annual savings of \$477,000, mostly available through simple modifications to equipment and operating procedures at three Federal buildings. All of the recommendations in one report have been implemented. The other report contained 16 recommendations; 9 have been implemented.

The seven unimplemented recommendations generally involve specific actions to reduce energy consumption and better manage energy costs. All implementation action is scheduled for completion by March 31, 1986.

Implementation of the Public Buildings Cooperative Use Act

Period First Reported: October 1, 1982 to March 31, 1983

Our review disclosed a number of problems associated with GSA's implementation of the Public Buildings Cooperative Use Act of 1976. The report contained 18 recommendations; 15 are implemented.

The remaining three recommendations involve: (1) development of policy on outleasing; (2) assignment of qualified experts on outleasing projects involving commercial malls; and (3) development of policy and pro-

cedures for outleasing of commercial malls. Recommendation (1) was originally due for implementation in August 1983. Successive extensions to December 1983, June 1984, August 1984, December 1984, February 1985, and March 1985 have been granted.

The second and third recommendations were originally scheduled for completion in May and September 1983, respectively. Both dates have been successively renegotiated to October 1983, April 1984, October 1984, December 1984, and March 1985.

As of March 31, 1985, the Office of Audit Resolution had not received documentation confirming that any of these three recommendations had been implemented.

SECTION III — FEDERAL SUPPLY AND SERVICES

The Office of Federal Supply and Services (FSS) operates a Government-wide service and supply system that contracts for and distributes billions of dollars worth of supplies, materials, and services for customer agencies each year. FSS also controls GSA's personal property program. In the first half of Fiscal Year 1985, FSS obligated approximately \$82.4 million in direct operating expense appropriations. Estimated sales through the General Supply Fund during the same period were almost \$946 million.

Consistent with this level of activity, the OIG expended some 52,734 direct staffhours pursuing 459 audit and investigative assignments. These statistics reflect 34 percent of total OIG direct staffhours and approximately 36 percent of all work assignments.

A. Overview of OIG Activity

The OIG focused its internal audit coverage of FSS on small order supply distribution operations, specifically self-service stores and customer supply centers. In thirteen audits issued this period, we presented our findings in a variety of areas, including store operations, physical inventory practices, regional management procedures, and systems development activities. Additional reviews are still in process.

Notably, Hotline complaints relative to one self-service store resulted in a joint audit and investigation disclosing overpriced merchandise, over \$24,300 in missing inventory, and serious violations of procedures. FSS moved promptly to reassign the store manager to a less sensitive position, suspend one employee, and implement our recommendations.

The OIG also evaluated selected operations of the travel management center program as well as the multiple award schedule program (MASP). A regional review of the MASP identified multiple contract awards for identical items at widely varying prices. In one instance, for example, customer agencies could have paid as much as \$348 or as little as \$200 for the same item depending on the vendor selected.

OIG contract audit coverage of FSS continued to emphasize preaward reviews, especially in the MASP. We issued 80 contract audits recommending cost avoidances of \$37.2 million and recoveries of approximately \$435,500. Two preaward audits of cost and pricing data accounted for almost \$19 million of our recommended cost avoidance.

The OIG closed 144 investigative cases involving FSS programs, operations, or employees. One particularly significant investigation, conducted jointly with the FBI, resulted in the conviction of a GSA Deputy Regional Administrator, who had also served as the Acting Assistant Regional Administrator for FSS and the Director of Quality Control, on bribery charges. The Deputy Regional Administrator, who resigned after pleading guilty, received approximately \$64,000 in bribes from an FSS contractor.

Other investigations resulted in the conviction of an FSS contractor for falsifying laboratory test results and the conviction of a city official for stealing Federal surplus property. In connection with this latter case, the city's mayor agreed in lieu of indictment to a civil penalty of \$2,000 and debarment from the donated property program.

B. Significant Audits and Investigations

This section summarizes significant internal audits and investigations dealing with FSS. Significant preaward contract audits are presented in Section C.

GSA Official Convicted of Accepting Bribes

On March 21, 1985, a former GSA Deputy Regional Administrator was sentenced to 2 years imprisonment and fined \$30,000. Sentencing followed his November 20, 1984 guilty plea to charges of accepting approximately \$64,000 in bribes from an FSS contractor. He resigned from GSA after pleading guilty.

The investigation stemmed from an allegation received in December 1983 from a GSA quality assurance employee who had been given a gift by an FSS contractor. Based on this incident and several other incidents indicating possible fraudulent activity by this contractor, the OIG requested a Grand Jury investigation.

Faced with the prospect of possible criminal prosecution, the contractor provided information that indicated the Deputy Regional Administrator had solicited bribes. The contractor advised that since August 1980 he had been paying the Deputy Regional Administrator \$1,000 a month in return for no trouble with his GSA contracts. This agreement resulted from a meeting in which the Deputy Regional Administrator asked the contractor how much such peace was worth to him.

The FBI and the GSA OIG jointly investigated the allegations. With the contractor's assistance, the payments, which were halted when the investigation of the gift began, were resumed. On April 9, 1984, the Deputy Regional Administrator accepted a \$4,000 bribe from the contractor. On August 9, 1984, he accepted a second \$4,000 bribe. FBI and GSA OIG agents arrested the Deputy Regional Administrator after witnessing the second payoff.

Improprieties at a Self-Service Store

Based on several complaints received through the OIG Hotline, the OIG initiated a joint audit and investigation of the operations of a GSA self-service store, assisted by the U.S. Air Force Office of Special Investigations. The complaints alleged theft, merchandise overpricing, merchandise repricing for physical inventory purposes, mismanagement, and alcohol consumption on store premises by store employees during official duty hours.

The OIG concluded that significant merchandise losses through theft and pilferage can occur and may already have occurred due to mismanagement, poor internal controls, and violations of prescribed procedures. Notably, the audit disclosed the unexplained disappearance of over \$6,300 worth of film and over \$18,000 worth of plywood. In addition, the OIG identified sales of overpriced merchandise, as well as misstatements in the store's last physical inventory relative to both the value and quantity of items in stock. Other deficiencies included: multiple store keys, allowing unrestricted access to the store; failure to change locks after the departure of employees having access to store keys; hazardous warehouse storage and housekeeping practices; inadequately marked stock; and consumption of alcohol on store premises by employees during official duty hours.

In the audit report dated November 21, 1984, we directed 10 recommendations to the Regional Administrator to correct the identified deficiencies and improve the program. They included a recommendation to review the store manager's actions in accordance with the GSA penalty guide and take any appropriate disciplinary action.

The Regional Administrator concurred in all of the recommendations. The January 31, 1985 action plan indicated that 9 of the 10 recommendations had already been implemented; the tenth is scheduled for implementation by April 30, 1985. In addition, the store manager has been reassigned to a less sensitive position and one employee was suspended for 5 days.

\$176,776 in Civil Judgments

On January 9, 1985, a U.S. District Court entered \$176,776 in civil judgments for the United States against a Government contractor. The court found that the firm had submitted false labor hour reports and overcharged for parts during performance of two GSA contracts for the repair and rehabilitation of U.S. Air Force ground support equipment. Government payments under the contracts exceeded \$4.25 million.

The false disclosures and overcharges, first surfaced through a postaward audit issued in June 1980, were further developed by OIG investigators prior to referral for criminal and civil actions. On April 14, 1981, during the criminal trial, the U.S. District Court directed a verdict of acquittal.

Duplication in MASP Contracts

An internal audit of the MASP in one GSA region identified multiple contract awards for identical items at prices that differed significantly. Moreover, the audit disclosed duplication between items offered on FSS and OIRM schedules, as well as between GSA and Veterans Administration (VA) schedules.

GSA regulations provide that when items are clearly identical, only one contract is awarded and it is awarded to the firm offering the lowest net price. Our review found that the region made at least two contract awards for 249 items included in the schedule. For 74 of these items, at least five contracts were awarded.

In some cases, the price differential between contractors was significant. On one item, for example, four separate contracts were awarded, each at a different price. The

highest contract price was \$348 while the lowest was \$200. Thus, depending upon the vendor selected, customer agencies using the GSA schedule could have needlessly paid more than the lowest available price for the item.

At present, the only way to determine that different contractors offer the same item is for the contracting officer to compare catalogues. During our review, we compared catalogues and found 74 identical items that were simultaneously offered on FSS and OIRM schedules awarded by headquarters. A comparison of the prices found that on average the FSS schedule prices were 26 percent lower than the OIRM prices.

In our audit report dated January 15, 1985, we recommended that the Assistant Regional Administrator, FSS, evaluate offers under the MASP to identify identical items, and assure that awards are only made to those firms offering the lowest prices for the identical items. We also recommended actions to assure that catalogues include all negotiated concessions and to improve contract file documentation. Relative to the duplication between FSS and OIRM schedules and GSA and VA schedules, recommendations will be separately directed to the cognizant GSA officials in headquarters in a consolidated report. This report will also recommend additional corrective actions for the identified problems.

Management's action plans for implementing the recommendations in the final report are due April 13, 1985.

GSA Contractor Convicted of Altering Test Results

Based on a referral from GSA management, the OIG investigated an allegation that a GSA contractor had falsified laboratory test results on pressure-sensitive correction tape. The contractor, who has done over \$1 million worth of business with GSA over the last 7 years, supplied almost \$100,000 of unusable correction tape over a 3-year period.

On January 31, 1985, the company and its president pled guilty to altering test results of materials supplied to GSA. On March 25, 1985, the company was fined \$10,000 and its president was sentenced to 5 years supervised probation, fined \$5,000, prohibited from bidding on Government contracts for 5 years, required to pay \$95,000 in restitution, and ordered to perform 200 hours of community service per year for 5 years.

Stronger Internal Controls Needed in Customer Supply Center System

GSA's Customer Supply Centers (CSCs) use an automated system to account for their inventories, record inventory and sales transactions, and provide data for CSC customer billings. OIG audit of this system surfaced a number of problem areas.

We found internal control weaknesses in the system that could result in improper and undetected changes to master files, unauthorized entry to the system, and inadequate inventory control. Also, management action was necessary to consolidate system data, ensure timely CSC billings, and provide adequate physical security. Finally, FSS needed to develop a more complete systems development plan before expanding the system further.

At report issuance on February 1, 1985, FSS had already taken decisive action to address our concerns about changes to master files, data consolidation, CSC billings, inventory control, and physical security. FSS management had also committed themselves to addressing our other concerns during a post-implementation review of the system. We are awaiting the action plans, which will formalize corrective actions and intentions.

City Official Convicted of Stealing Surplus Property

Based on a referral from a State agency, the GSA OIG investigated allegations that the Mayor and the Superintendent of Public Works of a mid-western city converted Federal surplus property to personal use. The property, acquired by the Government at a cost of \$9,871, included refrigerators, a washer and dryer, an outboard motor, furniture, and other miscellaneous items.

On November 9, 1984, the Superintendent of Public Works pled guilty to three counts of theft through conversion of Government property. On January 25, 1985, he was sentenced to 18 months probation and ordered to make restitution in the amount of \$2,815. On the same date, the Mayor entered into an agreement with the U.S. Attorney that resulted in the dismissal of the indictment against him. This agreement called for a civil penalty of \$2,000, restitution of \$264, and prohibition of his ever again participating in the Federal surplus property donation program.

GSA management has advised the OIG that they will determine the fair market value of the property involved and attempt additional recovery, if warranted.

C. 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.

\$9.7 Million Avoided on Security Cabinet Contract

In a preaward audit of cost and pricing data submitted in response to a solicitation for security cabinets and files, we questioned 21.49 percent of the total proposed unit costs. Based on estimated contract sales of \$70 million, this equates to a recommended cost avoidance of \$15 million.

In the October 25, 1984 audit report, we advised the contracting officer of unallowable and unallocable costs contained in the contractor's proposal, as well as inflated escalation factors. The recommended reductions primarily involved the following cost categories: material, labor, and factory overhead escalation; general and administrative expenses; and selling expenses.

On March 15, 1985, the contract was awarded. As a result of audit, a management commitment to avoid \$9.7 million was achieved.

Preaward Recommends \$3.5 Million Cost Avoidance

The OIG also evaluated pricing data submitted in response to a GSA solicitation for system furniture. Estimated sales under the contract are \$14.8 million.

The March 25, 1985 audit report recommended a cost avoidance of \$3.5 million, principally because the firm offered discounts to its commercial customers that exceeded the discounts offered to GSA. Under the terms of such a contract, the GSA is entitled to discounts equal to the best commercial customer in the same category.

We are awaiting the contracting officer's position on the costs questioned.

D. Statistical Highlights

The following table compares OIG activity and accomplishments within FSS to the overall GSA totals for the period.

Activity	FSS	All GSA
Audit Reports Issued	101	326
Recommended Cost Avoidance	\$37,249,232	\$68,731,343
Recommended Cost Recovery	\$436,492	\$2,725,116
Management Commitments to Avoid Costs	\$19,700,641	\$114,032,556
Management Commitments to Recover Funds	\$1,753,718	\$2,527,589
Percentage of Recommended Cost Avoidance Agreed to by Management	27%	52%
Percentage of Recommended Cost Recovery Agreed to by Management	23%	24%
Unresolved Audits Older Than 6 Months (Excluding Preawards)	—	3
Implementation Reviews Finding Unimplemented Recommendations	—	7
New Investigative Cases	122	336
Criminal Referrals (Subjects)	67	152
Civil Referrals (Subjects)	11	15
Administrative Referrals (Subjects)	132	354
Suspension/Debarment Referrals (Subjects)	24	41
Indictments/Informations/Complaints	16	42
Successful Criminal Prosecutions	14	30
Civil Settlements/Judgments	6	11

E. Significant Audits From Prior Reports

According to GSA's audit resolution system, the Office of Audit Resolution, Office of Policy and Management Systems, is responsible for ensuring implementation of resolved audit recommendations. Therefore, this office furnished the status information on implementation presented herein.

Two significant audits from prior Reports to the Congress are unimplemented. The first was resolved late in this reporting period, while the second is being implemented according to established milestones.

