Office of Inspector General

Semiannual Report to the Congress

April 1, 1987 to
September 30, 1987

November 1, 1987

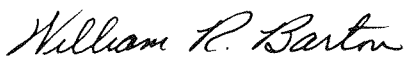
FOREWORD

This report, submitted pursuant to the Inspector General Act of 1978, summarizes Office of Inspector General (OIG) activity over the 6-month period ending September 30, 1987. It is my fourth Report to the Congress.

This period, some exceptional OIG work resulted in a record level of savings to the Government, in terms of management commitments to recover funds, management commitments to more efficiently use resources, voluntary recoveries, court-ordered recoveries, and investigative recoveries. In fact, these savings, which totaled $124,658,415, represented a return of $10.75 for every dollar budgeted for OIG operations during the 6-month period.

Equally important, this period saw the start of a long-term effort to insure that the OIG remains an aggressive and positive force in GSA. We hired 70 entry-level auditors and investigators; instituted a rigorous professional training program; moved to significantly expand the number of computers available for professional use and upgrade the quality of our work environment; and adjusted our regional staffing to better correspond with regional workloads.

These accomplishments have been made possible by a dedicated OIG staff, and the strong support this office has enjoyed from the Congress, the Office of Management and Budget, and the GSA Administrator. I am most appreciative.



WILLIAM R. BARTON
Inspector General

October 30, 1987

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 April 1, 1987 and September 30, 1987. It is the eighteenth Report to the Congress since the appointment of GSA's first Inspector General.

B. Overview

The following paragraphs provide an overview of OIG audit and investigative coverage of the Agency, as well as a summary of OIG accomplishments and productivity. In addition, this section highlights significant OIG prevention activities.

1. Audit and Investigative Coverage of GSA Programs

Audit and investigative coverage of GSA programs identified a number of opportunities for more efficient and effective Agency operations. Overall, this report reflects a strong commitment on the part of GSA management to make those improvements.

Public Buildings Service

The OIG expended 37 percent of its direct workhours reviewing Public Buildings Service (PBS) programs. Resultant audits assisted PBS managers in addressing issues such as:

- The need for improving internal control standards, budget plans, and project controls in the Buildings Management Program.
- Recurring maintenance and repair problems in a leased facility.
- Possible asbestos hazards in a Federal building complex.
- The need to enforce requirements for schedules and price breakdowns on construction contracts.
- Potential cost avoidances of $2.2 million on a lease escalation proposal.

Actions by the Department of Justice on other noteworthy audits and investigations resulted in:

- A $95,000 civil settlement agreement with a contractor who submitted claims against the Government for work that was not performed.
- Successful prosecution of a GSA employee who distributed cocaine in the Federal workplace.
- Conviction of a bond agent for submitting false bid bonds.

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

Federal Supply Service

The OIG invested 33 percent of its direct workhours in audits and investigations of Federal Supply Service (FSS) programs. Noteworthy audits issued this period advised management of:

- Opportunities to enhance the professional skills of warranted contracting officers.
- The need to establish procedures for the effective monitoring of contractor operated supply depots.
- Potential cost avoidances of almost $34 million on two procurements of copying equipment.

In response to other significant OIG audits and investigations, the Department of Justice and/or FSS officials:

- Recovered $470,746 from a contractor due to overbillings.
- Reached a $50,000 civil fraud settlement with a typewriter equipment supplier.
- Successfully prosecuted an individual who used an unauthorized Government credit card.

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

Information Resources Management Service

The OIG expended 18 percent of its direct workhours performing audits and investigations involving the programs of the Information Resources Management Service (IRMS). As a result of the findings developed through an especially noteworthy OIG postaward audit, IRMS took action to recover $3.2 million from a multiple award schedule contractor.

Also, management committed itself to avoid expenditures of almost $96 million, based on recommendations contained in the consolidated report on the President's Council on Integrity and Efficiency review of Federal Telecommunications System utilization. This report was issued during the preceding six-month period and was highlighted in our last Report to the Congress.

In addition, significant OIG preaward contract audits issued this period assisted IRMS managers in acting on potential cost avoidances of over $10 million on three contractor proposals.

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

Other GSA Coverage

The OIG expended almost 12 percent of its direct workhours reviewing organizations such as the Office of Administration, the Federal Property Resources Service, and the Office of the Comptroller. The resultant audits addressed a variety of areas, including GSA's implementation of the Federal Managers' Financial Integrity Act (FMFIA), financial operations, overtime usage, and imprest funds.

In response to issues raised in six audits, management is taking action to:

- Improve GSA's process for implementing Section 2 of the FMFIA.
- Strengthen controls over non-Federal accounts receivables.

In addition, utilization of information contained in OIG preaward audit reports resulted in management successfully negotiating $10.7 million in pricing concessions on a ferromanganese conversion contract.

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. The latter calculations yield productivity data that are less influenced by fluctuations in staffing levels.

Overall OIG Accomplishments

OIG accomplishments this period included:

- 313 audit reports;
- $110,469,765 in recommendations for more efficient use of resources and in recovery recommendations;
- $119,406,367 in management commitments to more efficiently use resources;
- $5,252,048 in management commitments to recover funds, voluntary recoveries, and court-ordered and investigative recoveries;
- 225 investigative cases opened and 199 closed;
- 17 case referrals accepted for criminal prosecution and 4 case referrals accepted for civil litigation;
- 16 indictments/informations/complaints on criminal referrals;
- 18 successful criminal prosecutions;
- 2 settlements and 11 civil fraud complaints;
- 20 contractor suspensions and 27 contractor debarments;
- 19 reprimands, 11 suspensions, 1 demotion, and 16 terminations of GSA employees;
- 19 Inspector General subpoenas; and
- 327 legislative initiatives and 113 regulations and directives reviewed.

Management commitments to more efficiently use resources, management commitments to recover funds, voluntary recoveries, court-ordered recoveries, and investigative recoveries totaled $124,658,415 during the second half of FY 1987. This represented a return of $10.75 for every $1 budgeted to OIG operations during the 6-month period.

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

OIG Productivity

As noted previously, in critical areas of our performance we compute OIG productivity based on actual staffyears — full-time equivalent (FTE) positions — incurred. Since these data are less influenced by fluctuations in staffing levels, they are an excellent mechanism for measuring OIG performance over time.

The following table presents these productivity data for FY 1984 through FY 1987. During FY 1987, the OIG clearly made significant gains in recovering/avoiding costs and in recommending costs for recovery/avoidance. It should be noted, however, that our productivity in these areas was influenced by several exceptionally high dollar results.

The trend toward a lower number of investigative referrals and employee actions per investigations FTE reflects this office's increasing focus on complicated white collar crime investigations and — as a corollary — the lower priority being assigned to employee misconduct matters.

Productivity Factor	FY 84	FY 85	FY 86	FY 87
Total costs recovered/avoided* per audit, counsel, and investigations FTE	$522,688	$444,152	$368,065	$666,511
Recommended cost recovery and avoidance per audit FTE	$1,357,104	$601,564	$792,089	$1,368,478
Audit reports per audit FTE	3.1	2.7	2.9	2.7
Referrals (criminal, civil, and administrative) per investigations FTE	8.4	7.6	6.0	5.0
Positive investigative outcomes (indictments/informations/complaints/successful prosecutions) per investigations FTE	0.9	1.2	1.2	0.9
Employee actions (reprimands, terminations, suspensions, and demotions) per investigations FTE	1.6	1.5	1.3	1.0

*Includes management commitments, voluntary recoveries, 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 included:

- Completion of 25 preaward advisory reviews of leases involving annual rentals in excess of $200,000.
- Integrity Awareness Briefings for 1,196 GSA employees.
- Receipt of 292 Hotline calls/letters and referral of 72 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.

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 four 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. It consists of:

- The **Office of Audits,** a multidisciplinary unit staffed with financial and technical experts who provide comprehensive coverage of GSA operations (internal or management audits) as well as GSA contractors (external or contract audits). Headquarters divisions direct and coordinate the audit program, which is performed by the nine field audit offices and one resident office.
- 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 and oversee the investigative activity of nine field investigations offices and four 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, formulate OIG comments on existing and proposed legislation and regulations, and assist in litigation.
- The **Office of Policy, Plans, and Management Systems,** a centralized unit that oversees the development of OIG policies and plans, evaluates the operations of the other OIG components, provides data systems support, and handles budgetary, administrative, and personnel matters.

B. Office Locations

The OIG is headquartered in Washington, DC, at GSA's Central Office building. Field audit and investigations offices are maintained in the following cities: Boston, New York, Philadelphia, Atlanta, Chicago, Kansas City, Fort Worth, San Francisco, and Washington, DC. In addition, the Office of Audits has a resident office in Auburn. The Office of Investigations has resident offices in Auburn, Cleveland, St. Louis, and Los Angeles. This period, diminished workloads in the Denver and Auburn regions led the OIG to close its resident audit and investigations offices in Denver and to change the status of the Auburn field audit office to a resident office.

C. Staffing and Budget

The OIG's approved Fiscal Year (FY) 1987 budget is approximately $21.7 million, including an intra-Agency transfer of $200,000 and a supplemental appropriation of $373,000 to cover increased Federal Employees Retirement System costs. At the end of FY 1987, the OIG had obligated $21.4 million or 99.6 percent of its FY 1987 funds.

Although a personnel ceiling of 452 full-time equivalent positions has long been established as a maximum employment limit for the OIG, only 430 were supportable for the entire period of the fiscal year.

The OIG started FY 1987 with a total on-board strength of 340 full time employees, our lowest staffing level since 1979. By the end of FY 1987, despite the loss of 74 personnel during the year, the OIG had reached a staffing level of 422 full time employees with commitments for an additional 9 positions. This was accomplished by hiring 156 new employees, 130 of whom were entry-level auditors and investigators. Seventy of the entry-level employees were hired during the second half of FY 1987.

By the end of FY 1987, the OIG's travel limitation proved to be a significant budget problem. Increased staffing plus higher travel costs yielded travel requirements exceeding our travel limitation. As a result, some priority audit and investigative work had to be deferred. To prevent a recurrence of this situation, we have requested an increase in the travel limitation for future years.

SECTION II—PUBLIC BUILDINGS SERVICE

The Public Buildings Service (PBS) manages much of the Federal Government's real estate assets nationwide. Its responsibilities range from constructing, purchasing, and leasing space for Government use to maintaining and protecting that space. In the second half of FY 1987, the total available funding authority of the Federal Buildings Fund was over $2.2 billion. During the same period, PBS obligated almost $1.5 billion of these funds.

Commensurate with this level of activity, the OIG devoted some 50,308 direct staffhours pursuing audit and investigative assignments. This figure reflects 37 percent of total OIG direct staffhours.

A. Overview of OIG Activity

This period, almost 68 percent of the internal audit reports issued by the OIG addressed PBS programs and activities. We presented findings relative to buildings management, lease enforcement, building purchases, and contract administration. Some of the more significant reviews assisted PBS managers in taking action relative to:

- Improving internal control standards, budget plans, and project controls in the Buildings Management Program.
- Recurring maintenance and repair problems in a leased facility.
- Possible asbestos hazards in a Federal building complex.
- Enforcing requirements for schedules and price breakdowns on construction contracts.

The OIG also issued 93 contract audit reports relative to PBS programs, many evaluating construction claims, change orders, and lease escalation proposals. In total, these reports recommended cost avoidances and cost recoveries of almost $15 million.

OIG investigators completed 80 cases involving PBS programs, operations, or employees. Of these cases, 43 percent involved allegations of white collar crimes. Notably, an OIG investigation resulted in the conviction of a former GSA employee on charges that she distributed cocaine in the Federal workplace. As a result of this same investigation, four other GSA employees have been charged with possession of controlled substances.

Another investigation resulted in a false statements conviction. A bond agent had submitted false bid bonds to GSA, without the bidder's knowledge.

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.

Improvements Needed in Buildings Management Program

During this period, the OIG completed an overall evaluation of a regional Buildings Management Program. The two-phased evaluation consisted of reviews of five field offices, followed by an assessment of the operations of the Real Property Management and Safety Division. Individual reports summarizing specific conditions identified in each field office were issued.

In an April 17, 1987 consolidated report, we advised the Regional Administrator that, while the division was generally effective in managing the field offices and satisfying customer agency requirements, procedures required strengthening in several major areas. We found that field offices did not always meet the internal control standards established by Office of Management and Budget (OMB) Circular A-123 because GSA procedures were not effectively implemented. Also, some field offices incurred obligations in excess of their fiscal year budget plans, which could result in fund control violations. In addition, repair and alteration projects were not always properly administered, projects were split to avoid procurement authority limitations, and field office managers were given responsibility for managing projects beyond their authority.

We offered five recommendations to the Assistant Regional Administrator, Public Buildings Service, to correct identified deficiencies. These included recommendations to:

- Analyze field office operations to ensure compliance with OMB Circular A-123 internal control standards.
- Require field office managers to operate within their budget plans.
- Develop and implement additional procedures to ensure proper project control.

The Regional Administrator submitted responsive action plans for implementing the report recommendations. Resolution was achieved on August 10, 1987.

Lease Enforcement

As part of a regional review of GSA's lease enforcement efforts, the OIG distributed questionnaires to Federal agencies housed in leased facilities. One response indicated that numerous deficiencies existed in an agency's leased space. Upon its receipt, we inspected the space and reviewed the related lease file.

Our review confirmed the validity of the complaints, noting that problems with maintenance and repair at the building included: unsatisfactory heating and air conditioning systems, leaking windows, water-damaged walls and carpet, missing ceiling tiles, and incomplete alterations. Review of the lease files provided evidence that these problems had been identified and inspected, and that final decisions had been prepared, but not issued. However, GSA's lease enforcement actions had not been sufficiently timely or aggressive to achieve satisfactory corrective actions. Although a principal reason for the continuing problems was a nonresponsive landlord, the OIG found that GSA's ineffective lease enforcement efforts were also a contributing factor. Our analysis of the lease file also disclosed that the lessor had apparently received approximately $43,000 in rental overpayments.

In our April 20, 1987 audit report, we directed six recommendations to the Assistant Regional Administrator, Public Buildings Service, to correct identified deficiencies. The more significant recommendations require:

- A joint inspection by the contracting officer, cognizant field office and safety and environmental branch personnel, and the lessor, to result in: a consolidation of all previous inspection reports and deficiency lists into one master list; a requirement that the lessor correct all deficiencies within a prescribed time period; and a requirement that the field office correct all deficiencies not corrected by the lessor, with the costs deducted from rental payments.
- An analysis by the contracting officer of lease and rental payment documents to determine if overpayments have occurred, followed by appropriate corrective action.

The Regional Administrator submitted responsive action plans for implementing the report recommendations. Resolution was achieved on July 9, 1987.

$95,000 Civil Settlement

On April 2, 1987, attorneys from the Department of Justice and the GSA OIG reached a civil settlement agreement with the former co-owners of a contracting firm. Under the terms of the settlement, the subjects agreed to pay the Government $95,000.

GSA OIG inspectors assisted the Federal Bureau of Investigation in an investigation that disclosed that the firm had submitted claims for the repair and maintenance of Federal buildings on which little or no work was performed. The investigation also found that the contractor bribed and paid kickbacks to GSA employees to obtain contracts and facilitate the rigging of bids. The GSA employees were previously convicted for their offenses.

Asbestos Hazard in a Federal Complex

An OIG evaluation of GSA's purchase of a three-building complex identified a misrepresentation by the seller concerning the presence of friable asbestos. We found that, despite the seller's certification to the contrary, each building contained significant amounts of friable asbestos. A certified testing laboratory confirmed that samples taken during an OIG inspection contained chrysotile asbestos, which is considered friable.

Due to the potentially hazardous conditions noted in our inspection, we issued an interim audit report on August 25, 1987. This report recommended that the Regional Administrator:

- Determine the legal remedies available to GSA.
- Conduct a detailed field survey to assess the degree of asbestos hazards at the complex.
- Develop an asbestos abatement plan.
- Formulate a long-range plan for housing the occupants.
- Comply with GSA internal requirements for implementing an Operations and Maintenance Program.
- Include funding for asbestos abatement and related costs in any future prospectus covering this complex.

We are awaiting the action plans for implementing the report recommendations.

GSA Employee Convicted of Cocaine Distribution

On April 20, 1987, a former GSA employee was sentenced in U.S. District Court after pleading guilty to distributing cocaine. She was sentenced to 3 years in prison (suspended), placed on 3 years probation, and ordered to undergo monthly drug testing.

The conviction resulted from an OIG investigation initiated after a confidential source alleged use of cocaine among the employees of a GSA regional office. The investigators were able to make controlled buys of cocaine from the employee, who resigned her GSA position after being arrested.

The investigation also resulted in four additional GSA employees being charged with illegal possession of controlled substances and aiding and abetting.

Construction Contract Administration

An OIG review of the construction of a Federal building disclosed that, while the overall building quality generally complied with contract specifications, improvements were needed in GSA's contract administration. The review identified significant problems with the project's construction and payment schedules as well as with payments for, and the administration of, change orders.

We found that the contracting officer had not enforced scheduling requirements and had, in fact, improperly approved deviations from these requirements. Also, the contract price breakdown was accepted even though it failed to comply with contractual requirements, did not provide sufficient detail upon which to base payments, and contained questionable line item values.

Additionally, we identified problems with change orders, including: payments for changed work prior to the formal change order agreements; price-to-be-determined-later (PDL) change orders that exceeded 50 percent completion prior to resolution of pricing agreements; and payments exceeding PDL amounts. These questionable change order payments totaled approximately $982,000. Further, the contracting officer did not include entitlement to time as part of the change order settlements. Finally, two unauthorized supplemental agreements modified the changes clause, allowing the contractor to reserve the right to claim additional time and money as part of the change order.

In our report, dated July 31, 1987, we directed 13 recommendations to the Assistant Regional Administrator, Public Buildings Service, to correct these and other deficiencies. The more significant recommendations urged:

- Revising future contracts requiring Critical Path Method (CPM) scheduling to ensure submittal and approval of the CPM schedule prior to issuance of a notice to proceed.
- Enforcing the requirement for the breakdown of contract price and schedule on all future construction contracts.
- Obtaining a credit for any payments made for change orders not officially issued and paying only for changed work when an official change order exists.
- Directing the contracting officer to comply with GSA guidelines pertaining to settlement and payment for PDL change orders.
- Including, as part of the change order, all costs and time affected by the change order.
- Instructing contracting officers to document legal opinions and recommendations in writing.