Motor Vehicle Rental Contracts

Period First Reported: April 1, 1984 to September 30, 1984

This review of GSA motor vehicle rental contracts found that GSA is unable to enforce the mandatory use provisions of these contracts. The OIG made five recommendations to correct the identified deficiencies.

On March 21, 1985, the report was resolved. Accordingly, we have just referred the audit to the Office of Audit Resolution for tracking of implementation actions.

Quality Assurance

Period First Reported: April 1, 1984 to September 30, 1984

Two OIG reviews identified defective material entering the supply system without detection by contractor quality control systems or FSS plant surveillances. Two of the three recommendations in one report have been implemented; one of the two recommendations in the second report has been implemented.

The recommendation in the first report, involving training opportunities for quality assurance personnel, is scheduled for completion by June 1, 1985. The recommendation in the second report, involving improvements in surveillance inspections, was originally scheduled for completion by September 30, 1984. The action plan date has been renegotiated to September 30, 1985.

SECTION IV — INFORMATION RESOURCES MANAGEMENT

The Office of Information Resources Management (OIRM) coordinates and directs a comprehensive Government-wide program for managing and procuring automated data processing (ADP) and telecommunications equipment and services. In the first half of Fiscal Year 1985, OIRM obligated over \$13.8 million in direct operating expense appropriations. Estimated sales through the Federal Telecommunications Fund and the ADP Fund during the same period exceeded \$457 million.

Collectively, the OIG expended some 20,164 direct staffhours pursuing 109 audit and investigative assignments. These figures reflect 13 percent of total OIG direct staffhours and some 9 percent of total work assignments.

A. Overview of OIG Activity

Within OIRM, contract audits comprised the preponderance of OIG activity this period. We issued 40 audit reports recommending almost \$5.2 million in cost avoidances and almost \$1.9 million in recoveries. As in the past, we emphasized preaward reviews of the MASP.

The payback from this emphasis is dramatically demonstrated by a management commitment achieved this period. Through the cooperative efforts of the OIG and OIRM contracting officials, \$40.8 million in costs were avoided in a single procurement action for ADP equipment and software. This management commitment represents the largest cost avoidance ever achieved through a single preaward audit performed by the GSA OIG.

Internal audits of OIRM programs and operations evaluated the acquisition and use of microcomputers, the pilot computer store, and the Telephone Inventory Accounting System (TIAS). Notably, three regional reviews of TIAS, the automated system used to verify over \$200 million in annual payments to telephone companies, identified opportunities for the Government to reduce Federal Telecommunications System (FTS) costs by improving the accuracy and reliability of TIAS.

One TIAS audit identified that GSA may be paying as much as \$1.8 million for telephone lines that were either disconnected, not in use, or possibly not needed. Similarly, another audit identified potential overpayments of \$200,000 annually due to inventory discrepancies. These conditions primarily existed because customer agencies, including GSA, failed to perform required annual physical inventories.

During the period, the OIG closed 23 investigative cases involving OIRM programs, operations, or personnel. These cases primarily involved employee misconduct, theft of Government property, and allegations of contract fraud.

B. Significant Audits

This section summarizes significant internal audits dealing with OIRM operations. Significant preaward contract audits are presented in Section C.

Inactive Telephone Lines

A regional review of TIAS, an automated system containing the inventory of leased telephone equipment, disclosed inaccuracies in the telephone main line inventory requiring immediate corrective action. Many of these inaccuracies existed because Federal agencies failed to notify GSA of telephone service changes.

A computer-assisted analysis of telephone main line utilization as of June 1984 found that as many as 12,000 main lines were either disconnected, not in use, or possibly not needed. We estimate that the annual cost of these main lines to TIAS customers could be as much as \$2.4 million. The cost to GSA in terms of payments to local telephone companies could be as much as \$1.8 million annually.

In our report dated January 9, 1985, we recommended that the Assistant Administrator, OIRM, and the Assistant Regional Administrator, OIRM, have TIAS customers research the main lines identified in our analysis and identify those that should be terminated or restricted from having commercial service; monitor customer agency action in this regard; and ensure that the TIAS and telephone company inventories are adjusted. We also recommended that OIRM conduct similar inventory reviews in other GSA regions, wherever possible and feasible.

Management generally concurred with the report recommendations. We are evaluating the action plans for implementation.

TIAS Inventory Not Being Reconciled

Another regional review of TIAS also identified opportunities to improve its accuracy and reliability by performing required annual inventory certifications. The OIG found that TIAS customers, including GSA, were not verifying their leased holdings against TIAS listings principally because many customers did not understand the complex codings used on the TIAS listings. As a result, the TIAS, which is used to independently determine the amounts due telephone companies and initiate GSA billings to customer agencies, contained inaccurate data that could have resulted in incorrect payments and inaccurate customer billings.

A physical inventory of the holdings of 16 of the 3,450 customers in this region identified 50 discrepancies, valued at \$2,298 annually. We estimated that if this error rate were constant for the remaining customers in this region, GSA would be overpaying telephone costs by about \$200,000 annually. Therefore, in our November 7, 1984 report, we recommended that the Assistant Regional Administrator, OIRM, ensure that all TIAS customer telephone inventories are validated annually; establish a telephone inventory training course and make it available to all TIAS customers; and place emphasis on reconciling the TIAS-computed payment and the telephone company invoice. We also recommended

that the Regional Comptroller ensure that GSA conduct an annual physical inventory.

Management generally concurred with the report recommendations. We are evaluating the action plans for implementation.

C. 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.

Expenditures of \$40.8 Million Avoided Through Preaward Audit

A preaward audit of a pricing proposal for general purpose ADP equipment and software found that the firm's initial offer was incomplete because it did not clearly portray pricing concessions given to the firm's non-GSA customers. These pricing arrangements were significantly better than the terms offered to GSA.

The information on these concessions, summarized in our August 1, 1984 audit report, greatly enhanced the contracting officer's negotiation position. In negotiations, the contracting officer obtained lower prices for equipment rental than those originally offered, as well as better discounts on equipment purchases. In addition, this information resulted in a contracting officer determination not to include some equipment items and certain equipment rental provisions in the award.

On October 22, 1984, the report was resolved. As a result of the audit, a management commitment to avoid \$40.8

million was achieved, based on estimated sales of \$519.5 million. The total pricing concessions reflected in the awarded contract equal \$62.3 million.

Preaward Questions \$1.6 Million in Proposed Cost

A preaward audit of cost and pricing data submitted in response to a solicitation for ADP technical support services questioned almost \$1.6 million of the \$19.5 million proposed by the contractor. The questioned costs resulted from adjustments to the direct labor, overhead, and general and administrative rates proposed by the contractor.

The October 15, 1984 report not only advised the contracting officer of the rates per audit, but also conveyed other pertinent information for consideration by the contracting officer. First, the cost and pricing data provided by the contractor were insufficient to justify forward pricing rates on a fixed price basis. Therefore, the audit suggested a revision to the contract to provide for renegotiating the rates at the end of the first year of the contract. Second, the contractor did not have sufficient personnel to perform the contract work and would have to hire many new employees if awarded the contract. In addition, the key personnel listed in the proposal to demonstrate technical expertise might or might not be used under the contract, if awarded.

Resolution was achieved on March 31, 1985. As a result of audit, management committed itself to avoid almost \$1.6 million.

D. Statistical Highlights

The following table compares OIG activity and accomplishments within OIRM to the overall GSA totals for the period.

Activity	OIRM	All GSA
Audit Reports Issued	48	326
Recommended Cost Avoidance	\$7,182,485	\$68,731,343
Recommended Cost Recovery	\$1,857,694	\$2,725,116
Management Commitments to Avoid Costs	\$69,354,472	\$114,032,556
Management Commitments to Recover Funds	\$300,000	\$2,527,589
Percentage of Recommended Cost Avoidance Agreed to by Management	60%	52%
Percentage of Recommended Cost Recovery Agreed to by Management	15%	24%
Unresolved Audits Older Than 6 Months (Excluding Preawards)	—	3
Implementation Reviews Finding Unimplemented Recommendations	—	7
New Investigative Cases	18	336
Criminal Referrals (Subjects)	19	152
Civil Referrals (Subjects)	1	15
Administrative Referrals (Subjects)	23	354
Suspension/Debarment Referrals (Subjects)	—	41
Indictments/Informations/Complaints	1	42
Successful Criminal Prosecutions	—	30
Civil Settlements/Judgments	—	11

E. Significant Audits From Prior Reports

According to GSA's audit resolution system, the OIG is responsible for ensuring resolution of audit recommendations, while the Office of Audit Resolution, Office of Policy and Management Systems, is responsible for ensuring implementation of resolved audit recommendations. That office therefore furnished the status information on implementation presented herein.

Only one OIRM audit highlighted in a prior Report to the Congress is unimplemented; however, it is being implemented in accordance with established milestones.

Improvements Needed in Computer Security Program

Period First Reported: October 1, 1983 to March 31, 1984

This March 30, 1984 review found that GSA computer systems are highly susceptible to loss through fraud, misuse, and disaster, especially fire. Accordingly, we made 20 recommendations for corrective action; 19 are implemented.

Action has been initiated to implement the last recommendation, involving inclusion of concise security requirements in all contractual agreements for ADP services. Final implementation action is scheduled for completion by October 31, 1986.

SECTION V — OTHER GSA COVERAGE

Other GSA services and staff offices, such as the Office of Comptroller and the Office of Policy and Management Systems, comprised the focus for the remainder of the OIG's efforts this period. These other offices generally support the administrative and management functions of GSA.

The OIG devoted approximately 21,795 direct staffhours pursuing 144 audit and investigative assignments within these other areas of GSA. These figures reflect 14 percent of total OIG direct staffhours and approximately 11 percent of all work assignments.

A. Overview of OIG Activity

With regard to the remaining GSA services and staff offices, the OIG issued 20 internal audit reports evaluating such diverse activities as Presidential library operations, consultant contracts, travel vouchers, contract clearance functions, traveler's checks, audit resolution and follow-up, and imprest funds. The series of reviews evaluating audit resolution and followup and imprest funds were particularly noteworthy.

We found that GSA has been generally successful in developing, implementing, and administering an audit resolution and followup system that complies with the requirements of OMB Circular A-50, "Audit Followup." However, we did note that individual GSA components have not always adhered to the system requirements, but compliance was improving. Recognizing that non-compliance could cause delays in collecting audit-related debts and resolving and implementing corrective actions, we attempted to focus management's attention on identifying the specific procedures that are not being followed and revising them, if necessary.

Relative to the imprest fund audits, we found that the amount of cash maintained in the funds often exceeded the amount necessary to cover normal disbursements. In addition, internal control and physical security weaknesses jeopardized the integrity of fund operations. We believe that our recommendations to reduce the amount of cash maintained and strengthen controls will prevent misuse of these funds.

B. Significant Audits

This section summarizes significant internal audits involving the programs and operations of the remaining GSA services and staff offices.

Audit Resolution and Followup

OMB Circular A-50 requires GSA to establish systems to ensure the prompt and proper resolution and implementation of audit recommendations. GSA issued GSA Order ADM 2030.2A to fulfill the OMB Circular A-50 requirements.

In a review of Agency compliance with this Order, we found that GSA has been generally successful in developing, implementing, and administering an audit followup and resolution system. However, GSA components have not always met the requirements of the Order, thereby creating the potential for delays in collecting audit-related debts and in resolving and implementing audit report recommendations. We did note, however, that component compliance was improving as familiarity with the procedures increased.

Accordingly, in our report dated February 28, 1985, we recommended that the Audit Followup Official: issue a memorandum to GSA's components reinforcing the positive actions already taken and emphasizing components' ongoing responsibility to achieve timely resolution of audit report recommendations; review the status of resolved contract audit reports to assure that audit-related accounts receivable and interest accounts are being established in a timely manner; and evaluate identified areas of non-compliance with established procedures and revise the procedures if necessary. We also recommended that the current monthly implementation status report be expanded to include more complete implementation information.

In response to the report, the Audit Followup Official expressed his commitment to continued improvements in the resolution process. However, in addressing our specific recommendations, a staff office to the Audit Followup Official did not concur in the recommendation to expand the monthly implementation status report. Their position was that such expansion would not improve implementation actions. The OIG believes that additional status information will improve audit report implementation and that, at a minimum, expanded status reports should be tested and evaluated. Therefore, we reaffirmed this recommendation in the final report.

We are awaiting the action plans for implementing our recommendations.

Imprest Funds

OIG audits of ten imprest funds in seven GSA regions disclosed weaknesses in internal controls, inadequate physical safeguards, and unnecessarily high funding levels. Internal control weaknesses, which were found in six funds, included: improper segregation of employee duties; failure to perform regular reconciliations; and use of a common cash box by several cashiers. The physical security problems, which were found at five imprest fund sites, included: malfunctioning alarm systems; no alarm systems; failure to use the available in-building check cashing facility to reduce risk of in-transit theft; and failure to regularly change safe combinations. Finally, the amount of cash maintained in five of the imprest funds exceeded the amounts necessary to cover normal disbursements.

In ten reports issued between October 5, 1984 and March 12, 1985, the OIG offered recommendations to correct these and other deficiencies. Eight of these reports are resolved; we are awaiting action plans for the other two reports.

C. Statistical Highlights

The following table compares OIG activity and accomplishments in other GSA areas to the overall GSA totals for the period.

Activity	Other GSA	All GSA
Audit Reports Issued	22	326
Recommended Cost Avoidance	\$341,250	\$68,731,343
Recommended Cost Recovery	—	\$2,725,116
Management Commitments to Avoid Costs	\$6,892,094	\$114,032,556
Management Commitments to Recover Funds	\$49	\$2,527,589
Percentage of Recommended Cost Avoidance Agreed to by Management	71%	52%
Percentage of Recommended Cost Recovery Agreed to by Management	0.1%	24%
Unresolved Audits Older Than 6 Months (Excluding Preawards)	—	3
Implementation Reviews Finding Unimplemented Recommendations	1	7
New Investigative Cases	34	336
Criminal Referrals (Subjects)	18	152
Civil Referrals (Subjects)	1	15
Administrative Referrals (Subjects)	33	354
Suspension/Debarment Referrals (Subjects)	7	41
Indictments/Informations/Complaints	8	42
Successful Criminal Prosecutions	4	30
Civil Settlements/Judgments	2	11

D. Significant Audits From Prior Reports

According to GSA's audit resolution system, the OIG is responsible for ensuring resolution of audit recommendations, while the Office of Audit Resolution, Office of Policy and Management Systems, is responsible for ensuring implementation of resolved audit recommendations. That office therefore furnished the status information on implementation presented herein.

With regard to GSA services and staff offices other than PBS, FSS, and OIRM, four significant audits from prior Reports to the Congress are unimplemented. One was resolved late in the reporting period; the others are being implemented according to established milestones.

Implementation of the Federal Managers' Financial Integrity Act

Period First Reported: April 1, 1984 to September 30, 1984

This review of GSA's 1982-1983 effort to satisfy the Federal Managers' Financial Integrity Act requirements disclosed that it generally fell short of its intended goal. We therefore made 12 recommendations to improve the overall evaluation process.

On March 26, 1985, the report was resolved. Accordingly, we have just referred the audit to the Office of Audit Resolution for tracking of implementation actions.

Accounting for Stockpile Sales Receipts

Period First Reported: April 1, 1984 to September 30, 1984

A review of the accounting methods for stockpile receipts, coupled with a legal opinion rendered by GSA's Office of General Counsel, disclosed that at least \$19.9 million in stockpile receipts were incorrectly deposited in the U.S. Treasury. The report contained two recommendations; both are unimplemented.

The first recommendation, recovering the \$19.9 million, is scheduled for implementation by April 30, 1985. The other recommendation, reviewing other stockpile sales contracts to identify other incorrect deposits, is to be implemented by November 30, 1985.

Improvements Needed at Presidential Libraries

Period First Reported: April 1, 1984 to September 30, 1984

This consolidated report on Presidential library operations identified the need to improve internal controls over museum objects, library remittances, inventories of items sold by the libraries, and physical security. Accordingly, we made six recommendations for corrective action; four have been implemented.

The remaining recommendations involve development of procedures to: determine the actual number of paid museum admissions and assist libraries in the management of inventories held for sale. The scheduled imple-

mentation dates for the two recommendations are March 31, 1985 and June 30, 1985, respectively.

Since the National Archives and Records Service (NARS), which oversees Presidential library operations, became a separate agency on April 1, 1985, implementation of these recommendations is now the responsibility of the National Archives and Records Administration (NARA). Accordingly, the file on this audit was transferred to NARA on March 22, 1985. This is, therefore, our last status report on implementation of these recommendations.

Prompt Action Needed to Preserve America's Recorded Heritage

Period First Reported: October 1, 1981 to March 31, 1982

This audit found inadequate preservation and protection of intrinsically valuable historical documents. The re-

port contained eight recommendations; six are implemented.

The remaining two recommendations involve: adopting complete standards for all known environmental conditions that can accelerate the deterioration of records, and developing cost estimates for bringing the National Archives Building up to the adopted standards for temperature, humidity, particulates, and toxic gases. The original implementation date for both recommendations was August 31, 1983. Successive extensions to October 31, 1983, November 30, 1983, and December 31, 1986 were granted. All action is now scheduled to be completed by December 31, 1986.

Since NARS, which oversees the preservation and protection of historical documents, became a separate agency on April 1, 1985, implementation of these recommendations is now the responsibility of NARA. Accordingly, the file on this audit was transferred to NARA on March 22, 1985. This is, therefore, our last status report on implementation of these recommendations.

SECTION VI — STATISTICAL SUMMARY OF OIG ACCOMPLISHMENTS

The previous sections of this report presented OIG activity and accomplishments by GSA service and staff office. In the pages that follow, overall OIG accomplishments are comprehensively reported. To facilitate cross-referencing, the GSA organizational orientation is maintained in these summary statistics. However, there is not necessarily a one-to-one correspondence between the data reported by GSA organization and the overall statistics, because a portion of our work involved non-GSA operations.

A. OIG Accomplishments

During the reporting period, the OIG issued 328 reports, including 15 audits performed for the OIG by another agency. These reports contained financial recommendations totaling \$71,456,459, including \$68,731,343 in recommendations for more efficient use of resources (cost avoidance) and \$2,725,116 in recommendations for the recovery of funds.

Based on audit reports issued in this and prior periods, management committed itself to use \$114,032,556 more

efficiently and to recover \$2,527,589. This latter figure includes \$181,776 resulting from civil settlements that involved OIG audit, investigative, and legal collaboration.

The OIG opened 336 investigative cases and closed 383. We referred 105 cases (152 subjects) for criminal prosecution, 12 cases (15 subjects) for civil litigation, and 27 cases for further investigation by other Federal or State agencies. Based on these and prior referrals, 41 cases (87 subjects) were accepted for criminal prosecution and 7 cases (11 subjects) were accepted for civil litigation.

Criminal cases originating from OIG referrals resulted in 32 indictments/informations/complaints and 30 successful prosecutions. Civilly, OIG referrals resulted in 10 civil complaints. Judgments were entered in 5 cases (7 subjects) and settlements were reached in 4 cases (4 subjects). These actions resulted in determinations that \$696,249 is owed the Government. This figure includes \$181,776 also reported as a management commitment to recover funds, since it resulted from collaborative effort involving OIG auditors, investigators, and attorneys.

Table 1. Summary of OIG Audits

GSA Program	Reports Issued	Percentage of Total Audits	Recommended Cost Avoidance	Recommended Cost Recovery
PBS				
— Internal	71		\$ 540,010	\$ 248,708
— Contract	84		23,418,366	182,222
	155	47	\$23,958,376	\$ 430,930
FSS				
— Internal	21		\$ 7,920	\$ 1,026
— Contract	80		37,241,312	435,466
	101	31	\$37,249,232	\$ 436,492
OIRM				
— Internal	8		\$ 2,000,000	\$ —
— Contract	40		5,182,485	1,857,694
	48	15	\$ 7,182,485	\$1,857,694
Other GSA				
— Internal	20		\$ 11,439	\$ —
— Contract	2		329,811	—
	22	6	\$ 341,250	\$ —
Non-GSA				
— Internal	—		\$ —	\$ —
— Contract	2		—	—
	2	1	\$ —	\$ —
TOTAL	328	100	\$68,731,343	\$2,725,116
TOTAL COSTS RECOMMENDED	\$71,456,459			

We referred 282 cases to GSA management for administrative action. This total includes 17 case referrals (41 subjects) for suspension/debarment and 265 case referrals (354 subjects) for other administrative actions. Based on these and prior referrals, management debarred 12 contractors, suspended 2 contractors, reprimanded 33 employees, suspended 22 employees, terminated 21 employees, and demoted 3 employees.

The following subsection presents detailed information on these and other quantifiable accomplishments.

B. Summary Statistics

1. Audit Reports Issued

Table 1 summarizes OIG audit reports issued this period by GSA program area. The table includes 15 audits, recommending a total cost avoidance of \$1,248,309, per-

formed for the GSA OIG by the Defense Contract Audit Agency.

2. Audit Reports Resolved

Table 2 summarizes the universe of audits to be resolved by the OIG and GSA management during this period, as well as the status of those audits as of March 31, 1985. Notably, only 42 audits more than 6 months old were unresolved as of March 31, 1985; and 39 of them were preaward audits, which are not subject to the 6-month resolution requirement. Thus, only three audits were actually overdue — a statistic that reflects creditably on GSA's audit resolution efforts.

It should be noted that Table 2 does not include: reports issued by the OIG to other agencies (two this period); and reports excluded from the resolution system because they pertain to on-going investigations. As of March 31, 1985, seven audits (one issued this period, six issued in prior periods) had been excluded from the resolution system for this reason.

Table 2. Resolution of OIG Audits

	No. of Reports	Reports With Financial Recommendations	Total Financial Recommendations
Reports To Be Resolved as of 10/1/84			
—Less than 6 months old	149	100	\$139,468,795
—More than 6 months old	31	27	18,399,487
Reports Issued This Period	325	150	69,791,822
TOTAL TO BE RESOLVED	505	277	\$227,660,104
Reports Resolved			
—Issued prior periods	138	88	\$135,752,925
—Issued current period	196	72	44,748,563
TOTAL RESOLVED	334	160	\$180,501,488
Unresolved as of 3/31/85			
—Less than 6 months old	129	78	\$ 25,043,259
—More than 6 months old			
—Preaward	39	38	22,094,358
—Postaward	—	—	—
—Internal	3	1	20,999
TOTAL UNRESOLVED	171	117	\$ 47,158,616

3. Resolution Decisions on Financial Recommendations

Table 3 provides detailed information on the 160 audits involving financial recommendations of \$180,501,488 identified in Table 2 as being resolved this period. Notably, \$122,989,986 or approximately 68 percent was upheld in the audit resolution process.

In accordance with GSA Order ADM 2030.2A, resolution decisions on financial recommendations contained in contract audit reports result in resolved cost avoidance or recovery. Management commitments occur subsequently, at the time of contract settlement. For internal audits, management commitments occur at the time of resolution.

Table 3. Resolution Decisions on OIG Audits

GSA Program	Recommended Cost Avoidance	Resolved Cost Avoidance	Recommended Cost Recovery	Resolved Cost Recovery
PBS				
— Internal	\$ 1,642,631	\$ 1,701,570	\$ 612,137	\$ 391,943
— Contract	28,454,868	27,428,712	191,841	119,134
	<u>\$ 30,097,499</u>	<u>\$ 29,130,282</u>	<u>\$ 803,978</u>	<u>\$ 511,077</u>
FSS				
— Internal	\$ 1,178,000	\$ 1,037,000	\$ —	\$ —
— Contract	35,113,940	28,810,505	393,611	342,869
	<u>\$ 36,291,940</u>	<u>\$ 29,847,505</u>	<u>\$ 393,611</u>	<u>\$ 342,869</u>
OIRM				
— Internal	\$ —	\$ —	\$ —	\$ —
— Contract	102,950,163	56,073,053	193,057	193,057
	<u>\$102,950,163</u>	<u>\$ 56,073,053</u>	<u>\$ 193,057</u>	<u>\$ 193,057</u>
Other GSA				
— Internal	\$ 7,012,011	\$ 4,212,011	\$ 48,702	\$ 49
— Contract	2,710,527	2,680,083	—	—
	<u>\$ 9,722,538</u>	<u>\$ 6,892,094</u>	<u>\$ 48,702</u>	<u>\$ 49</u>
TOTAL	\$179,062,140	\$121,942,934	\$1,439,348	\$1,047,052
TOTAL RESOLVED COSTS	\$122,989,986			

4. Contract Audit Settlements

Table 4 compares contract audit recommendations resolved in the audit resolution process with management

commitments achieved in negotiations with contractors. Overall, management commitments on GSA audits represented 66 percent of the resolved amounts.

Table 4. Summary of Contract Audit Settlements

GSA Program	No. of Reports	Avoidance		Recovery	
		Costs Resolved	Management Commitment	Costs Resolved	Management Commitment
PBS					
—Prior	57	\$ 17,965,166	\$ 15,746,686	\$ 105,615	\$ 55,909
—Current	18	918,912	637,093	25,872	25,970
	75	\$ 18,884,078	\$ 16,383,779	\$ 131,487	\$ 81,879
FSS					
—Prior	46	\$ 42,987,588	\$ 7,485,498	\$ 7,458,275	\$1,750,265
—Current	14	20,884,089	11,178,143	3,453	3,453
	60	\$ 63,871,677	\$ 18,663,641	\$ 7,461,728	\$1,753,718
OIRM					
—Prior	22	\$ 64,812,644	\$ 66,029,063	\$ 1,944,938	\$ 300,000
—Current	8	3,325,409	3,325,409	—	—
	30	\$ 68,138,053	\$ 69,354,472	\$ 1,944,938	\$ 300,000
Other GSA					
—Prior	2	\$ 2,462,606	\$ 2,462,606	\$ —	\$ —
—Current	2	217,477	217,477	—	—
	4	\$ 2,680,083	\$ 2,680,083	\$ —	\$ —
SUBTOTAL—GSA	169	\$153,573,891	\$107,081,975	\$ 9,538,153	\$2,135,597
Non-GSA					
—Prior	4	\$ —	\$ —	\$ 1,541,891	\$ —
—Current	—	—	—	—	—
SUBTOTAL—NON-GSA .	4	\$ —	\$ —	\$ 1,541,891	\$ —
TOTAL	173	\$153,573,891	\$107,081,975	\$11,080,044	\$2,135,597*
TOTAL MANAGEMENT COMMITMENTS		\$109,217,572*			

*Includes \$181,776 also reported under monetary results of civil actions.

Drawing upon the information presented in Tables 3 and 4, OIG audits involving GSA programs resulted in total management commitments to avoid \$114,032,556 and to recover \$2,527,589.

5. Recoveries

The General Accounting Office (GAO) recently recommended that OIG Reports to the Congress include data on actual monetary recoveries, in addition to management commitment information. Although such a requirement has not yet been instituted, the GSA OIG requested data on actual audit recoveries from GSA's Office of Audit Resolution. Data for the period October 1, 1984 through March 31, 1985 were not available. However, between July 1, 1984 and December 31, 1984, Agency records show that \$1,177,000 was recovered as a result of OIG contract audits and deposited in the Treasury.

6. Audit Followup

GSA Order ADM 2030.2A places primary responsibility for followup on the implementation of resolved audit recommendations with the Audit Followup Official. The Office of Audit Resolution, Office of Policy and Management Systems, acts as staff to the Audit Followup Official in this function.

The OIG performs its own independent reviews of implementation actions on a test basis. This period, the OIG performed 19 implementation reviews. By GSA service area, they distribute as follows: 13 in PBS, 2 in FSS, 2 in OIRM, and 2 in other GSA areas.

Management had successfully implemented all of the recommendations contained in 12 of these reviews. In seven instances, our recommendations were not fully implemented.