In responding to the draft report, the Regional Administrator concurred with the recommendations and credited the audit with speeding the completion of the project and providing lessons that will benefit future construction projects. We are awaiting the action plans for implementing the report recommendations.

Proposed Lease Extension Questioned

An OIG preaward advisory review of a proposed lease extension disclosed that the extension did not include a termination provision, and that the lessor would not agree to such a provision. Since a tenant agency wants to relocate its data center prior to the pending lease expiration date, the absence of termination rights could result in rental payments for vacant space. Further, we found that the proposed lease did not include a requirement for the lessor to correct previously identified environmental deficiencies. A private medical consultant, hired by GSA in response to tenant agency complaints concerning air quality, had detected allergen contamination produced through the building's air handling system. The consultant recommended cleaning and balancing the heating, ventilation, and air conditioning system.

The April 24, 1987 final report recommended that the Assistant Regional Administrator, Office of Real Estate and Development:

- Relocate the tenant agency closer to the expiration date of the proposed lease or have other tenants available to backfill the vacant space.
- Reopen negotiations with the lessor to resolve the environmental deficiencies and, at a minimum, clean and balance the air handling equipment.

The Regional Administrator submitted responsive action plans for implementing the report recommendations. Resolution was achieved on August 10, 1987.

False Statements Conviction

On May 29, 1987, a bond agent was sentenced in U.S. District Court after pleading guilty to preparing false statements. He was sentenced to 3 years in prison (suspended) and placed on 3 years probation.

The sentencing resulted from an OIG investigation into false bid bonds submitted to GSA. The investigation was initiated after a GSA supervisor advised the OIG that bid bonds submitted by the agent did not appear authentic. The investigation confirmed that the bond agent had issued false bonds valued at $261,644, without the bidder's knowledge, by forging a signature.

Proposed Lease Questioned

An OIG preaward advisory review of the proposed one-year lease of a temporary border station facility found that: the proposed lease did not conform with Federal Acquisition Regulation pricing requirements; the tenant agency had not been informed of deviations from its facility requirements; and the proposed lease did not fully comply with GSA leasing procedures. As a result, the Government cannot establish the reasonableness of the proposed price nor receive credits for any residual value of Federally-financed improvements. Further, the tenant agency could be hindered in functioning effectively.

Our July 31, 1987 audit report recommended that the Assistant Regional Administrator, Public Buildings Service:

- Withhold award of the lease until all Federal Acquisition Regulation requirements for negotiated procurements have been met.
- Obtain, in writing, tenant agency approval for all deviations from their facility requirements.
- Correct all procedural deficiencies in this leasing action.

The Regional Administrator concurred with the recommendations in the draft report. We are awaiting action plans for implementing our recommendations.

$2.2 Million of Proposed Rent Increase Questioned

An OIG audit of a $1.8 million lease escalation proposal determined that the proposed escalation did not fully comply with the terms of the lease. The July 24, 1987 audit report advised the contracting officer that the proposal included operating costs not subject to escalation. We further advised that use of historical rates, rather than estimates, yielded significantly lower figures. In total, the auditors recommended adjustments equaling almost $2.2 million — meaning that GSA's total rental payments over the 5-year period covered by the proposal should be $386,155 less than paid over the previous 5-year period.

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

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.

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	140	313
Recommended Cost Avoidance	$14,695,898	$92,630,042
Recommended Cost Recovery	$109,740	$17,839,723
Management Commitments to Avoid Costs	$5,481,135	$119,406,367
Management Commitments to Recover Funds	$356,942	$4,282,586
Percentage of Recommended Cost Avoidance Agreed to by Management	67	75
Percentage of Recommended Cost Recovery Agreed to by Management	76	88
Unresolved Audits Older Than 6 Months (Excluding Preawards)	1	2
Implementation Reviews Finding Unimplemented Recommendations	7	7
New Investigative Cases	90	225
Criminal Referrals (Subjects)	31	85
Civil Referrals (Subjects)	6	22
Administrative Referrals (Subjects)	93	211
Suspension/Debarment Referrals (Subjects)	38	94
Indictments/Informations/Complaints	6	16
Successful Criminal Prosecutions	6	18
Civil Settlements/Judgments	–	2

E. Significant Audits From Prior Reports

Under GSA's audit resolution system, the OIG is responsible for ensuring resolution of audit recommendations. The Audit Resolution and Internal Controls Division, Office of Administration, is responsible for ensuring implementation of resolved audit recommendations. That office furnished the following status information.

Eight audits highlighted in prior Reports to the Congress require action by PBS management before they are fully implemented. All eight reports are being implemented in accordance with currently established milestones.

PCB Retrofill Project

Period First Reported: October 1, 1986 to March 31, 1987

This November 25, 1986 report advised GSA of the problems associated with using a retrofill process to repair polychlorinated biphenyls contaminated electrical transformers. The report contained four recommendations; three have been implemented.

The action plan for the remaining recommendation, which involves design work, consists of six parts. Implementation is scheduled for various dates between October 1987 and January 1989.

Energy Conservation in Leased Space

Period First Reported: April 1, 1986 to September 30, 1986

This review of energy usage in leased buildings advised GSA that, while notable progress had been made in identifying and monitoring energy usage problems, additional opportunities for energy conservation still existed. The OIG made ten recommendations; eight have been implemented.

The two remaining recommendations involve the installation of sensor devices and the performance of energy conservation building studies. They are scheduled to be fully implemented by January 1990 and April 1990, respectively.

Fire and Safety Program

Period First Reported: October 1, 1985 to March 31, 1986

This multiregional review of GSA's Fire and Safety Program advised GSA management that, while many significant improvements had been made in the program, further enhancements were necessary. The OIG made eight recommendations; six have been implemented.

The remaining two recommendations involve: (1) training of regional and buildings operating personnel, and (2) revisions to the Fire and Safety Program Handbook. Full implementation is scheduled for December 1987 and February 1988, respectively.

Administration of Cleaning Contracts

Period First Reported: October 1, 1985 to March 31, 1986

This OIG review concluded that regional controls over cleaning contracts required strengthening. We made seven recommendations to correct the identified deficiencies; six have been implemented.

The remaining recommendation involves the collection of overpayments to a GSA contractor. On July 14, 1986, a demand letter was written and an account receivable was established in the amount of $137,082. The contractor has since filed an appeal with the GSA Board of Contract Appeals.

Excessive Tax Escalation Payments

Period First Reported: April 1, 1985 to September 30, 1985

This June 4, 1985 review disclosed that the tax escalation clause contained in GSA leases, coupled with some local taxing practices, resulted in exorbitant Government tax escalation payments. The report contained eight recommendations; five have been implemented.

The three remaining recommendations generally involve specific actions to reduce GSA's liability for excessive tax escalation payments. Two of the recommendations were originally scheduled for completion in November 1985 and the other in March 1986. Implementation dates for all three recommendations have been renegotiated to June 1988.

More Improvements Needed in Lease Award Procedures

Period First Reported: October 1, 1984 to March 31, 1985

This consolidated report identified significant problems adversely affecting lease awards in spite of recent program improvements implemented by PBS. The report contained 20 recommendations; 19 have been implemented.

The implementation date for the remaining recommendation, which involves updating the leasing handbook, has been renegotiated to June 1988.

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; six have been implemented.

Three recommendations, which require action by the regions, were originally due for completion between October 1985 and January 1986. Extensions have been granted and all three are now due in October 1987. The other recommendation, requiring replacement of a fire alarm system, is scheduled for implementation by November 1987.

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. Six reports were fully implemented as of September 30, 1987. The remaining report contained 4 recommendations; 3 have been implemented.

Implementation of the remaining recommendation is generally proceeding in accordance with the action plan, although delays have been experienced and revised implementation dates have been granted. Full implementation is now scheduled for January 1988.

SECTION III—FEDERAL SUPPLY SERVICE

The Federal Supply Service (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 second half of FY 1987, FSS obligated approximately $87 million in direct operating expense appropriations. Estimated sales through the General Supply Fund during the same period were approximately $1.2 billion.

Consistent with this level of activity, the OIG expended some 45,329 direct staffhours pursuing audit and investigative assignments. This statistic reflects almost 33 percent of total OIG direct staffhours.

A. Overview of OIG Activity

In a series of internal audit reports issued this period, the OIG presented its findings in a variety of FSS program areas, including training of contracting officers, contract administration, product warranties, and vehicle sales. Two reports were especially noteworthy:

- Evaluation of compliance with the training requirements of the Contracting Officer Warrant Program disclosed that many contracting officers had not completed mandatory training courses. We attributed the problem to the low priority placed on training by managers.
- Analysis of a contractor's operation of an FSS supply depot found that the contractor was paid for work not performed and was not penalized for late shipments. We concluded that FSS monitoring of contractor performance needed improvements.