7. Investigative Workload

Table 5 presents detailed information on investigative workload by case category. The OIG opened 336 cases and closed 383 cases; only 19 of these cases were administratively closed without referral.

In addition to these cases, the OIG received and evaluated 164 complaints/allegations from sources other than the Hotline that involved GSA employees and programs. Based upon an analysis of these allegations, formal investigations were not warranted.

Table 5. Investigative Workload

Case Category	Cases Open 10/1/84	Cases Opened	Cases Closed	Cases Open 3/31/85
White Collar Crimes	301	151	169	283
Other Crimes in GSA-Controlled Space	112	61	89	84
Contractor Suspension/Debarment	31	23	20	34
Employee Misconduct	62	69	64	67
Other	30	32	41	21
TOTAL	536	336	383	489

Table 6 distributes the 336 new investigative cases opened this period (Table 5) by case category and GSA program area. Notably, almost 45 percent of the cases

opened fell within the white collar crime category. Most of the new cases (85 percent) involved PBS and FSS programs.

Table 6. Distribution of Cases Opened This Period

Case Category	PBS	FSS	OIRM	Other GSA
White Collar Crimes	65	70	6	10
Other Crimes in GSA-Controlled Space	25	26	4	6
Contractor Suspension/Debarment	13	9	1	—
Employee Misconduct	47	11	4	7
Other	12	6	3	11
TOTAL	162	122	18	34

8. Referrals

The OIG makes three types of referrals to officials outside GSA: criminal, civil, and investigative. During this period, we referred 105 cases involving 152 subjects to the Department of Justice or other authorities for prosecutive consideration. The status of OIG criminal referrals is as follows:

	Cases	Subjects
Pending Prosecutive Decision as of 10/1/84	37	103
Referrals	105	152
Declinations	66	96
Accepted for Prosecution	41	87
Pending Prosecutive Decision as of 3/31/85	35	72

The OIG also referred 12 cases involving 15 subjects to either the Civil Division of the Department of Justice or a U.S. Attorney for litigation consideration. The status of OIG civil referrals is as follows:

	Cases	Subjects
Pending Litigation Decision as of 10/1/84	12	15
Referrals	12	15
Declinations	9	11
Accepted for Litigation	7	11
Pending Litigation Decision as of 3/31/85	8	8

The OIG made 27 case referrals to other Federal or State agencies for further investigation or other action.

9. Administrative Referrals and Actions Involving GSA Employees

Frequently, OIG investigations disclose nonprosecutable wrongdoing on the part of GSA employees, contractors, or private individuals doing business with the GSA. The OIG refers these cases to GSA officials for administrative action.

During the period, we referred 265 cases involving 354 subjects for administrative action. In addition, we referred 144 cases involving 168 subjects to GSA officials for informational purposes only.

The status of OIG administrative referrals is as follows:

	Cases	Subjects
Pending Decision as		
of 10/1/84	81	109
Referrals	265	354
Actions Completed	270	350
Pending Decision as		
of 3/31/85	76	113

Of the 265 cases referred for administrative action this period, 152 cases (196 subjects) involved GSA employees. As a result of these and prior referrals, management took the following actions against GSA employees:

Reprimands	33
Suspensions	22
Terminations	21
Demotions	3

10. Contractor Suspensions and Debarments

The OIG continued its efforts to make the suspension and debarment process a more effective and more readily used administrative procedure. This period, the OIG referred 2 cases involving 5 subjects for suspension and 15 cases involving 36 subjects for debarment. As a result of these and prior referrals, management imposed 2 suspensions and 12 debarments. Management disapproved 3 suspensions and 3 debarments.

The status of OIG suspension and debarment referrals is as follows:

Suspensions	Cases	Subjects
Pending as of 10/1/84	2	7
Referrals	2	5
Action Completed	2	5
Pending as of 3/31/85	2	7
Debarments	Cases	Subjects
Pending as of 10/1/84	12	21
Referrals	15	36
Action Completed	10	15
Pending as of 3/31/85	17	42

11. Summary of Referrals by GSA Program Area

Table 7 summarizes OIG referrals this period by type of referral and GSA program area. Notably, 506 subjects were referred on criminal and administrative matters.

Table 7. Summary of OIG Subject Referrals

GSA Program	Criminal	Civil	Administrative	Suspension/Debarment
PBS	48	2	166	10
FSS	67	11	132	24
OIRM	19	1	23	—
Other GSA	18	1	33	7
TOTAL	152	15	354	41

12. Criminal and Civil Actions

Cases accepted for criminal prosecution during this and prior periods resulted in 32 indictments/informations/complaints and 30 successful prosecutions. Civil referrals from this and prior periods resulted in civil complaints involving 10 individuals. In addition, settlements

were reached in 4 cases involving 4 subjects, while judgments were entered in 5 cases involving 7 subjects.

Table 8 summarizes individual criminal and civil actions by GSA program area. In addition, there were 12 unsuccessful civil cases against 13 subjects and 3 unsuccessful criminal cases against 4 subjects.

Table 8. Summary of Criminal and Civil Actions

GSA Program	Indictments/ Informations/ Complaints	Successful Prosecutions	Settlements/ Judgments
PBS	17	12	3
FSS	16	14	6
OIRM	1	—	—
Other GSA	8	4	2
TOTAL	42	30	11

13. Monetary Results

Table 9 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 \$1,456,177 in money and/or property during the course of its investigations.

Table 9. Criminal and Civil Recoveries

	Criminal	Civil	Total
Fines and Penalties	\$ 49,800	\$ 15,000	\$ 64,800
Settlements and Judgments	—	489,875	489,875
Restitutions	141,574	—	141,574
TOTAL	\$191,374	\$504,875*	\$696,249*

*Includes \$181,776 also reported as a management commitment to recover funds.

14. OIG Subpoenas

The OIG views the use of subpoenas to be an effective tool for obtaining information for audits and investiga-

tions when other reasonable measures fail. During the period, 13 instances met this criterion and OIG subpoenas were issued.

SECTION VII — REVIEW OF LEGISLATION AND REGULATIONS

The OIG is mindful of the importance of its legislated responsibility to review existing and proposed legislation and regulations. Such reviews constitute an important vehicle for making recommendations that will increase economy and efficiency in Government operations, as well as prevent fraud and abuse.

A. Legislation/Regulations Reviewed

During the period, the OIG reviewed 194 legislative matters and 187 regulatory initiatives. The OIG legal staff primarily performed the legislative reviews, seeking input from the other components as appropriate, while all OIG staff offices shared the responsibility for regulatory reviews.

B. Significant Comments

The OIG provided significant comments on the following legislative and regulatory matters:

- *Draft Bill No. 20, the Federal Protective Officers (FPOs) Act of 1985, a bill to clarify and expand the law enforcement authorities of FPOs.* We expressed serious concerns about Section 401 of this bill because it appears to grant FPOs investigative authority that overlaps with that of the OIG and conflicts with existing GSA directives and the Inspector General Act.
- *H.R. 502, a bill to prohibit the recording of conversations on Federal telecommunications systems.* We recommended revisions allowing the agency head to develop guidelines for consensual monitoring and giving independent authority to the Inspectors General to conduct monitoring for law enforcement purposes. We also recommended that the definition of agency head include the head of an Office of Inspector General.
- *H.R. 1001, the Counterfeit Access Device and Computer Fraud and Abuse Act of 1985.* We supported this bill because it would improve the Government's ability to deter and prosecute computer fraud.
- *S. 492, the Law Enforcement and Intelligence Officer's Tort Liability Protection Act.* We strongly supported this bill making the Government the sole defendant in constitutional tort cases, when certified by the Attorney General. We opposed the provisions of the bill allowing an award of punitive damages and authorizing an award of attorney fees and litigation costs to prevailing plaintiffs.
- *H.R. 1252, a bill to amend the Omnibus Crime Control and Safe Streets Act of 1968.* We strongly supported this bill as it would increase the amount of death benefits payable to the survivors of public safety officers killed in the line of duty.
- *H.R. 440, a bill making the Government the sole defendant in constitutional tort cases involving acts or omis-*

sions of Government employees, when certified by the Attorney General. We strongly supported this bill except for those provisions allowing jury trials; awards of punitive damages; and awards of attorney fees and litigation costs to prevailing plaintiffs.

- *Draft Bill No. 25, a bill clarifying the authority for appointing and compensating experts and consultants.* While agreeing that change was merited, we did not believe that this bill would be an effective vehicle. We provided comments outlining specific deficiencies in the proposal.
- *H.R. 1082, the Omnibus Intelligence and Security Improvements Act.* We generally supported this bill, particularly the provisions of Title II requiring pre-trial notice to the Government when a criminal defendant intends to assert the intelligence or law enforcement defense.

In conjunction with the President's Council on Integrity and Efficiency's legislative initiative for the 99th Congress, we provided comments regarding the reintroduction or enactment of the following matters:

- *H.R. 3625, the Inspector General Act Amendments of 1983.* We supported this bill, especially those provisions providing for uniform pay levels for all statutory IGs and authorizing designated OIG personnel to administer oaths, affirmations, and affidavits.
- *S. 1566, the Program Fraud and Civil Penalties Act of 1983, a bill to create an administrative remedy for civil fraud cases developed by OIGs that are not prosecuted by the Department of Justice.* We supported this latest version of the bill because it: enables the Government to recoup losses in those cases where the dollar amount is too small to merit prosecution; deters fraudulent conduct by those doing business with the Government; and represents a quicker and less expensive remedy than judicial action.
- *S. 829, the Comprehensive Crime Control Act of 1983, a bill that would make the Government the sole defendant in constitutional tort cases, thereby relieving individual Federal employees of any civil liability in such cases.* We supported this bill, preferring it over H.R. 595 and S. 775, because it preserves the affirmative defense of "good faith qualified immunity," disallows trial by jury, and does not provide for an award of attorney fees and litigation costs to a prevailing plaintiff.
- *S. 2940, the Federal Computer Systems Protection Act of 1984, a bill to amend Title 18 of the United States Code.* We supported this bill, but questioned the advisability of the provision authorizing the Attorney General to delegate concurrent investigative authority to other departments and agencies for computer-related offenses.
- *S. 774, Amendments to the Freedom of Information Act (FOIA).* We strongly supported enactment of this bill, especially the provisions that permit agencies to collect costs associated with processing FOIA re-

quests; extend the time for agency responses in unusual circumstances; expressly permit agencies to withhold manuals and instructions used by investigators, auditors, or inspectors, when release could jeopardize investigations, audits, or inspections; and afford greater protection to information compiled for law enforcement purposes.

- *H.R. 5646, a bill to extend authority for IG awards for Federal employee disclosures of fraud, waste, and abuse until September 30, 1987.* We supported this extension because the program requires more time to prove its effectiveness.
- *H.R. 4233, the Civilian Travel Expense Amendments, a bill raising the normal per diem maximum to \$75.* We

supported this bill, especially the provisions allowing law enforcement and investigative personnel (and members of their families) to receive a per diem allowance when occupying temporary living accommodations because of threat to life or property or fear that investigative interests may be compromised.

- *S. 1882, a bill to provide a statutory framework for Government-wide debarment and suspension.* We supported the concept of a Government-wide debarment and suspension program, but questioned whether this legislation is needed in view of the Government-wide system now in place and other initiatives underway.

SECTION VIII — OTHER OIG 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. This section details the OIG program responding to these legislated prevention responsibilities; presents our initiatives to maximize the effectiveness and efficiency of OIG operations; and details our involvement in projects sponsored by the President's Council on Integrity and Efficiency (PCIE).

A. OIG Prevention Program

The OIG prevention program is comprised of four elements that simultaneously focus on minimizing opportunities for fraud, waste, and abuse and promoting awareness among GSA employees. This four-pronged approach consists of:

- Defining areas vulnerable to fraud, waste, and abuse and assessing the degree of vulnerability;
- Anticipating potential problem areas and performing front-end reviews that help to ensure that programs will operate within applicable laws, policies, and procedures;
- Educating GSA employees on the manifestations of fraud and the mechanisms for reporting suspicions or allegations to the OIG; and
- Communicating the OIG presence and establishing mechanisms that promote a dialogue between GSA employees and the OIG.

1. Definition

The OIG considers the identification of vulnerable areas to be a major prerequisite to the prevention of fraud, waste, and abuse. This period, OIG definition activities included an operational survey and analysis of the findings surfaced through the preaward lease review program.

Operational Survey of Belle Mead Supply Distribution Facility

Operational surveys are limited scope reviews conducted by teams of auditors, investigators, and inspectors. They are designed to follow up on activities that exhibited past vulnerability to fraud, waste, and abuse and assess the current degree of vulnerability. Operational surveys develop referrals for in-depth review through conventional audits and investigations, as well as referrals to GSA management for immediate corrective action.

Between October and November 1984, a survey team evaluated overall depot operations, including the adequacy of physical security and fire safety measures, at the Belle Mead Supply Distribution Facility in New Jersey. The survey disclosed numerous and serious deficiencies regarding operations, physical security, and fire safety that were referred to GSA management. Management generally concurred with our recommendations or provided additional information to clarify policies or procedures addressed in the report.

Analysis of Preaward Lease Review Findings

The preaward lease review program is a major component of the OIG's prevention program. As discussed in the following subsection, it provides for OIG review of proposed lease actions involving total annual rentals of \$200,000 or more.

This period, the OIG analyzed the findings surfaced in the 138 preaward lease reviews performed between October 1982 and May 1984. Our objective was to identify patterns of problems as well as vulnerable areas in the lease award process. Analysis of the proposed awards identified two systemic problems: realty specialists are not documenting the lease files with all the information needed to support the lease action, and supervisors are not adequately reviewing lease files.

In a December 7, 1984 report to the Commissioner, PBS, we recommended that: the problem areas identified by the OIG be stressed in training courses given to realty officers/specialists, and the list of deficiencies developed by the OIG be distributed to all realty officers/specialists with instructions on how to correct such errors/omissions. The report was resolved on March 11, 1985.

2. Anticipation

OIG anticipation activities this period focused on review of proposed legislation and regulations (Section VII) and continued preaward coverage of GSA's leasing program. These activities stem from the belief that many of tomorrow's problems can be avoided through decisive action today.

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 involving annual rentals in excess of \$200,000. The reviews, although purely advisory in nature, limit opportunities for fraud, waste, and abuse in the leasing area.

The program achieved the following results during the reporting period:

Lease proposals submitted for review	70
Lease proposals reviewed	36
Lease proposals with major deficiencies	7
Lease proposals with minor deficiencies	14
Lease proposals with no deficiencies	15

Some of the major deficiencies identified through OIG preaward advisory reviews included: the building to be leased did not meet PBS criteria for asbestos content; the market survey and appraisal were outdated; negotiation objectives were not documented in the lease file; and the tenant agency's space requirements had not been obtained or documented.

3. Education

Integrity Awareness Briefings comprise the OIG's primary vehicle for educating employees in the manifestations of fraud and abuse. Individual briefings explain

the statutory mission of the OIG and the functions executed by each of our component offices. In addition, through case studies and slides, the briefings expose GSA employees to actual instances of white collar crime in the GSA and other Federal agencies. They conclude with a presentation on bribery that teaches employees how to recognize bribery attempts; how to respond to them; and the employee's potential role in an ensuing investigation.

Since the inception of this program in 1981, over 4,960 GSA employees have attended Integrity Awareness Briefings. This total includes the 870 Central Office and regional employees attending 32 briefings this period.

This program is complemented by a separate education vehicle directed at newly appointed GSA management officials. Through a presentation entitled "The IG Story," these officials learn the impetus behind the creation of statutory IGs, the responsibilities and authorities vested in the IG, and the organizational structure used to execute these responsibilities. More importantly, "The IG Story" emphasizes the commonality of purpose shared by management and the OIG in the pursuit of greater Government economy and efficiency.

This period, 12 officials attended Central Office presentations of "The IG Story." Regional OIG officials likewise conduct briefings in GSA's regions.

4. Communication

A free flow of information between GSA employees and the OIG is a vital prevention and detection element. Recognizing this fact, the OIG, as previously reported, posted Hotline posters in all GSA buildings nationwide to ensure that GSA employees and the public are aware of the OIG Hotline and its purpose. The OIG also continues to issue brochures on our Reports to the Congress so that employees and the public are apprised of OIG activities and see the results-oriented nature of our work.

The Hotline is a very significant communications device. This period, we received 521 Hotline calls and letters. Of these, 147 complaints warranted further action. We also received 14 referrals from the GAO and 25 referrals from other agencies that required further action. These 186 complaints/allegations were referred as follows:

Audits/Investigations	78
GSA Program Officials	97
Other Agencies	11

The remaining 374 Hotline complaints required no further action and were closed.

B. OIG Management Initiatives

OIG management initiatives seek to promote economy and efficiency in OIG operations and to enhance coordination between the audit and investigations functions. Major initiatives are discussed in the paragraphs that follow.

1. Field Office Appraisals

The OIG's program for reviewing the economy, efficiency, and effectiveness of its component offices contin-

ued this period. Interdisciplinary peer groups appraised the operations of the Philadelphia and Fort Worth field audit and investigations offices, in accordance with our goal of reviewing each of our field offices on a 3-year cycle.

In conjunction with this appraisal program, the OIG's Office of Policy, Plans, and Management Systems also evaluates final internal audit reports. The evaluations, which assess adherence to OIG policy and GAO audit report standards, serve to promote a definitive level of quality in our reports. Five report evaluations were issued this period.

2. Management Consulting Group

On December 31, 1984, the Acting IG established a Management Consulting Group, comprised of two of our Regional Inspectors General for Auditing and an Audit Division Director, to assess the OIG's organization and staffing at headquarters. The objectives of the review were to provide answers to the following questions:

- Is headquarters properly organized to best perform its duties?
- Are services/functions unnecessarily being duplicated?
- Are lines of reporting/operations clear and straightforward?
- Can changes be made that will make operations more efficient and effective?

The 6-week study, which included interviews with GSA OIG personnel nationwide as well as analyses of the headquarters structures of other OIGs, culminated in a February 22, 1985 internal report to the Acting IG. The report and its recommendations are currently being evaluated by the Acting IG.

In keeping with GSA's plans to evaluate its regional organizational structure, the OIG intends to review its regional structure before the end of the calendar year.

3. IGIS Task Force

The Inspector General Information System (IGIS) is the computer-based management information and statistical reporting system of the GSA OIG. It has been operational since 1983 using outside computer facilities.

During the period, the OIG embarked on two initiatives relating to IGIS:

- Procurement of state-of-the-art office automation equipment under GSA's "Big Buy." This equipment will enable the OIG to operate IGIS in-house, thereby resulting in substantial savings over the next 5 years.
- Establishment of an interdisciplinary IGIS task force. The task force is in the process of reviewing IGIS to: ensure that it fully supports the OIG's information needs, and identify any unnecessary processing in terms of data elements stored and reports generated. The recommendations are due to the Acting IG during the next reporting period.

C. Projects Sponsored by the PCIE

The OIG continued to participate in interagency projects sponsored by the PCIE. Specific involvement this period is delineated by project in the paragraphs that follow.

1. Legislative and Regulatory Review

Under the aegis of the PCIE Prevention Committee, the GSA OIG was the lead agency on the Legislative and Regulatory Review project. The objective of this project was to develop a compendium of best practices for OIG application in the review of proposed legislation and regulations.

The project was completed this period with the issuance of the final report on November 13, 1984. The report presents analyses of the survey data, examples of success stories, and procedures in effect at selected agencies.

2. Auditor Training Subcommittee

Under the aegis of the PCIE Training Committee, the GSA OIG was the lead agency in the development of a training course entitled "Allocating Audit Resources Through Operations Risk Analysis." The training course teaches auditors how to apply the best principles of public and private sector auditing in developing comprehensive audit plans; planning and performing individual audits; and evaluating the audit process.

This period, editing of the comprehensive training manual on the course methodology was completed, and the manual was submitted for printing. It will be distributed during the next reporting period.

3. Productivity Data Collection Formats

The GSA OIG is the lead agency on this PCIE project designed to: develop uniform OIG productivity factors, and promote the use of recurring productivity analysis. This project reflects the OIG community's emphasis on improving productivity and thereby obtaining maximum impact from its resources.

On February 21, 1985, the team distributed the proposed productivity data collection package to the PCIE com-

munity for review and comment. As currently configured, the package consists of four primary sections addressing general resources, audit accomplishments, investigative accomplishments, and prevention activities. It is envisioned that productivity factors will be calculated over time so that trends can be developed and analyzed.

The project team is currently revising the package based on the comments received. The final package should be issued during the next reporting period.

4. Technical Experts

The GSA OIG is participating in this PCIE Prevention Committee project designed to: determine the degree to which OIGs require technical experts, and identify opportunities for sharing OIG technical expertise, information, and advanced techniques. The project stems from the realization that OIGs are increasingly being asked to evaluate complex Federal programs that are highly technical in nature. In such evaluations, traditional audit and investigative capabilities may no longer suffice.

This period, the project team developed and issued a questionnaire to survey all of the OIGs on the use of technical experts and the feasibility of sharing technical expertise. Upon receipt and analysis of the responses, individual OIGs may be interviewed prior to issuing a final report.

5. Review of Federal Telecommunications System (FTS) Utilization

The GSA OIG is the lead agency for this PCIE review aimed at identifying ways to improve overall FTS operations and individual agency management of telecommunications resources. Nineteen agencies are participating in the review, including the Department of Defense and most major civilian agencies.

On February 28, 1985, we hosted the initial planning conference for the review; field work began in March. The effort will culminate in individual agency reports, scheduled for issuance in August 1985, followed by a consolidated report.

APPENDICES

APPENDIX I – AUDIT REPORT REGISTER

Assignment Number	Title	Date of Report
PBS Contract Audits		
A40803	Preaward Evaluation of Pricing Proposal for Architect/Engineering Services: Torres-Beauchamp-Marvel Y Asociados, Contract No. GS-02B-23216(NEG)	10/01/84
A40303	Audit of a Claim Submitted by Yucca, A Joint Venture, Lease No. GS-07B-11339, Docket Nos. 6768 and 7319	10/09/84
A40838	Preaward Evaluation of Pricing Proposal: Woodbridge Construction Company, Lease No. GS-03B-70043	10/11/84
A40881	Determine Unpaid Amounts Due on Guard Contracts GS-04B-81523/81522/50362/82502/50329 With B.F.A. Security and Investigative Agency, Inc.	10/11/84
A40880	Postaward Audit of Contract Billings: NL Industries, Lease No. Plancor 1245, for the Period 07/01/69 to 06/30/84	10/12/84
A40879	Preaward Audit of Architect and Engineering Services Contract: Shepley, Bulfinch, Richardson, and Abbott, Contract No. GS-11B-48008	10/19/84
A40681	Preaward Audit of Lease Escalation Proposal: Brinkerhoff & Son Investment, Lease No. GS-09B-77395	10/25/84
A40723	Preaward Audit of Lease Escalation Proposal: Charles E. Smith & Associates, Lease No. GS-03B-5603	10/25/84
A40906	Preaward Evaluation of Pricing Proposal: Sylvester James and Sons Maintenance Service, Inc., Kansas City, Kansas, Contract No. GS-06B-47523-01	10/25/84
A40903	Preaward Audit of Change Order Proposal: Arctic Corner, Inc., Contract No. GS-02P-23276	10/29/84
A40872	Preaward Audit of Architect and Engineering Services Contract: VRG/W Associated, A Joint Venture, Contract No. GS-11B-47036	10/30/84
A40835	Audit of Cost Reimbursable Contract: Booz, Allen & Hamilton, Inc., Contract No. GS-00P-02253	10/31/84
A40907	Preaward Audit of Cost or Pricing Data: Brown's Maintenance and Security Co., Inc., Leavenworth, Kansas, Contract No. GS-06B-47546-01	10/31/84
A40890	Preaward Audit of Cost or Pricing Data: Superb Maintenance, Solicitation No. GS-04B-84657	11/02/84
A50029	Preaward Audit of Architect and Engineering Services Contract: Energy Systems Engineering, Inc., Contract No. GS-11B-49001	11/02/84
A50031	Preaward Audit of Lease Escalation Proposal: Victor Palmieri and Company, Incorporated, Lease No. GS-07B-7029	11/09/84
A40758	Preaward Audit of Cost or Pricing Data: J. Callaham Refuse Hauling, Inc., Contract No. GS-11C-40215	11/14/84
A40710	Preaward Audit of a Claim for Increased Costs: F A. Bailey, Contract No. GS-04B-16561	11/15/84
A50057	Preaward Audit of Architect and Engineering Services Contract: George Butler Associates, Inc., Kansas City, Missouri, Solicitation No. GS-06B-42860	11/16/84
A40593	Preaward Audit of a Claim for Increased Costs: Grunley-Walsh Construction Company, Inc., Contract No. GS-11B-18334	11/21/84
A40889	Preaward Audit of Architect and Engineering Services Contract: Daniel L. Dworsky, FAIA and Associates, Inc., Project No. NCA 01200	11/26/84
A40876	Preaward Audit of Lease Escalation Proposal: Melvin J. Powers, Lease No. GS-09B-77468	11/28/84

A40757	Preaward Audit of Cost or Pricing Data: J. Callaham Refuse Hauling, Inc., Contract No. GS-11C-40330	11/29/84
A40910	Audit of Lease Escalation Proposal: Convention Tower, Lease No. GS-03B-00643	11/29/84
A50073	Preaward Audit of Lease Escalation Proposal: William H. MacDonald and Thomas M. Curtin, Lessors, Lease No. GS-10B-04268	11/29/84
A40746	Preaward Audit of Lease Escalation Proposal: Northwestern Development Co., Lease No. GS-03B-6521	11/30/84
A50018	Postaward Audit of Contract Billings: Superb Maintenance, Inc., Contract No. GS-04B-81601	12/03/84
A40376	Preaward Evaluation of Lease Alteration Pricing Proposal: Northwestern Development Corporation, Lease No. GS-11B-40013	12/04/84
A50002	Preaward Audit of Cost or Pricing Data: Arrow General, Inc., Contract No. GS-03-84-R-0023	12/04/84
A50094	Preaward Audit of Architect and Engineering Services Contract: Gove Associates, Inc., Solicitation No. GS-05BC-90478	12/04/84
A50077	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: Young Janitorial Services of Colorado Springs, Inc., Contract No. GS-08P-12003	12/05/84
A40862	Preaward Audit of Architect and Engineering Services Contract: General Physics Corporation, Contract No. GS-11B-47601	12/07/84
A50016	Preaward Audit of Value Engineering Change Proposal: Terminal Construction Corporation, Contract No. GS-02P-23256	12/14/84
A50063	Postaward Audit of Multiple Award Schedule Contract: Parking Company of America for Period 11/01/81 to 10/31/84	12/17/84
A50158	Preaward Audit of Lease Escalation Proposal: Triple G. Investment, Lease No. GS-04B-23110	12/18/84
A50055	Preaward Audit of Lease Escalation Proposal: David Nassif Associates, Lease No. GS-03B-5564	12/19/84
A40331	Preaward Audit of a Claim for Increased Costs: Wickham Contracting Co., Inc., Contract No. GS-02B-17224	12/20/84
A40458	Preaward Audit of a Claim for Increased Costs: McCreary Metals, Inc., Subcontractor to Wickham Contracting Co., Inc., Prime Contract No. GS-02B-17224	12/21/84
A40459	Preaward Audit of a Claim for Increased Costs: Total Carpentry Ltd., Subcontractor to Wickham Contracting Co., Inc., Prime Contract No. GS-02B-17224	12/21/84
A40591	Audit of Contractual Provisions: Vigilantes, Inc., Subcontractor Under U.S. Small Business Administration, Contract No. GS-02B-19710(NEG)	12/21/84
A50014	Preaward Audit of Lease Escalation Proposal: Tishman West Management, Lease No. GS-09B-73066	12/21/84
A50059	Preaward Audit of Architect and Engineering Services Contract: The Durrant Group, Inc., Solicitation No. GS-05BC-90479	12/26/84
A40780	Preaward Audit of Lease Escalation Proposal: California State Automobile Association, Lease No. GS-09B-75262	12/28/84
A40909	Preaward Audit of Lease Escalation Proposal: General American Life Insurance Company, Lease No. GS-08B-10849	01/04/85
A50100	Preaward Audit of Architect and Engineering Services Contract: Brown, Healey, Bock, P.C., Cedar Rapids, Iowa, Contract No. GS-06B-52230	01/10/85
A50052	Preaward Audit of Lease Escalation Proposal: South Carolina Wildlife and Marine Resources, Lease No. GS-04B-15587	01/11/85
A40853	Preaward Audit of a Claim for Increased Costs: Eugene Iovine, Inc., on Behalf of Tide Electrical Construction Corp., Contract No. GS-02B-17190	01/15/85
A40897	Preaward Audit of Cost or Pricing Data: Guardian Security Agency, Inc., Contract No. GS-11C-30100	01/16/85
A40851	Preaward Evaluation of Quality Control Inspection and Testing Services Contract Pricing Proposal: Turner Construction Company, Project No. NOR26500	01/18/85