OIG contract coverage of FSS continued to emphasize reviews of multiple award schedule contracts. In 77 contract reports issued this period, we recommended $54.3 million in cost avoidances and $1.7 million in cost recoveries. Two audits involving procurements of copying equipment accounted for almost $34 million of the recommended avoidance. Additional OIG effort resulted in a $470,746 recovery from an office machine maintenance firm. The firm voluntarily disclosed overbillings to Federal agencies and the OIG quantified the loss to the Government.

Joint OIG audit and investigative work resulted in a $50,000 civil fraud settlement. The settlement stemmed from the OIG's disclosure that a contractor violated the price reduction/defective pricing clauses in its GSA contract.

The OIG completed 60 investigative cases involving FSS programs, operations, or employees. Notably, one investigation, conducted jointly with the U.S. Secret Service, resulted in the conviction of an individual for illegal use of a Government credit card. The individual had purchased a stolen credit card, and then used it on numerous occasions.

B. Significant Audits and Investigations

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

$470,746 Recovery

On September 8, 1987, a firm agreed to reimburse the Government $470,746 for excess charges. The firm, a supplier of office machine maintenance services, refunded the full amount to the Government at the time of settlement.

The firm voluntarily disclosed to the GSA OIG overbillings to Federal agencies relating to "open market" procurements of office machine maintenance. An OIG audit then quantified the loss to the Government.

Contracting Officer Training

The purpose of the GSA Contracting Officer Warrant Program is to ensure that only highly qualified contracting personnel are granted warrants authorizing them to bind the Government in contractual agreements. To enhance as well as maintain professional skills, the program requires each warranted contracting officer to complete two mandatory courses or equivalency tests yearly, until all training requirements have been met. Under existing regulations, failure to fulfill these requirements could result in the revocation of a contracting officer's warrant.

During this period, the OIG evaluated FSS Central Office compliance with the training requirements. We found that 56 of 74 warranted contracting officers had not met the requirements, and that 18 of those 56 had not scheduled required training for FY 1987. We attributed this noncompliance to the low priority placed on training by supervisors, who indicated that they considered some of the mandatory courses to have little value and that the heavy contract workload took precedence over training. An absence of defined responsibilities for managing the program also contributed to the noncompliance. For example, one division felt that its responsibilities were limited to maintaining statistical data on training since it had no authority to require contracting officers to attend training or to take any action against those who did not attend training courses.

We concluded that revoking the warrants of those contracting officers not in compliance with the training requirements would severely restrict FSS's ability to provide needed services to customer agencies. Therefore,

our June 25, 1987 report offered five recommendations to the Commissioner, FSS, to correct identified deficiencies. Some of the more significant recommendations involved:

- Issuing written instructions to the heads of contracting components stressing the need for contracting officers to comply with program training requirements.
- Developing written operating procedures to assist in managing the contracting officer training program.
- Identifying the training needs of each contracting officer.

The Commissioner submitted responsive action plans for implementing the report recommendations. Resolution was achieved on September 30, 1987.

$50,000 Civil Settlement

On September 25, 1987, a GSA typewriter equipment supplier agreed to pay the Government $50,000 to settle potential civil fraud issues. The Government alleged that the supplier failed to disclose general price reductions granted during the term of its GSA contract.

Joint OIG audit and investigative effort disclosed that the firm sold items to its commercial customers at discounts greater than those offered to GSA. Failure to disclose these discounts violated the price reduction/defective pricing clauses in its GSA contract.

The matter was referred to the Department of Justice, which declined criminal prosecution, but accepted the case for civil litigation. The settlement agreement was negotiated by representatives of the Department of Justice Civil Division and the GSA OIG.

Contractor Operation of a Supply Depot

GSA, in compliance with Office of Management and Budget Circular A-76 policies for acquiring required Government services through non-Federal sources when cost effective, contracted with a private sector firm to operate an FSS supply depot. During this period, the OIG completed a review of depot operations after GSA officials expressed concerns over the contractor's performance.

The review concluded that FSS procedures and the automated support system needed improvements to effectively monitor contractor performance. For example, we found that: the contractor incorrectly reported some shipping dates; small package shipments were not metered; FSS personnel had to manually prepare daily production reports; and the automated support system would not accept actual shipping dates. As a result, the contractor was paid for work that was not accomplished and late shipment deductions were not taken from contractor payments.

Subsequent to the completion of the audit fieldwork, the contract expired and the subject depot was closed. Nonetheless, the issues raised during the review continue to be relevant since they would affect any future FSS contracting out of depot operations. Therefore, our July 24, 1987 report recommended that the Commissioner, FSS:

- Establish procedures requiring proof of shipment prior to granting contractors credit for work performed.
- Establish procedures requiring accountability over the dispatch of small parcels and require all contractors to meter shipments.
- Modify the automated support system to provide computations of contractor payments based on work actually performed prior to any further contracting out of depot operations.

The Commissioner concurred with the recommendations in the draft report. We are awaiting action plans for implementing the report recommendations.

Fraudulent Use of a Government Credit Card

On September 25, 1987, an individual was sentenced in U.S. District Court after pleading guilty to knowingly using an unauthorized Government credit card. He was sentenced to 60 days work release, placed on 4 years probation, and ordered to make restitution of $2,147 to the Government.

The sentencing was the result of a joint GSA OIG and U.S. Secret Service investigation. The investigators found that the subject had purchased, and then used on numerous occasions, a stolen Government credit card. During an interview, he admitted the fraudulent use of the credit card and implicated other individuals in the use of stolen Government credit cards.

The investigation is continuing and additional arrests and indictments are pending.

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.

Preaward Questions $20.4 Million of Proposed Cost

The OIG evaluated a response to a GSA solicitation for the purchase and rental of copier equipment and supplies. Estimated sales under the contract are $188 million.

Our June 19, 1987 audit report advised the contracting officer of discounts not disclosed in the firm's offer that exceeded the discounts offered to GSA. The terms of this type contract entitle GSA to discounts at least equal to the best commercial customer in the same category. We further advised that the pricing structure for rental items did not accurately reflect proposed purchase discounts.

As a result, rental payments on some models would exceed the purchase price within one year, rendering the option to rent as uneconomical. In total, the auditors recommended a $20.4 million cost avoidance.

Negotiations with the contractor are currently underway.

$13.5 Million Recommended Cost Avoidance

The OIG evaluated a pricing proposal submitted in response to a GSA solicitation for the purchase, rental, and maintenance of copying equipment. Estimated sales under the contract are $50 million.

The June 23, 1987 audit report advised the contracting officer that discounts offered to commercial customers were not in the firm's pricing proposal and that these discounts exceeded those offered to GSA. We also advised that other concessions offered to large customers tend to negate the status of the Government as the "most favored customer." Accordingly, the auditors recommended a cost avoidance of $13.5 million.

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

Preaward Questions $2 Million of Proposed Cost

The OIG evaluated discount schedule and marketing data submitted in response to a GSA solicitation for the purchase, lease, maintenance, and repair of copying equipment. Estimated sales under the contract are $67.5 million.

Our May 6, 1987 audit report advised the contracting officer that discounts offered to commercial customers were not disclosed in the firm's offer and that these discounts exceeded the best discounts offered to GSA. Accordingly, the auditors recommended a cost avoidance of $2 million.

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

$502,000 Cost Avoidance

The OIG evaluated discount schedule and marketing data submitted in response to a GSA solicitation for the purchase of special purpose clothing and equipment. Estimated sales under the contract are $6.4 million.

In our May 19, 1987 audit report, we advised the contracting officer that the firm's discount and sales data did not properly disclose discounts offered to both commercial customers and another Federal agency. We also advised that the firm did not disclose that some items manufactured by an affiliate company were being sold by that company, at substantially lower prices than were contained in the firm's offer, under the same multiple award schedule contract. In addition, we advised that estimated requirements for the firm's products may be significantly understated, which could adversely affect price negotiations.

The contracting officer negotiated the contract and obtained $502,000 in pricing concessions. The contract was awarded on July 15, 1987.

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	82	313
Recommended Cost Avoidance	$54,312,661	$92,630,042
Recommended Cost Recovery	$1,739,039	$17,839,723
Management Commitments to Avoid Costs	$5,370,960	$119,406,367
Management Commitments to Recover Funds	$577,635	$4,282,586
Percentage of Recommended Cost Avoidance Agreed to by Management	54	75
Percentage of Recommended Cost Recovery Agreed to by Management	56	88
Unresolved Audits Older Than 6 Months (Excluding Preawards)	–	2
Implementation Reviews Finding Unimplemented Recommendations	–	7
New Investigative Cases	73	225
Criminal Referrals (Subjects)	47	85
Civil Referrals (Subjects)	15	22
Administrative Referrals (Subjects)	58	211
Suspension/Debarment Referrals (Subjects)	49	94
Indictments/Informations/Complaints	10	16
Successful Criminal Prosecutions	12	18
Civil Settlements/Judgments	2	2

E. Significant Audits From Prior Reports

Under GSA's audit resolution system, the OIG is responsible for ensuring resolution of audit recommendations. The Audit Resolution and Internal Controls Division, Office of Administration, is responsible for ensuring implementation of resolved audit recommendations. That office furnished the following status information.