A50065	Preaward Audit of Architect and Engineering Pricing Proposal: Bohlin Powell Larkin Cywinski, Prospectus Project No. IPA 88305	01/18/85
A50144	Preaward Audit of Lease Escalation Proposal: Friendship Investment Company, Lease No. GS-03B-5718	01/18/85
A50178	Preaward Audit of Architect and Engineering Services Contract: Bogen, Johnston, Lau & Jenal, PC, Solicitation No. 2PPC-CM-84-539	01/23/85
A40877	Preaward Audit of a Claim for Increased Costs: Davis, Smith, Carter, and Rider, Inc., Contract No. GS-03B-89053, GSBCA Docket No. 6931	01/25/85
A50141	Audit of Cost Reimbursable Contract: J & J Maintenance, Inc., Contract No. GS-07B-21602	01/25/85
A50103	Preaward Audit of Lease Escalation Proposal: Lincoln Partners, Lease No. GS-08B-10732	01/28/85
A50157	Preaward Audit of Cost or Pricing Data: A & J Security Guard Service, Solicitation No. GS-04B-85428	01/28/85
A50164	Preaward Audit of Lease Escalation Proposal: Cohen Asset Management, Inc., Kansas City, Missouri, Lease No. GS-06B-14268	01/31/85
A40840	Interim Audit of Cafeteria Contract: Service Systems Corporation, Contract No. GS-05B-42130	02/01/85
A50096	Preaward Audit of Architect and Engineering Services Contract: Lee-Thorp Consulting Engineers, Inc., Contract No. GS-11B-49022	02/05/85
A50156	Preaward Audit of Architect and Engineering Services Contract: Arthur L. Spaet & Associates, P.C., Contract No. GS-02P-23401	02/05/85
A50196	Preaward Audit of Architect and Engineering Services Contract: Maniktala Associates, Inc., Solicitation No. 2PPC-CM-84-544	02/06/85
A50212	Preaward Audit of Cost or Pricing Data: A to Z Maintenance Co., Solicitation No. 2PPB-MV-24,240	02/06/85
A50135	Preaward Audit of Lease Escalation Proposal: Heritage Heights Partnership, Lease No. GS-08B-09887	02/07/85
A50092	Preaward Evaluation of Lease Escalation Proposal: Haney-Claxton Developers, Lease No. GS-04B-14592	02/08/85
A50167	Preaward Audit of Architect and Engineering Services Contract: AME Associates, Contract No. GS-05BC-90480	02/08/85
A50235	Audit of Termination Proposal: J. Roland Dashiell & Sons, Inc., Contract No. GS-03B-06193	02/13/85
A40854	Preaward Audit of Lease Escalation Proposal: Carl W. Swenson Co., Inc., Lease No. GS-09B-75318	02/15/85
A40107	Audit of Cost Reimbursable Contract: Donohoe Construction Co., Inc., Lease No. GS-11B-20054	02/19/85
A50140	Preaward Audit of Lease Escalation Proposal: Koger Partnership, Lease No. GS-04B-15493	02/22/85
A50250	Preaward Audit of Architect and Engineering Services Contract: Chrisman, Miller, Woodford, Inc., Contract No. GS-04B-84254	02/25/85
A50173	Preaward Audit of Lease Alteration Proposal: Federal Plaza Associates, Lease No. GS-05B-13381	03/05/85
A50274	Preaward Audit of Architect and Engineering Services Contract: Wolffberg, Alvarez, Taracido, and Associates, Contract No. GS-04B-84253	03/06/85
A50307	Preaward Audit of Lease Escalation Proposal: Adlee Developers, Lease No. GS-04B-20221	03/06/85
A50308	Preaward Audit of Lease Escalation Proposal: Ocmulgee Fields, Inc., Lease No. GS-04B-15226	03/06/85
A50214	Preaward Audit of Architect and Engineering Services Contract: Geier Brown Renfrow Architects, Contract No. GS-11B-39024	03/08/85

A50294	Preaward Audit of Cost or Pricing Data: United Guard Security, Inc., Solicitation No. RFP-FSS-9FCG-85-02031	03/14/85
A50070	Preaward Audit of Architect and Engineering Services Contract: Colton/Lester Corporation, St. Louis, Missouri, Solicitation No. GS-06B-62210	03/15/85
A50071	Preaward Audit of Architect and Engineering Services Contract: The Christner Partnership, Inc., St. Louis, Missouri, Solicitation No. GS-06B-62210	03/15/85
A50229	Preaward Audit of Cost or Pricing Data: Howard Security Services, Inc., Contract No. GS-11C-50001	03/22/85
A50128	Preaward Audit of Change Order Proposal: E. J. Murray Company, Inc., Contract No. GS-03B-88138	03/25/85
A50302	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: Hyde's Security Services, Inc., Contract No. GS-11C-50023	03/26/85
A50012	Preaward Audit of Lease Escalation Proposal: 6040 Company, Lease No. GS-05B-12915	03/27/85
A50292	Preaward Audit of Architect and Engineering Services Contract: John J. Kassner & Co., Inc., Solicitation No. 2PPC-CM-84-539	03/27/85
A50228	Postaward Audit of Lease Alterations Costs: Fred Schnider Company, Lease No. GS-11B-30047	03/28/85

PBS Internal & Inspection Audits

A40898	Proposed Award of Lease: Lease No. GS-08P-11997, 11177 W. 8th Avenue, Lakewood, Colorado	10/02/84
A30716	Review of Roofing and Miscellaneous Repairs at the Federal Center, Building No. 1, Battle Creek, MI, Contract No. GS-05BC-82519	10/03/84
A40896	Proposed Award of Supplemental Agreement No. 1 to Lease No. GS-10B-05125, University Plaza Building, Anchorage, Alaska	10/03/84
A40779	Interim Report on Review of Concession Operations	10/09/84
A40730	Review of the Quality of the Contract Guard Services at the Department of Commerce, Patent and Trademark Office	10/11/84
A50015	Preaward Lease Review: 719-13th Street, NW, Washington, DC, Lease No. GS-03B-80082	10/17/84
A40121	Review of GSA Region 2 Lease Award Procedures	10/18/84
A50021	Proposed Lease Extension: Lease No. GS-09B-82510, 4727 Wilshire Boulevard, Los Angeles, CA	10/18/84
A50024	Proposed Lease Award: Lease No. GS-09B-84696, 2850 Shadelands Drive, Walnut Creek, CA	10/18/84
A40142	Audit of Jobs Bill Phase II, Office of Public Buildings and Real Property, Region 5	10/19/84
A40294	Review of Administration of Major Lease Alterations and Lease Construction, Region 9	10/23/84
A40623	Review of the Assignment of Leased Space, Rider Building, Harrisburg, PA	10/24/84
A50047	Proposed Lease Extension: Lease No. GS-05BR-122276, Supplemental Agreement No. 19, One North Wacker, Chicago, IL	10/24/84
A40842	Review of Controls Over Engineering and Space Assignment Drawings, Region 4	10/29/84
A30749	Review of GSA Region 2 Buildings Maintenance Program	10/30/84
A40284	Review of Energy Conservation and Lighting Levels in Leased Space, Region 4	10/30/84
A40284	Review of Energy Usage in Leased, Owner-Serviced, Buildings for Which GSA Pays Utility Costs, Region 9	10/30/84
A40294	Procurement and Administration of Construction Work in Region 4 Leased Space	10/30/84
A50048	Preaward Lease Review (Lease Construction), Brockton Federal Office Building, Contract No. GS-01B(PEL)-03440(NEG)	10/31/84

A50062	Proposed Award of Lease No. GS-08P-11999, 711 Central Avenue, Billings, Montana	10/31/84
4D207331111	Review of Agreement Between General Services Administration and Guest Services, Inc.	10/31/84
A50067	Preaward Lease Review: 806 Connecticut Avenue, NW, Washington, DC, Lease No. GS-03B-5044	11/09/84
A50087	Preaward Lease Review: 1200 S. Eads Street, Arlington, VA, Lease No. GS-11B-40052	11/14/84
A50088	Preaward Lease Review: 555 4th Street, NW, Washington, DC, Lease No. GS-11B-40038	11/15/84
A40479	Review of ADP Electricity and Space Costs, Chester Arthur Building, 425 Eye Street, NW, Washington, DC	11/16/84
A30184	Review of Repairs and Alterations of Government-Owned Space, National Capital Region	11/28/84
A50127	Preaward Lease Review: 1100 Vermont Avenue, NW, Washington, DC, Lease No. GS-11B-30019	11/30/84
A40294	Review of Lease Alteration Projects, National Capital Region, General Services Administration, Washington, DC	12/06/84
A40793	Summary Report of Preaward Lease Reviews, October 1982 Through May 1984	12/07/84
A50114	Preaward Lease Review: 1232 Eads Street, Arlington, VA, Lease No. GS-11B-40053	12/07/84
A40779	Review of Concessions Operations in Region 5	12/13/84
A50155	Preaward Lease Review, Erieview Associates, 100 Erieview Plaza, Cleveland, Ohio, Lease No. GS-05B-14113	12/13/84
A50125	Proposed Award of Lease: Lease No. GS-04B-25442, Crawford Building and Annex, Atlanta, Georgia	12/17/84
A40411	Review of Central Field Office Operations, Region 5	12/18/84
A50086	Preaward Lease Review: CIDS Building, Carolina Ave., Richmond, VA, Lease No. GS-03B-50011	12/20/84
A40842	Public Buildings Service Needs to Review Their Policy on Microfilming Engineering Drawings	12/21/84
A50155	Preaward Lease Review: Erieview Associates, 100 Erieview Plaza, Cleveland, Ohio, Lease No. GS-05B-14113	12/21/84
A40824	Review of the 450 Golden Gate Avenue Field Office Imprest Fund, Region 9	12/27/84
A50159	Review of Proposed Lease Award: Lease No. GS-09B-38825, 11500 W. Olympic Blvd., Los Angeles, CA	12/28/84
A50111	Preaward Lease Review: Lease No. GS-04B-25439, 3001 NE Expressway, Chamblee, Georgia	12/31/84
A50177	Review of Proposed Lease Award: Lease No. GS-09B-38570, 1333 Broadway, Oakland, CA	01/04/85
A50170	Proposed Lease Extension: Lease No. GS-05BR-10736, Supplemental Agreement No. 7, One North Dearborn, Chicago, IL	01/07/85
A40787	Review of the Procedures Used by the Real Estate Division to Establish Operating Costs and Real Estate Taxes for the Dickenson High and Low Rise Buildings, Woodlawn, Maryland	01/08/85
A40154	Review of Fiscal Years 1983 and 1984 Funding of Department of Transportation Delegation	01/10/85
A50188	Review of Proposed Lease Award: Lease No. GS-09B-08127, 333 Market St., San Francisco, CA	01/10/85
A50183	Preaward Lease Review: Belmont Building, 6709 Whitestone Road, Woodlawn, MD, Lease No. GS-03B-00682	01/16/85
A50206	Preaward Lease Review: 900 South Washington Street, Falls Church, VA, Lease No. GS-11B-49917	01/16/85
A50019	Proposed Award of Lease: Building K, 4175 Friedrich Lane, Austin, Texas, Contract No. GS-07B-11906	01/22/85

A50205	Preaward Lease Review: 1301 New York Avenue, NW, Washington, DC, Lease No. GS-11B-50012	01/22/85
A50213	Preaward Lease Review: Friendship No. 6, 793 Elkridge Landing Road, Linthicum, MD, Lease No. GS-03B-06166	01/24/85
A50175	Preaward Lease Review: 1650 Mission Street, San Francisco, CA, Supplemental Lease Agreement No. 1, Lease No. GS-09B-83349	01/25/85
A40824	Review of Maintenance of the Electrical Safety Systems at the Phillip Burton Federal Building and U.S. Courthouse, Region 9	01/28/85
A40814	Review of Energy Consumption at Federal Buildings, 630 Sansome Street and 555 Battery Street, San Francisco, CA, Region 9	01/29/85
A50202	Proposed Award of Lease: Lease No. GS-04B-24308(NEG), Mid Memphis Tower, 1407 Union Avenue, Memphis, Tennessee	01/31/85
A50225	Proposed Award of Lease Extension: 6300 Wilshire Blvd., Los Angeles, California, Lease No. GS-09B-73821	02/07/85
A50262	Preaward Lease Review: 1050 Connecticut Avenue, NW, Washington, DC, Lease No. GS-11B-40054	02/12/85
A40255	Review of GSA's Lease Award Procedures	02/15/85
A50280	Preaward Lease Review: Premier Building, 1725 Eye Street, NW, Washington, DC, Lease Nos. GS-03B-90050 and GS-11B-10086	02/22/85
A50050	Review of Upper Parking Deck Repairs, Minton Capehart Federal Building, Indianapolis, Indiana, Contract No. GS-05BC-82661	02/26/85
A40695	Review of the Region 4 Buildings Management Atlanta East Field Office	02/27/85
A40822	Review of Controls Over PBS Operating Equipment in Region 3	02/27/85
A50110	Review of Manual System for Monitoring Multi-Unit Leases, Region 5	02/28/85
A50218	Interim Report on Audit of Buildings Management Operations	02/28/85
A40779	Review of Concession Operations	03/04/85
A50288	Preaward Lease Review: 1875 Connecticut Avenue, NW, Washington, DC, Lease No. GS-11B-10001	03/04/85
A50297	Preaward Lease Review: 12709 Twinbrook Parkway, Rockville, MD, Lease No. GS-11B-50014	03/06/85
A50007	Review of the Imprest Fund at the Buildings Management Field Office, San Juan, Puerto Rico	03/12/85
A50110	Review of Manual System for Monitoring Multi-Unit Leases	03/21/85
A50312	Preaward Lease Review: Penn Place, 20 N. Pennsylvania Avenue, Wilkes-Barre, PA, Lease No. GS-03B-06457	03/27/85
A50301	Report on Preaward Lease Review, One Cleveland Center, Cleveland, Ohio, Lease No. GS-05B-14113	03/28/85
A40779	Review of Concession Operations, Region 1	03/29/85