One significant audit from a prior Report to the Congress is not implemented. It is being implemented in accordance with currently established milestones.

Product Warranties

Period First Reported: October 1, 1986 to March 31, 1987

This OIG review of batch-produced materials identified that GSA had difficulty obtaining adequate compensation for deficient products because contracts lacked equitable adjustment provisions. The report contained three recommendations; one has been implemented.

The remaining two recommendations require revisions to: (1) warranty clauses to include an equitable price adjustment provision; and (2) procedures for exercising warranty action. Full implementation of both recommendations is scheduled for February 1988.

SECTION IV—INFORMATION RESOURCES MANAGEMENT SERVICE

The Information Resources Management Service (IRMS) coordinates and directs a comprehensive Government-wide program for managing and procuring automated data processing (ADP) and telecommunications equipment and services. In the second half of FY 1987, IRMS obligated an estimated $16 million in direct operating expense appropriations. Estimated sales through the Information Technology Fund during the same period were almost $515 million.

Collectively, the OIG expended some 23,972 direct staffhours pursuing audit and investigative assignments. This figure reflects 18 percent of total OIG direct staffhours.

A. Overview of OIG Activity

This period, OIG audit coverage of IRMS primarily focused on contracting activities, particularly preaward audits of multiple award schedule contracts. We issued 74 contract audit reports recommending almost $23 million in cost avoidances and $12.9 million in recoveries. Notably, a single OIG postaward audit report resulted in a management commitment to recover $3.2 million.

Also, management committed itself to avoid expenditures of almost $96 million, based on recommendations contained in the consolidated report on the President's Council on Integrity and Efficiency review of Federal Telecommunications System utilization. This report was issued during the preceding six-month period and was highlighted in our last Report to the Congress.

OIG investigators completed 12 cases this period involving IRMS programs, operations, and employees; most involved white collar crimes.

B. Significant Audits

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

Management Commitment to Recover $3.2 Million

On August 13, 1987, an IRMS contracting officer issued a final decision regarding the recovery of over $3.2 million from a multiple award schedule supplier of ADP equipment. The recovery resulted from an OIG postaward audit disclosing that the contractor did not adjust Government orders as required by its GSA contracts to reflect price reductions.

GSA contracts specify that the Government is to be charged the price in effect at the time of order placement or on the shipping date, whichever is lower. Our analysis of sales to the Government showed that, although shipments occurred subsequent to a price reduction, prices charged reflected the higher pre-reduction amounts in effect when the orders were placed. The auditors also found that the firm reclassified some products into categories having a lower discount than that required by the contract and misclassified some sales as being non-discountable items. Consequently, Government purchasers did not receive the discounts to which they were entitled.

In the June 22, 1987 audit report, the auditors recommended a cost recovery exceeding $3.2 million.

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.

$4.7 Million Recommended Cost Avoidance

The OIG evaluated discount schedule and marketing data submitted in response to a GSA solicitation for the purchase of communications equipment. Estimated sales under the contract are $37 million.

Our July 15, 1987 audit report advised the contracting officer that discounts offered to GSA were substantially lower than those offered to commercial customers. This type of contract entitles GSA to discounts at least equal to the best commercial customer in the same category. We also advised that several of the offered products did not meet the test of commerciality. Accordingly, the auditors recommended a cost avoidance of $4.7 million.

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

Preaward Questions $3.8 Million of Proposed Cost

The OIG evaluated discount schedule and marketing data submitted in response to a GSA solicitation for the purchase of general purpose ADP equipment and software. Estimated sales under the contract are $146 million.

Our September 30, 1987 audit report advised the contracting officer that preferential discounts offered to commercial customers exceeded those offered to GSA.

Full disclosure of discounts is necessary in order for GSA to negotiate discounts at least equal to the best commercial customer in the same category. Accordingly, the auditors recommended a $3.8 million cost avoidance.

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

$1.8 Million Recommended For Avoidance

The OIG evaluated a cost or pricing proposal submitted in response to a GSA solicitation for the purchase of radio, paging, communications, and security equipment. Estimated sales under the contract are $5 million.

Our September 25, 1987 audit report advised the contracting officer that the cost or pricing data contained in the firm's proposal were overstated and/or unallowable. The auditors found that proposed direct labor hours were not supported by the firm's accounting records: actual labor hours were substantially lower and estimated costs were significantly overstated. We therefore recommended a $1.8 million cost avoidance.

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

D. Statistical Highlights

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

Activity	IRMS	All GSA
Audit Reports Issued	75	313
Recommended Cost Avoidance	$23,332,291	$92,630,042
Recommended Cost Recovery	$12,949,849	$17,839,723
Management Commitments to Avoid Costs	$97,641,790	$119,406,367
Management Commitments to Recover Funds	$3,348,009	$4,282,586
Percentage of Recommended Cost Avoidance Agreed to by Management	76	75
Percentage of Recommended Cost Recovery Agreed to by Management	100	88
Unresolved Audits Older Than 6 Months (Excluding Preawards)	–	2
Implementation Reviews Finding Unimplemented Recommendations	–	7
New Investigative Cases	12	225
Criminal Referrals (Subjects)	7	85
Civil Referrals (Subjects)	1	22
Administrative Referrals (Subjects)	6	211
Suspension/Debarment Referrals (Subjects)	7	94
Indictments/Informations/Complaints	–	16
Successful Criminal Prosecutions	–	18
Civil Settlements/Judgments	–	2

E. Significant Audits From Prior Reports

Under GSA's audit resolution system, the OIG is responsible for ensuring resolution of audit recommendations. The Audit Resolution and Internal Controls Division, Office of Administration, is responsible for ensuring implementation of resolved audit recommendations. That office furnished the following status information.

Two IRMS audits highlighted in prior Reports to the Congress have not been fully implemented. Both reports are being implemented in accordance with currently established milestones.

Telecommunications Systems Management

Period First Reported: October 1, 1985 to March 31, 1986

This OIG review concluded that IRMS needed to strengthen its oversight role relative to Government telecommunications systems. We therefore made 12 recommendations; 5 have been implemented.

Two of the seven remaining recommendations, which generally involve actions to improve agency procurements of telecommunications systems, are scheduled for implementation by December 31, 1987. One other recommendation is to be implemented by March 31, 1988. Currently, the remaining four recommendations carry an open due date to allow for the Office of Management and Budget review of the proposed revisions to the procurement regulations.

Teleprocessing Services Program

Period First Reported: October 1, 1985 to March 31, 1986

This OIG review found that IRMS needed to strengthen its oversight role over payments for commercial data processing services. Accordingly, we made one recommendation to assure verification of invoices by Federal agencies.

The recommendation consisted of four parts; three are complete. The remaining part is scheduled for implementation by October 31, 1987.

SECTION V—OTHER GSA COVERAGE

Other GSA services and staff offices comprised the focus for the remainder of the OIG's efforts this period. The OIG devoted approximately 16,092 direct staffhours pursuing audit and investigative assignments within these other areas of GSA. This figure reflects 12 percent of total OIG direct staffhours.

A. Overview of OIG Activity

OIG coverage of the Federal Property Resources Service, the Office of the Comptroller, the Office of Administration, and other GSA organizations consisted primarily of internal management reviews. These reviews resulted in findings and recommendations in areas such as financial operations, use of overtime, and imprest funds. The OIG also provided extensive technical assistance and advice relative to implementation of the Federal Managers' Financial Integrity Act (FMFIA).

Two especially noteworthy reviews aided management in taking action to:

- Improve GSA's process for implementing Section 2 of the FMFIA.
- Strengthen controls over non-Federal accounts receivables.

In addition, utilization of information contained in OIG preaward audit reports resulted in management successfully negotiating $10.7 million in pricing concessions on a ferromanganese conversion contract.

The OIG also completed 47 investigations involving the personnel, programs, and operations of these other GSA areas.

B. Significant Audits

This section summarizes significant internal audits involving the programs and operations of the remaining GSA services and staff offices. Significant preaward contract audits are presented in Section C.

Federal Managers' Financial Integrity Act

This period, the OIG continued to assist management in meeting the requirements of the Office of Management and Budget Circular A-123. As part of this effort, the OIG expended considerable resources to evaluate GSA's process for implementing Section 2 of the Federal Managers' Financial Integrity Act. Based on our examination of internal control assessments, the OIG concluded that GSA's review and evaluation process has improved significantly, but could not yet be relied upon as the primary basis for reporting.

We conveyed our concerns to management early in 1987 so that corrective actions could be implemented. We also advised management throughout the reporting period on the appropriateness of actions being taken as part of the 1987 effort.

Our May 19, 1987 report directed five recommendations to the Associate Administrator for Administration to correct deficiencies. These included:

- Increasing the involvement of the Management Control Officers in each Service or Staff Office in planning, directing, and managing the program.
- Updating the control evaluation procedures and guidelines and tailoring training to the educational needs of the specific Service or Staff Office.
- Emphasizing to each Head of Service or Staff Office the importance of the program and the need for active participation.

The Associate Administrator for Administration submitted responsive action plans for implementing the report recommendations. Resolution was achieved on August 25, 1987.

Controls Over Non-Federal Accounts Receivable

The OIG completed an evaluation of financial operations, focusing on $26 million in various types of non-Federal accounts receivable. Five separate reviews identified that internal controls require strengthening, since they do not ensure that: transactions are accurately and timely posted; file documentation supports the receivable balances; billings are complete and timely processed; late payment charges are assessed; and follow-up actions are taken to collect on delinquent accounts. As a result, we found that mortgage account balances were understated by $2.6 million, reported FY 1986 non-Federal stockpile sales were overstated by $12.1 million, and late payment charges totaling $449,000 were not assessed.

In five reports issued during September 1987, we directed 21 recommendations to the Regional Administrator to correct these deficiencies. These included recommendations to:

- Establish procedures, or comply with existing guidelines, to ensure accurate accounts receivable.
- Require periodic supervisory reviews to ensure compliance with established procedures.
- Make necessary adjustments to accounting records to reflect accurate account balances.
- Organize and document receivable files to support the validity of the receivables account balances.

The Regional Administrator has initiated corrective actions in response to the recommendations in the draft reports. We are awaiting action plans for implementing the recommendations in each report.

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.

$10.7 Million Cost Avoidance Through Preaward Audits

On April 22, 1987, management avoided $10.7 million in costs by successfully negotiating pricing concessions in that amount from a ferromanganese contractor. The action resulted from two OIG preaward audits of the firm's $93 million pricing proposals for the conversion of National Defense Stockpile manganese ore into high-carbon ferromanganese.

The September 15, 1986 and March 23, 1987 audit reports advised the contracting officer that costs contained in the proposal were overstated and/or unallowable. We questioned $10.8 million in the following cost categories: ore conversion, outloading, transportation, handling, risk contingency, and cost of money.

D. 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	16	313
Recommended Cost Avoidance	$289,192	$92,630,042
Recommended Cost Recovery	$3,041,095	$17,839,723
Management Commitments to Avoid Costs	$10,912,482	$119,406,367
Management Commitments to Recover Funds	–	$4,282,586
Percentage of Recommended Cost Avoidance Agreed to by Management	99	75
Percentage of Recommended Cost Recovery Agreed to by Management	–	88
Unresolved Audits Older Than 6 Months (Excluding Preawards)	1	2
Implementation Reviews Finding Unimplemented Recommendations	–	7
New Investigative Cases	50	225
Criminal Referrals (Subjects)	–	85
Civil Referrals (Subjects)	–	22
Administrative Referrals (Subjects)	54	211
Suspension/Debarment Referrals (Subjects)	–	94
Indictments/Informations/Complaints	–	16
Successful Criminal Prosecutions	–	18
Civil Settlements/Judgments	–	2

E. Significant Audits From Prior Reports

Under GSA's audit resolution system, the OIG is responsible for ensuring resolution of audit recommendations. The Audit Resolution and Internal Controls Division, Office of Administration, is responsible for ensuring implementation of resolved audit recommendations. That office furnished the following status information.

With regard to GSA services and staff offices other than PBS, FSS, and IRMS, only one significant audit from a prior Report to the Congress is not implemented; it has not yet been resolved.

Misclassification of Funds

Period First Reported: October 1, 1986 to March 31, 1987

This OIG review found that GSA was improperly classifying building repair projects as maintenance repairs, creating potentially adverse consequences regarding fund control. As of September 30, 1987, this report was still unresolved.

Six of the seven recommendations in the report have been resolved; however, differences of opinion remain regarding charges requiring reclassification. The OIG is continuing to work with management to resolve these disagreements and obtain a responsive action plan.

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 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 313 audit reports, including 26 performed for the OIG by another agency. These reports contained financial recommendations totaling $110,469,765, including $92,630,042 in recommendations for more efficient use of resources (cost avoidance) and $17,839,723 in recommendations for the recovery of funds. Based on audit reports issued in this and prior periods, management committed itself to use $119,406,367 more efficiently and to recover $4,282,586. In addition, OIG effort also contributed to an unsolicited recovery of $470,746 from a GSA contractor.

The OIG opened 225 investigative cases and closed 199. We referred 39 cases (85 subjects) for criminal prosecution, 8 cases (22 subjects) for civil litigation, and 12 cases for further investigation by other Federal or State agencies. Based on these and prior referrals, 17 cases (24 subjects) were accepted for criminal prosecution and 4 cases (8 subjects) were accepted for civil litigation.

Criminal cases originating from OIG referrals resulted in 16 indictments/informations/complaints and 18 successful prosecutions. Civilly, OIG referrals resulted in 11 civil fraud complaints and 2 settlements. These actions resulted in determinations that $94,257 is owed the Government. Through investigations, we also identified for recovery money/property worth $404,459.

We referred 192 cases to GSA management for administrative action. This total includes 28 case referrals (94 subjects) for suspension/debarment and 164 case referrals (211 subjects) for other administrative actions. Based on these and prior referrals, management debarred 27 contractors, suspended 20 contractors, reprimanded 19 employees, suspended 11 employees, demoted 1 employee, and terminated 16 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 26 audits, recommending a total cost avoidance of $5,110,876, which were performed 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 September 30, 1987. Fifty-two reports more than 6 months old were unresolved as of September 30, 1987; but 50 of them were preaward audits, which are not subject to the 6-month resolution requirement. Thus, only two reports were actually overdue — a statistic that reflects creditably on GSA's audit resolution efforts.

Table 1. Summary of OIG Audits

GSA Program	Reports Issued	Percentage of Total Audits	Recommended Cost Avoidance	Recommended Cost Recovery
PBS				
—Internal	47		$ 1,273,000	$ 55,827
—Contract	93		13,422,898	53,913
	140	45	$14,695,898	$ 109,740
FSS				
—Internal	5		$ –	$ –
—Contract	77		54,312,661	1,739,039
	82	26	$54,312,661	$ 1,739,039
IRMS				
—Internal	1		$ 534,000	$ 5,306
—Contract	74		22,798,291	12,944,543
	75	24	$23,332,291	$12,949,849
Other GSA				
—Internal	16		$ 289,192	$ 3,041,095
—Contract	–		–	–
	16	5	$ 289,192	$ 3,041,095
TOTAL	313	100	$92,630,042	$17,839,723
TOTAL COSTS RECOMMENDED	$110,469,765			

It should be noted that Table 2 does not include reports excluded from the resolution system because they pertain to ongoing investigations. As of September 30, 1987, 33 reports (4 issued this period, 29 issued in prior periods) had been excluded from the resolution system for the latter reason.

Table 2. Resolution of OIG Audits

	No. of Reports	Reports With Financial Recommendations	Total Financial Recommendations
Unresolved as of 4/1/87			
—Less than 6 months old	131	88	$152,928,108
—More than 6 months old	33	31	19,193,421
Reports issued this period	309	181	108,689,325
TOTAL TO BE RESOLVED	473	300	$280,810,854
Reports resolved			
—Issued prior periods	112	72	$156,177,046
—Issued current period	152	67	37,287,503
TOTAL RESOLVED	264	139	$193,464,549
Unresolved as of 9/30/87			
—Less than 6 months old	157	114	$ 71,401,822
—More than 6 months old			
—Preaward	50	47	15,944,483
—Internal	2	–	–
TOTAL UNRESOLVED	209	161	$ 87,346,305

3. Resolution Decisions on Financial Recommendations

Table 3 provides detailed information on the 139 reports involving financial recommendations of $193,464,549 that are identified in Table 2 as being resolved this period. Notably, $164,166,739 or almost 85 percent was upheld in the audit resolution process. In fact, in a number of individual cases, contracting officers resolved to seek savings in excess of the amounts recommended by the OIG.

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	$ 1,622,426	$ 1,009,426	$ 362,862	$ 344,772
—Contract	14,766,395	16,113,094	12,080	12,170
	$ 16,388,821	$ 17,122,520	$ 374,942	$ 356,942
FSS				
—Internal	$ –	$ –	$ –	$ –
—Contract	29,912,427	30,240,359	1,031,543	1,031,130
	$ 29,912,427	$ 30,240,359	$1,031,543	$1,031,130
IRMS				
—Internal	$125,669,611	$ 96,460,611	$ 5,306	$ –
—Contract	5,295,042	4,138,154	3,992,501	4,081,686
	$130,964,653	$100,598,765	$3,997,807	$4,081,686
Other GSA				
—Internal	$ –	$ –	$ –	$ –
—Contract	10,794,356	10,735,337	–	–
	$ 10,794,356	$ 10,735,337	$ –	$ –
TOTAL	$188,060,257	$158,696,981	$5,404,292	$5,469,758
TOTAL RESOLVED COSTS	$164,166,739			

4. Contract Audit Settlements

Table 4 compares contract audit resolution amounts with the corresponding management commitments achieved in negotiations with contractors. Overall, management commitments on GSA audits represented over 79 percent of the resolved amounts.