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A40432	Audit of Claim for Lost Revenue: A&R (Anti-Rust, Inc.), Contract No. GS-4YSUR-20353	10/09/84
A40523	Preaward Evaluation of Price Proposal: A. B. Dick Company, Solicitation No. FGE-A4-75273-N-4-3-84	10/09/84
A40850	Preaward Audit of Contractor Eligibility Under Walsh-Healey Act: United Mercantile Company, Solicitation No. 9FC0-0LQ-M-A094/683	10/19/84
A40640	Preaward Audit of Cost or Pricing Data: The Mosler Safe Company, Solicitation No. FNP-C1-1542-N-5-16-84	10/25/84
A40878	Preaward Audit of Cost or Pricing Data: Monaco, Solicitation No. 7PM-52512/V5/7FC	10/31/84

A40733	Preaward Audit of Cost or Pricing Data: National Standards Association, Inc., Solicitation No. BO/FS-B-00479(NEG)	11/01/84
A40904	Preaward Audit of Contractor Eligibility Under Walsh-Healey Act: H & S Haimes Enterprises, Inc., Solicitation No. 9FC0-OLQ-M-A1077	11/05/84
A50030	Preaward Audit of Contractor Eligibility Under Walsh-Healey Act: Abby Sales, Inc.	11/06/84
A50032	Postaward Audit of Multiple Award Schedule Contract: Hughes Aircraft Company, Contract No. GS-00S-45269 for the Period 08/01/82 to 07/31/83	11/06/84
A40882	Preaward Audit of Multiple Award Schedule Contract: Wright Line, Inc., Solicitation No. FNP-C4-1439-N-8-16-84	11/07/84
A50061	Preaward Audit of Multiple Award Schedule Contract: Ebenreiter Woodworking Co. (EBCO), Solicitation No. FNPS-S1-1526-N-1-26-84	11/13/84
A40374	Postaward Audit of Multiple Award Schedule Contract: G. P. Technologies, Inc., Contract No. GS-00S-41402 for the Period 10/01/82 to 9/30/83	11/20/84
A40781	Postaward Audit of Multiple Award Schedule Contract: North American Philips Service Lighting Corporation, Contract No. GS-07S-08991	11/20/84
A50020	Preaward Audit of Cost or Pricing Data: Sargent & Greenleaf, Inc., Solicitation No. AT/TC 19594	11/20/84
A40683	Postaward Audit of Contract Billings: Payless Car Rental, Contract No. GS-00S-64108 for the Period 04/28/83 to 04/30/84	11/27/84
A50078	Postaward Audit of Multiple Award Schedule Contract: Edward Ochman Systems, Contract No. GS-00S-68212 for the Period 02/01/84 to 01/31/85	11/28/84
A40786	Postaward Audit of Multiple Award Schedule Contract: Digilab, Division of Bio-Rad, Contract No. GS-00S-57371 for the Period 07/29/83 to 04/30/84	11/29/84
A50013	Preaward Evaluation of Price Proposal: DeBourgh Manufacturing Company, Solicitation No. FNPS3-1598-N-1-9-84	11/29/84
A50113	Preaward Audit of Contractor Eligibility Under Walsh-Healey Act: Bel-Mar Corporation, Solicitation No. 9FC0-OLQ-M-A1073	11/29/84
A50044	Preaward Audit of Multiple Award Schedule Contract: Varityper, Division of AM International, Inc., Solicitation No. FGE-B1-75287-N-10-5-84	11/30/84
A40707	Preaward Audit of Cost or Pricing Data: Art Metal — USA, Inc., Solicitation No. FNP-C1-1542-N-5-16-84	12/04/84
A50022	Preaward Audit of Cost or Pricing Data: O. Ames Company, Solicitation No. FEN-FR-A0211-N-7-17-84	12/05/84
A40696	Postaward Audit of Multiple Award Schedule Contract: Lista International Corporation, Contract No. GS-OOS-38319 for the Period 09/08/83 to 07/31/84	12/07/84
A50091	Preaward Audit of Cost or Pricing Data: MonArk Boat Company, Monticello, Arkansas, Solicitation No. IOPN-NES-0275	12/10/84
A40806	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: Delta Manufacturing and Sales, Incorporated, Solicitation No. FNP-F5-1645-N	12/14/84
A50046	Preaward Audit of Multiple Award Schedule Contract: Polaroid Corporation, Solicitation No. FGE-B1-75287-N-10-05-84	12/14/84
A50093	Preaward Audit of Multiple Award Schedule Contract: Polaroid Corporation, Solicitation No. FGE-B1-75297-N-10-05-84	12/14/84
A50045	Preaward Audit of Multiple Award Schedule Contract: Picker International, Solicitation No. FGE-B1-75287-N-10-5-84	12/18/84
A40680	Preaward Audit of Multiple Award Schedule Contract Pricing Proposal: Leasametric, Inc., Solicitation No. ATFS19360	12/19/84
A50118	Preaward Audit of Cost or Pricing Data: Ametex Contract Fabrics, Solicitation No. BO/FS-L-00493	12/19/84
A50112	Preaward Audit of Multiple Award Schedule Contract: Douglass Industries, Inc., Solicitation No. BO/FS-L-00493	12/26/84
A50113	Preaward Audit of Contractor Eligibility Under Walsh-Healey Act: Bel-Mar Corporation, Solicitation No. 9FC0-OLQ-M-A1073	12/28/84

A50108	Preaward Audit of Multiple Award Schedule Contract: E.I. DuPont De Nemours & Company, Solicitation No. FGS-X5-36432-N-9-11-84	01/02/85
A50119	Preaward Audit of Multiple Award Schedule Contract: Nilfisk of America, Inc., Solicitation No. 9FCO-OLG-M-A1096	01/02/85
A50051	Preaward Audit of Multiple Award Schedule Contract: Eastman Kodak Company, Solicitation No. FGE-B1-75287-N	01/11/85
A50095	Preaward Audit of Multiple Award Schedule Contract: Encyclopaedia Britannica, Inc., Solicitation No. BO/FS-B-00511	01/11/85
A50116	Preaward Audit of Cost or Pricing Data: Ebsco Carpet Mill, Solicitation No. FNP-F3-1653-N-4-30-84	01/11/85
A50028	Postaward Audit of Multiple Award Schedule Contract: Sutron Corporation, Contract No. GS-00S-70140	01/14/85
A50187	Preaward Evaluation of Multiple Award Schedule Contract: Nautilus Sports/Medical Industries, Inc., Solicitation No. 10PN-NLS-0208	01/17/85
A50080	Preaward Audit of Multiple Award Schedule Contract, Verification of Commerciality Data: Hewlett-Packard Company, Solicitation No. FGS-P-36396-N-1-12-82	01/18/85
A50161	Preaward Audit of Cost or Pricing Data: Information Marketing International, A Ziff Davis Information Company, Solicitation No. BO/FS-B00479(NEG)	01/18/85
A50142	Preaward Audit of Cost or Pricing Data: Munson Manufacturing, Inc., Solicitation No. 10PN-NES-0275	01/25/85
A50148	Preaward Evaluation of Multiple Award Schedule Contract: Caddylak Systems, Inc., Solicitation No. FNP-C8-1701-N-10-9-84	01/30/85
A50150	Preaward Audit of Cost or Pricing Data: L. Robinson Transfer and Storage Company, Inc., RFP No. WFCG-ED-N-1167	01/31/85
A50166	Preaward Audit of Multiple Award Schedule Contract: Perkin Elmer Corporation, Solicitation No. FGS-23-36442-N-11-23-84	01/31/85
A50186	Preaward Audit of Multiple Award Schedule Contract: ISCO, Inc., Lincoln, Nebraska, Solicitation No. FGS-Z3-36442-N-11-23-84	01/31/85
A50143	Preaward Audit of Cost or Pricing Data: Alliance Moving & Storage, Inc., Solicitation No. WFCG-ED-N-1161-10-23-84	02/05/85
A50106	Preaward Audit of Cost or Pricing Data: Milbar Corporation, Solicitation No. FEN-ED-A3232-N	02/06/85
A50109	Preaward Audit of Multiple Award Schedule Contract: White Machine Company, Solicitation No. FNP-C8-1701-N-10-9-84	02/07/85
A50197	Audit of Cost Reimbursable Contract: Diversified Technical Services, Inc., Contract No. GS-07B-11736	02/07/85
A50208	Preaward Audit of Multiple Award Schedule Contract: Radiomatic Instruments and Chemical Co., Solicitation No. FGS-23-36442-N-11-23-84	02/07/85
A50136	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: Gallegos Research Group, Contract No. GS-08F-37069	02/08/85
A50190	Preaward Audit of Multiple Award Schedule Contract: Tracor Instruments Austin, Inc., Solicitation No. FGS-Z3-36442-11-23-84	02/08/85
A50242	Preaward Audit of Multiple Award Schedule Contract: Allied Analytical Systems, Solicitation No. FGS-K-36415-N-11-9-83	02/08/85
A50172	Preaward Audit of Multiple Award Schedule Contract: IBM Instruments, Inc., Solicitation No. FGS-Z3-36442-N	02/11/85
A50191	Preaward Audit of Multiple Award Schedule Contract: IBM Instruments, Inc., Solicitation No. FGS-K-36415-N	02/11/85
A50189	Preaward Audit of Multiple Award Schedule Contract: Helena Laboratories, Solicitation No. FGS-Z3-36442-N	02/21/85
A50185	Preaward Audit of Multiple Award Schedule Contract: Vitek Systems, Inc., Hazelwood, Missouri, Solicitation No. FGS-Z3-36442-N-11-23-84	02/22/85
A50169	Preaward Audit of Multiple Award Schedule Contract: Spectra-Physics, Inc., Solicitation No. FGS-Z3-36442-N-11-23-84	02/26/85

A50256	Preaward Audit of Cost or Pricing Data: Fas-Frame, Inc., Solicitation No. 7PM-52511/M5/7FC	02/26/85
A50269	Preaward Audit of Multiple Award Schedule Contract: Instrumentation Laboratory, Solicitation No. FGS-Z3-36442-N	02/26/85
A50203	Preaward Audit of Multiple Award Schedule Contract: E.I. DuPont de Nemours & Company, Solicitation No. FGS-Z3-36442-N-11-23-84	02/28/85
A50241	Preaward Audit of Multiple Award Schedule Contract: VG Instruments Incorporated, Solicitation No. FGS-K-36415-N	02/28/85
A50278	Preaward Audit of Cost or Pricing Data: DeWald Northwest Containers, Solicitation No. 9FCO-OLJ-M-A1068/84	03/05/85
A50207	Preaward Audit of Multiple Award Schedule Contract: Applied Biosystems, Inc., Solicitation No. FGS-Z3-36442-N-11-23-84	03/08/85
A50320	Preaward Audit of Contractor Eligibility Under Walsh-Healey Act: Metco International Corp., Solicitation No. 8FCG-51-50015	03/13/85
A50200	Preaward Audit of Multiple Award Schedule Contract: Pennwalt Corporation, Solicitation No. 9FCO-OLS-M-A1106/84	03/15/85
A50211	Preaward Audit of Cost or Pricing Data: Davis Furniture Industries, Inc., Solicitation No. FNP-S5-1703-N-9-4-84	03/15/85
A50240	Preaward Audit of Multiple Award Schedule Contract: LDC/Milton Roy, Solicitation No. FGS-Z3-36422-N-11-23-84	03/20/85
A50266	Preaward Audit of Multiple Award Schedule Contract: L K B Instruments, Inc., Solicitation No. FGS-Z3-36442-N-11-23-84	03/20/85
A50264	Preaward Audit of Multiple Award Schedule Contract: Ortho Diagnostic Systems, Inc., Solicitation No. FGS-Z3-36442-N-11-23-84	03/21/85
A50348	Evaluation of Price Proposal Submitted in Response to Solicitation No. FNP-F5-1708-N-12-17-84: Hoover Systems — Acoustical Screens in Color, Inc., Dallas, Texas	03/22/85
A50251	Preaward Audit of Multiple Award Schedule Contract: Herman Miller, Inc., Solicitation No. FNP-C7-1483-N-5-14-84	03/25/85
A50216	Preaward Audit of Cost or Pricing Data: Virco Manufacturing Corporation, Solicitation No. FNP-S5-1703	03/26/85
A50083	Audit of Multiple Award Schedule Contract, Verification of Commerciality Data: Hewlett-Packard Company, Contract No. GS-00F-57245	03/27/85
A50243	Preaward Audit of Multiple Award Schedule Contract: Dionex Corporation, Solicitation No. FGS-Z3-36442-N-11-23-84	03/27/85
A50232	Postaward Audit of Multiple Award Schedule Contract: Charvoz-Carsen Corporation, Contract No. GS-00S-38509	03/28/85
A50233	Postaward Audit of Multiple Award Schedule Contract: Charvoz-Carsen Corporation, Contract No. GS-00S-38510	03/28/85
A50234	Postaward Audit of Multiple Award Schedule Contract: Charvoz-Carsen Corporation, Contract No. GS-00S-58499	03/28/85
A50265	Preaward Audit of Multiple Award Schedule Contract: Kratos Analytical Instruments, Division of Spectros, Inc., Solicitation No. FGS-Z3-36442-N	03/29/85

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A40336	Review of Self-Service Store Operations, Baltimore, Maryland	10/02/84
A40788	Regional Management of the Commercial Travel Management Centers, Region 8	10/11/84
A40442	Review of Travel Management Centers, Region 9	10/31/84
A40309	Review of the Customer Supply Center, Kansas City, Missouri	11/02/84
A40407	Review of Proposed FSS Procurement for ADP Support Services	11/20/84

A40535	Pricing Discrepancies, Unexplained Disappearances of Controlled Items, and Violation of Prescribed Procedures at the Anchorage, Alaska Self-Service Store Corroborates Hotline Allegations	11/21/84
A40441	Review of Operations at the Self-Service Store, San Francisco, California	11/28/84
A50129	Review of the Observation of the Physical Inventory Count at the Customer Supply Center, Norfolk, Virginia	12/20/84
A40441	Review of Operations at the Self-Service Store, San Diego, California	12/26/84
A50008	Observation of Self-Service Store Inventory, San Juan, Puerto Rico	12/27/84
A40318	Review of the Region 9 Quality Approved Manufacturer Agreement Program	12/28/84
A40687	Review of the Physical Inventory and Inventory Reconciliation at the Self-Service Store, Baltimore, Maryland	01/08/85
A40688	Review of Multiple Award Schedule Program Contracts in Region 4	01/15/85
A40901	Observation of Physical Inventory at Self-Service Store No. 46, Chicago, Illinois	01/16/85
A40068	Review of Systems Development of the Customer Supply Center	02/01/85
A40370	Review of Self-Service Store Operations, Department of Commerce Building	02/28/85
A40669	Review of the Maintenance Control Center Disclosed That Enhancements Are Possible to the Centralized Maintenance System by Improving Controls Over Procurement, Payment Processing, and Vehicle History Files, Region 10	02/28/85
A40888	Review of Boston Self-Service Store Inventory	03/01/85
A40176	Review of the Centralized Household Goods Traffic Management Program, Central Office	03/07/85
A40441	Review of Regional Management of the Self-Service Store Program, Region 9	03/22/85
A40072	Review of the Establishment of Subsistence Rates for High Rate Geographical Areas	03/29/85

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A40610	Preaward Audit of Multiple Award Schedule Contract: Ampex Corporation, Data Systems Division, Solicitation No. GSC-KESCR-58	10/05/84
A40698	Preaward Audit of Multiple Award Schedule Contract: Hewlett-Packard, Solicitation No. GSC-KESA-0027	10/05/84
A40784	Preaward Audit of Cost or Pricing Data: OAO Corporation, Solicitation No. KECS-84-011	10/15/84
A40861	Preaward Evaluation of Subcontractor Pricing Proposal: Vanguard Technologies Corporation, RFP No. 6KT-84003-EP-N	10/18/84
A30333	Postaward Audit of Multiple Award Schedule Contract: Texas Instruments, Contract No. GS-00C-01413	10/26/84
A40765	Preaward Audit of Cost or Pricing Data: Vanguard Technologies Corporation, Inc., Solicitation No. KECS-84-011	10/29/84
A50053	Preaward Audit of Cost or Pricing Data: GRIM Corporation, Contract No. GS-00K-84-01-S-0178	10/29/84
A40902	Preaward Audit of Cost or Pricing Data: Watkins-Johnson Company, Solicitation No. GSC-KECS-CR-00028-5-21-84	10/31/84
A40790	Preaward Audit of Cost or Pricing Data: PECO Enterprises, Inc., Davenport, Iowa, Solicitation No. 6KT-84003-EP-N	11/07/84
A40864	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: Computer Dynamics, Inc., Solicitation No. GSA-3FC-84-N-010	11/09/84
A50090	Audit Report on Evaluation of Firm Fixed Price Proposal: Defense Communications Division, ITT Corporation, Solicitation No. KETN-RC-84-008	11/09/84
A50099	Evaluation of Price Proposal: Racal Communications, Inc., Solicitation No. GSC-KESCR-00028	11/15/84

A50107	Audit Report on Evaluation of Price Proposal: OAO Corporation, RFP No. KECS-84-010	11/20/84
A50121	Audit Report on Evaluation of Initial Price Proposal: PRC Government Information Systems, RFP No. KECS-84-010	11/28/84
A50122	Audit Report on Evaluation of Fixed Labor Rate Proposal: Computer Sciences Corporation, Applied Technology Division, RFP No. KECS-84-010	11/28/84
A50153	Audit Report on Evaluation of Contract Pricing Proposal: Group Operations Systems Support Services, Inc., RFP No. KECS-84-012	12/13/84
A50076	Preaward Audit of Cost or Pricing Data: Federal Systems, Inc., Solicitation No. GSC-KESA-C-00027-N-4-11-84	12/14/84
A50082	Preaward Audit of Multiple Award Schedule Contract: Verification of Commerciality Data, Hewlett-Packard Company, Solicitation No. GSC-KESA-C-00027-N-4-11-84	12/31/84
A50117	Postaward Audit of Time and Material Contract: Telesynetics Corporation, Contract No. GS-00K-84030	01/03/85
A50181	Audit Report on Evaluation of Initial Price Proposal: Tidewater Consultants, Inc., Solicitation No. KESC-84-012	01/03/85
A40394	Postaward Audit of Multiple Award Schedule Contract: Cullinet Software, Inc., Contract No. GS-00C-03332 for the Period 10/01/80 to 03/31/84	01/09/85
A40886	Preaward Audit of Multiple Award Schedule Contract: Household Data Services, Inc., Solicitation No. GSC-KESCR-00028	01/10/85
A40843	Preaward Audit of Multiple Award Schedule Contract: Honeywell Information Systems, Inc., Solicitation No. GSA-KESA-B-00025-N-12-16-83	01/11/85
A50210	Evaluation of Price Proposal: Vanguard Technologies Corporation, RFP No. KECS-84-012	01/14/85
A50075	Preaward Audit of Multiple Award Schedule Contract, Verification of Commerciality Data: Ampex Corporation, Magnetic Tape Division, Proposed Renewal of Contract No. GS-00K-83-01S-0026	01/18/85
A50219	Audit Report on Evaluation of Price Proposal: ISC, Inc., RFP No. GSC-CDPCS-A-00004-N-5-20-82	01/22/85
A50220	Audit Report on Evaluation of Contract Pricing Proposal: Arthur Young & Company, RFP No. KECS-85-001	01/23/85
A50147	Preaward Audit of Cost or Pricing Data: Aire-Sciences, Inc., Solicitation No. GSC-KESCR-00028-N-5-21-84	01/24/85
A50244	Audit Report on Evaluation of Price Proposal: Kentron International, Inc., Technical Services Division, Solicitation No. 9FCG-OSD-N-A0832/84	01/29/85
A50245	Audit Report on Evaluation of Cost Plus Fixed Fee Proposal: Martin Marietta Data Systems, Solicitation No. 9FCG-OSD-N-A0832/84	01/29/85
A50263	Report on Evaluation of Contract Pricing Proposal: RFP No. KECS-85-001, American Management Systems (AMS), Washington, DC	02/06/85
A50151	Preaward Audit of Cost or Pricing Data: Information Control, Inc., Kansas City, Missouri, Solicitation No. 6KS-84001-CG-N	02/08/85
A40808	Audit of Termination Proposal: Systems and Facilities Corporation, Contract No. GS-00C-40018	03/05/85
A50223	Preaward Audit of Cost or Pricing Data: Booz-Allen & Hamilton, Inc., Contract No. GS-00K-8403-C-0001	03/06/85
A50204	Preaward Audit of Multiple Award Schedule Contract: Dynatech Data Systems, Solicitation No. GSC-KESA-G-00028-N-12-11-84	03/12/85
A50350	Audit Report on Evaluation of Cost Plus Fixed Fee Proposal: Advanced Technology, Inc., Solicitation No. KECS-85-001	03/26/85
A50300	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: Aquidneck Management Associates Ltd., Solicitation No. KECS-85-005	03/27/85

A50194	Preaward Audit of Multiple Award Schedule Contract: AT&T Information Systems, Solicitation No. GSC-KESA-G-00028-N-12-11-84	03/28/85
A50276	Preaward Audit of Multiple Award Schedule Contract: Leasametric, Inc., Solicitation No. GSC-KESA-G-00028-N-12-11-84	03/29/85
A50331	Preaward Audit of Contractor Eligibility Under Walsh-Healey Act: Technology Services, Inc.	03/29/85

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A40398	Review of GSA's Pilot Computer Store	10/15/84
A40349	Acquisition, Use, and Management of Microcomputers, Region 8	10/23/84
A40180	Review of the Telephone Inventory Accounting System, Region 4	11/07/84
A40349	Review of Acquisition, Use, and Management of Microcomputers in Region 2	12/31/84
A30771	Second Interim Report on Review of Telephone Inventory Accounting System	01/09/85
A40727	Interim Report — Appearance of a Conflict of Interest by FSS Contracting Officer	01/16/85
A40731	Review of Supporting Documentation for a Requirements Contract of Software Development Services (Solicitation No. KECS-84-011)	01/29/85
A40180	Review of the Telephone Inventory Accounting System, Region 7	03/29/85

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A40664	Preaward Audit of a Claim for Increased Costs: Fluidics, Inc., Contract No. GS-02B-17814	10/29/84
A30281	Review Accounting Statement Related to Claim Submitted by Federal Plaza Associates, Contract No. GS-05B-13381	12/06/84

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A40825	Review of the Imprest Fund, Region 3	10/05/84
A40815	Review of Imprest Fund, Region 5	10/15/84
A40826	Review of the Regional Office Imprest Fund, Region 9	10/17/84
A40827	Review of Imprest Fund Operations, Region 6	10/19/84
A50039	Review of Fleet Management Center, Las Vegas, Nevada, Imprest Fund, Region 9	11/02/84
A40812	Review of Finance Division Imprest Fund, Region 8	11/06/84
A40883	Review of Finance Division Traveler's Check Fund, Region 8	11/06/84
A30449	Review of Allegations Regarding the GSA Board of Contract Appeals	11/08/84
A40818	Review of the Imprest Fund, National Capital Region	12/10/84
A40836	Review of the Finance Division Imprest Fund, New York, New York, Region 2	12/31/84
A40869	Review of Finance Division Accounting Controls on Traveler's Checks	01/08/85
A40616	Review of the Contract Clearance Function Performed by the Office of Project Control and Oversight Disclosed Need for Improved Documentation, Defined Scope, and Supervisory Reviews	01/30/85
A40775	Final Report on Controls Over the Reporting of FY 1984 Consultant Contracts	02/01/85
A50163	Review of Imprest Fund Operations, 601 East 12th Street, Kansas City, Missouri	02/04/85
A50171	Review of Travel Vouchers	02/13/85
A40865	Review of Regional Payroll Operations, Region 3	02/27/85
A40228	Review of GSA's Audit Resolution and Followup System	02/28/85

A40332	Review of Operations of the Gerald R. Ford Library	02/28/85
A40686	Review of Physical Inventory of Museum Objects at the Harry S. Truman Library, Independence, Missouri	03/05/85
A40721	Review of Fleet Management Center Payments	03/21/85

Non-GSA Contract Audits

2H201037707	Report on Postaward Audit: Abbott Laboratories, Hospital Products Division, Contract Nos. V797P-5715E, 5819E, 5595E, and 5474F	10/05/84
A40257	Audit of Cost Reimbursable Contract: PEPCO, Solicitation No. PI-81-005-A-820	01/07/85

APPENDIX II – DELINQUENT DEBTS

GSA's Office of Comptroller provided the information presented herein.

GSA Efforts to Improve Debt Collection

During the period October 1, 1984 through March 31, 1985, specific activities undertaken by the GSA to improve debt collection and reduce the amount of debt written off as uncollectible have been in the areas of upgrading collections functions, debt management, and credit reporting. Specifically:

- In November 1984, GSA provided its accounts receivable branches detailed written instructions for assessing interest, penalty, and administrative costs against delinquent debts. These procedures will become operational on the date that GSA's regulations to implement the Debt Collection Act of 1982 are published in the Federal Register.
- In February 1985, OMB assigned FSS responsibility for Government-wide contracting for debt collection services. GSA's Office of Finance provided information on debt management to the FSS contracting officer to facilitate development of the procurement action for debt collection services.

- In March 1985, GSA commented on the Department of Treasury/OMB "Draft Guidelines on Information to Be Reported to Credit Reporting Bureaus." These guidelines are designed to achieve uniformity in credit reports made to commercial and consumer reporting bureaus by Federal agencies and increase the usefulness of these reports. GSA's computer tape input to credit bureaus will be designed in accordance with the final Department of Treasury/OMB guidelines.

- In March 1985, GSA's Office of General Counsel issued the final draft of "Collection of Claims Owed to the United States." These GSA regulations, which implement the Debt Collection Act of 1982, are being reviewed by the Department of Justice and OMB prior to publication in the Federal Register.

Non-Federal Accounts Receivable

Because GSA utilizes manual reporting systems for its non-Federal accounts receivable, data for the period October 1, 1984 through March 31, 1985 were not available at the time of publication of this report. Six-month data for the period June 30, 1984 through December 31, 1984 are therefore provided.

	As of June 30, 1984	As of December 31, 1984	Difference
Total Amounts Due GSA	\$102,533,709	\$81,194,408	\$21,339,301
Amount Deliquent	\$ 13,394,081	\$18,391,869	\$ 4,997,788
Total Amount Written Off as Uncollectible			
Between 6/30/84 and 12/31/84	\$706,074		