Table 4. Summary of Contract Audit Settlements

GSA Program	No. of Reports	Avoidance Costs Resolved	Avoidance Management Commitment	Recovery Costs Resolved	Recovery Management Commitment
PBS					
—Prior	36	$ 4,745,598	$ 3,763,868	$ 97,532	$ –
—Current	22	1,357,137	707,841	12,170	12,170
	58	$ 6,102,735	$ 4,471,709	$ 109,702	$ 12,170
FSS					
—Prior	37	$ 5,452,145	$ 2,979,256	$ 953,821	$ 493,766
—Current	21	3,115,750	2,391,704	83,869	83,869
	58	$ 8,567,895	$ 5,370,960	$1,037,690	$ 577,635
IRMS					
—Prior	16	$ 2,595,679	$ 1,181,179	$ 225,653	$ 141,776
—Current	21	–	–	3,206,233	3,206,233
	37	$ 2,595,679	$ 1,181,179	$3,431,886	$3,348,009
Other GSA					
—Prior	4	$10,912,482	$10,912,482	$ –	$ –
—Current	–	–	–	–	–
	4	$10,912,482	$10,912,482	$ –	$ –
TOTAL	157	$28,178,791	$21,936,330	$4,579,278	$3,937,814
TOTAL MANAGEMENT COMMITMENTS	$25,874,144				

5. Total Management Commitments

Drawing upon the information presented in Tables 3 and 4, OIG internal and contract audits involving GSA programs resulted in management commitments to more efficiently use $119,406,367 ($95,925,000 of which relates to the President's Council on Integrity and Efficiency review of Federal Telecommunications System utilization) and to recover $4,282,586. In addition, OIG effort also contributed to an unsolicited recovery of $470,746 from a GSA contractor.

6. Recoveries

The General Accounting Office 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 Audit Resolution and Internal Controls Division.

Between April 1, 1987 and September 30, 1987, Agency records show that $1,018,895 was recovered and deposited in the Treasury as the result of OIG audits.

7. 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 Audit Resolution and Internal Controls Division, Office of Administration, 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 41 implementation reviews. Management had successfully implemented the recommendations contained in 34 of these reviews. In the other 7 instances, recommendations were not being implemented in accordance with the action plans. All of these audits involved PBS programs.

A report on each implementation review is distributed to the cognizant management official and to the Audit Resolution and Internal Controls Division.

8. Investigative Workload

Table 5 presents detailed information on investigative workload by case category. The OIG opened 225 cases and closed 199 cases; only 8 of these cases were administratively closed without referral.

In addition to these cases, the OIG received and evaluated 151 complaints/allegations from sources other than the Hotline that involved GSA employees and programs. Based upon an analysis of these allegations, OIG investigations were not warranted.

Table 5. Investigative Workload

Case Category	Cases Open 4/1/87	Cases Opened	Cases Closed	Cases Open 9/30/87
White Collar Crimes	194	87	74	207
Other Crimes Involving GSA Operations	50	21	34	37
Contractor Suspension/Debarment	41	22	21	42
Employee Misconduct	35	38	27	46
Other	21	57	43	35
TOTAL	341	225	199	367

Table 6 distributes the 225 new investigative cases opened this period (Table 5) by case category and GSA program area. Notably, 39 percent of the cases opened fell within the white collar crime category. Most of the new cases (72 percent) involved PBS and FSS programs.

Table 6. Distribution Of Cases Opened This Period

Case Category	PBS	FSS	IRMS	Other GSA
White Collar Crimes	36	38	9	4
Other Crimes Involving GSA Operations	13	7	–	1
Contractor Suspension/Debarment	8	13	1	–
Employee Misconduct	29	7	–	2
Other	4	8	2	43
TOTAL	90	73	12	50

9. Referrals

The OIG makes three types of referrals to officials outside GSA: criminal, civil, and investigative. During this period, we referred 39 cases involving 85 subjects to the Department of Justice or other authorities for criminal prosecutive consideration. The status of OIG criminal referrals is as follows:

	Cases	Subjects
Pending Prosecutive Decision as of 4/1/87	26	42
Referrals	39	85
Declinations	28	53
Accepted for Prosecution	17	24
Pending Prosecutive Decision as of 9/30/87	21	50

The OIG also referred 8 cases involving 22 subjects to either the Civil Division of the Department of Justice or a U.S. Attorney for civil fraud litigation consideration. The status of OIG civil referrals is as follows:

	Cases	Subjects
Pending Litigation Decision as of 4/1/87	8	12
Referrals	8	22
Declinations	2	3
Accepted for Litigation	4	8
Pending Litigation Decision as of 9/30/87	11	23

The OIG made 12 case referrals to other Federal or State agencies for further investigation or other action.

10. Administrative Referrals and Actions

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 164 cases involving 211 subjects for administrative action. In addition, we referred 68 cases involving 88 subjects to GSA officials for informational purposes only.

The status of OIG administrative referrals is as follows:

	Cases	Subjects
Pending Decision as of 4/1/87	40	56
Referrals	164	211
Action Completed	150	191
Pending Decision as of 9/30/87	54	76

Of the 164 cases referred for administrative action this period, 49 cases (63 subjects) involved GSA employees. As a result of these and prior referrals, management took the following actions against GSA employees:

Reprimands	19
Suspensions	11
Demotions	1
Terminations	16

11. Contractor Suspensions and Debarments

This period, the OIG referred 7 cases involving 25 subjects for suspension and 21 cases involving 69 subjects for debarment. As a result of these and prior referrals, management imposed 20 suspensions and 27 debarments. Management disapproved 5 suspensions and 16 debarments.

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

Suspensions	Cases	Subjects
Pending as of 4/1/87	3	6
Referrals	7	25
Action Completed	7	25
Pending as of 9/30/87	2	6

Debarments	Cases	Subjects
Pending as of 4/1/87	17	39
Referrals	21	69
Action Completed	22	43
Pending as of 9/30/87	18	65

12. Summary of Referrals by GSA Program Area

Table 7 summarizes OIG referrals this period by type of referral and GSA program area.

Table 7. Summary Of OIG Subject Referrals

GSA Program	Criminal	Civil	Administrative	Suspension/ Debarment
PBS	31	6	93	38
FSS	47	15	58	49
IRMS	7	1	6	7
Other GSA	–	–	54	–
TOTAL	85	22	211	94

13. Criminal and Civil Actions

Cases accepted for criminal prosecution during this and prior periods resulted in 16 indictments/informations/complaints and 18 successful prosecutions. Civil referrals from this and prior periods resulted in civil fraud complaints against 11 individuals. In addition, settlements were reached in 2 cases with 2 subjects.

Table 8 summarizes individual criminal and civil actions by GSA program area. In addition, there were 2 unsuccessful civil cases against 3 subjects and 1 unsuccessful criminal case against 2 subjects.

Table 8. Summary Of Criminal And Civil Actions

GSA Program	Indictments/ Informations/ Complaints	Successful Prosecutions	Civil Settlements/ Judgments
PBS	6	6	–
FSS	10	12	2
IRMS	–	–	–
Other GSA	–	–	–
TOTAL	16	18	2

14. 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 $404,459 in money and/or property during the course of its investigations.

Table 9. Criminal And Civil Recoveries

	Criminal	Civil	Total
Fines and Penalties	$ 4,450	$ –	$ 4,450
Settlements/Judgments	–	58,000	58,000
Restitutions	31,807	–	31,807
TOTAL	$36,257	$58,000	$94,257

15. OIG Subpoenas

During the period, 19 OIG subpoenas were issued.

SECTION VII—REVIEW OF LEGISLATION AND REGULATIONS

Section 4(a)(2) of the Inspector General Act of 1978 requires the OIG to review existing and proposed legislation and regulations relating to GSA programs and operations. To fulfill this legislated responsibility, the OIG maintains a clearance system, coordinated by our legal staff, that ensures OIG review of all proposed legislation, regulations, and internal directives affecting any aspect of GSA operations.

A. Legislation/Regulations Reviewed

During this period, the OIG reviewed 327 legislative matters and 113 proposed regulations and directives. We provided substantive comments on 25 legislative matters and 12 regulations and directives.

B. Significant Comments

The OIG provided significant comments on the following legislation, regulations, orders, and directives:

- *S. 908, the Inspector General Act Amendments of 1987.* We strongly supported most of the changes proposed in this bill, especially the addition of oath administration authority, uniform rates of pay for Inspectors General, and the creation of four more statutory Inspectors General. We supported those provisions ensuring uniformity and reliability of Inspector General reports, while expressing concern about the provision that applies most of the authorities and responsibilities of statutory Inspectors General to small internal audit units.
- *H. R. 2378, the Federal Procurement Liability Reform Act of 1987.* We opposed enactment of this bill as drafted, since it would require indemnification of certain contractors by the Government under specified circumstances. We expressed serious concerns regarding the broad scope of the indemnification requirement and the resulting potential liability on the part of the Government, the lack of any forecasts regarding such liability, and the lack of any analysis as to the actual need for this legislation. We also made technical comments on those provisions setting forth required amounts of insurance and exempting certain types of acts and omissions from the indemnification requirement.
- *H. R. 2872, Commercial Activities Contracting Act.* We generally supported the concept of redirecting OMB Circular A-76 cost and manpower savings toward Federal deficit reductions while opposing the requirement to return directly to the Treasury all amounts saved via commercial activities contracting, because this provision may reduce the incentive of agencies to contract out legitimate commercial activities.
- *S. 821, the proposed National Oceanic and Atmospheric Administration Independent Establishment Act of 1987 and S. 1600, the Federal Aviation Administration Independent Establishment Act of 1987.* We recommended incorporating into both bills a provision to create a statutory Inspector General.
- *H. R. 1549, a bill to amend the Privacy Act of 1974.* We expressed strong concerns about the potential for conflicts between the Individual Privacy Protection Board and investigative agencies covered by the proposed law. We noted that the subject of an investigation could allege certain Privacy Act violations to the Board in order to discover information concerning an ongoing investigation. The bill, as proposed, therefore does not properly safeguard sensitive information and balance the interests of individual citizens and law enforcement agencies.
- *S. 1529, the Financial Management Reform Act of 1987.* We fully endorsed the objectives of this bill, while taking no position on the location of the Chief Financial Officer (CFO) in either OMB or Treasury. We recommended, however, that the bill require a quality control review staff to ascertain the degree of agency compliance with promulgated financial policies and procedures. We also expressed concern with the requirement that estimated savings resulting from financial reforms under the Act be withheld until the Inspector General certifies that the savings have occurred. This would seem to inappropriately place agency operating responsibility within an Inspector General's office. Finally, we suggested clarification on whether the Inspectors General should be the "independent auditors" or directly contract for or control auditors performing financial statement reviews, and whether or not the bill requires the annual preparation and audit of financial statements.
- *H. R. 3142, the Financial Management Improvement and Public Accountability Act.* We supported the concept of establishing a Chief Financial Officer (CFO), but expressed our preference for S. 1529 since it describes the functions of the CFO in more specific terms. We suggested that a provision of this bill requiring the agency CFO to produce consolidated financial statements be incorporated into S. 1529.
- *H. R. 1807, a bill to amend the Small Business Act to reform the Capital Ownership Development Program.* We objected to the provisions of this bill which would require the Inspector General of the

Small Business Administration to provide any information requested by the cognizant Congressional committees, regardless of the sensitivity of the information, in connection with ongoing investigations and audits and, under certain circumstances, to conduct an investigation when directed by the House or Senate Small Business Committees. We expressed serious reservations about these provisions, pointing out both constitutional concerns and practical suggestions.

- *H. R. 2898, the Fraud Victims' Restitution Act of 1987.* We fully supported enactment of this bill, which would impose civil and criminal forfeitures of proceeds from the offense for mail and wire fraud and compensate the victims of such crimes.

- *H. R. 2665, a bill to establish a Panama Canal Revolving Fund.* We questioned the provision which gives the Panama Canal Commission independent leasing and related contracting authority. We opposed the provision establishing a statutory exception to GSA's regular authorities regarding public buildings owned or leased by the Federal Government as specified in the Federal Property and Administrative Services Act of 1949.

- *Draft Executive Order No. 14, Performance of Commercial Activities.* We supported the objectives of the draft Executive Order, but expressed concern that the provisions of Section 1(a) may have unintended, uneconomical results. This section appears to establish a cost comparison standard — that private industry costs be "clearly unreasonable" — that would make standard cost accounting comparisons, such as those performed under established OMB Circular A-76 procedures, largely meaningless. We believe, even when it is clearly demonstrated that performing a particular activity in-house is more economical and efficient, it still might be impossible to say that private industry costs were "clearly unreasonable." We commented that this provision could adversely effect both the operations of this agency and of the Government as a whole.

- *Whistleblowers' Protection Proposal.* We supported this compromise proposal to H. R. 25 and S. 508, noting that it favors the whistleblower by lowering the standards of knowledge for pursuing corrective action, enlarging the definition of "prohibited practices," requiring a less rigorous showing by the Office of Special Counsel (OSC) or employee to make a prima facie case, and giving the employee an individual right of action when he/she has first sought action from the OSC. We believe that the compromise enhances the authority of the OSC while continuing to protect agency management from false allegations of reprisals. Finally, we believe that this compromise approach would not negatively affect the relationships among the Inspectors General, OSC, the Merit Systems Protection Board, agency management, and whistleblowers.

- *Proposed Federal Acquisition Regulation Revisions for Debarment and Suspension.* We fully supported the proposed revisions, particularly the new Government-wide requirements for certification of eligibility by prime contractors and most subcontractors. We commented that the certification requirement has worked well at GSA.

- *IRM P 2100, Draft Handbook on Automated Information Systems Security.* We proposed that this Handbook include detailed, security-oriented checklists to assist GSA managers in evaluating the vulnerability of their automated information systems and in identifying types of controls that may be warranted.

- *New PBS Design and Review Policy and Procedures for the Nationwide Design and Construction Program.* We questioned the lack of client agency participation in the design and construction process, and the lack of an express requirement that outside Construction Quality Management services be utilized only in those cases where it is cost effective or where GSA in-house resources are not available. We recommended slight procedural modifications.

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, and OIG 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 to help 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.
- 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. To improve OIG capabilities in this area, we undertook several initiatives during the reporting period:

- Convinced that financial auditing is an excellent vehicle for pinpointing program vulnerabilities, we expended considerable resources reviewing agency accounting functions. We evaluated a wide range of issues, including: adherence to the Prompt Payment Act requirements, controls over manual payments, validation methods for recurring utility payments, administration of non-Federal accounts receivable, and reconciliation methods for ensuring the accuracy of recurring fund status reports.
- We also initiated, in conjunction with the General Accounting Office, a major review of GSA's FY 1987 consolidated financial statements. Further, and most significantly, we made a commitment to the GSA Administrator and the General Accounting Office that the OIG will take lead responsibility for assuring that such financial statement audits are henceforth performed on an annual basis in GSA.
- To draw upon our investigators' considerable expertise in areas that are particularly vulnerable to waste, fraud, and abuse, the OIG instituted a formal investigative planning process. This process will culminate next period in an investigative plan that will clearly direct investigative priorities and proactive investigative efforts to the programmatic and functional areas deemed highly vulnerable.

2. Anticipation

OIG anticipation activities this period focused on preaward audits (Sections II through V), 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 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	90
Lease proposals reviewed	25
Lease proposals with deficiencies	16
Lease proposals with no deficiencies	9

Major deficiencies identified through OIG preaward advisory reviews related to: nonconformance with Federal Acquisition Regulation requirements; the need to correct environmental deficiencies; incomplete evaluation of alternative offers; and inadequate documentation substantiating an offeror's ability to meet occupancy requirements. Other deficiencies included: unincorporated energy conservation specifications; an inaccurate appraisal report; and negotiations failing to address real estate tax reductions.

3. Education

Integrity Awareness Briefings comprise the OIG's primary vehicle for educating employees on the manifestations of fraud and abuse. These 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 GSA and other Federal agencies.

The OIG conducts two types of Integrity Awareness briefings: general awareness briefings that are geared particularly to new GSA employees, and program-specific

briefings that are targeted to employees working in specific GSA programs. This period, the OIG completed program-specific briefings for employees of GSA's buildings management and quality assurance programs.

Since the inception of this program in 1981, 10,686 GSA employees have attended Integrity Awareness Briefings. This total includes the 1,196 Central Office and regional employees attending 57 briefings this period.

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 issues brochures on the Hotline and its Report to the Congress, and displays Hotline posters in all GSA buildings nationwide. This period, we also developed and issued an OIG informational brochure to communicate the OIG's mission and responsibilities to GSA managers and employees, and to serve as a recruitment tool.

During the reporting period, we received 292 Hotline calls and letters. Of these, 72 complaints warranted further action. We also received 11 referrals from GAO and 13 referrals from other agencies; all 24 of these referrals required further action. The remaining 220 Hotline complaints required no further action and were closed.

B. 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. In addition to these efforts, OIG staff members also provided ongoing support to several PCIE committees.

1. Auditor Job Analysis Project

The GSA OIG is participating, in conjunction with other Federal agencies, in this evaluation of the auditors referred by the Office of Personnel Management (OPM) for entry level positions. The review will evaluate whether methods for screening applicants for placement on OPM registers require change.

The GSA OIG assisted in the development of two questionnaires. The first, directed to supervisors, focused on the specific performance levels expected of GS-5, 7, and 9 auditors and the background necessary to perform at these levels. The second, targeted at auditors, solicited information on the backgrounds possessed by incumbents and the nature of the work they are currently performing.

The questionnaires were returned by the supervisors and auditors in July and are now being analyzed. After analysis, the findings will be summarized in a report, scheduled for issuance in December 1987, that will identify recommended improvements to OPM's examination process.

2. Review of the Characteristics of Successful Procurement and Financial Investigations

The GSA OIG is a participating member in this PCIE Task Force. The project was initiated to identify and analyze the characteristics of successful investigations.

The Task Force distributed questionnaires to 18 agencies, focusing on 459 investigative cases appearing in Reports to the Congress for FYs 1985 and 1986. The questionnaires have been completed and survey results tabulated. After analysis, the findings will be summarized in a report, scheduled for issuance in the first quarter of FY 1988.

3. Review of Implementation of the Prompt Payment Act

The GSA OIG is participating in this PCIE review aimed at assessing:

- The adequacy of internal controls to ensure timely payment of bills.
- Whether interest penalties are accurately calculated and paid.
- Whether discounts are taken only when payments are made within the discount period.

The effort will culminate in individual agency reports, scheduled for issuance in the first quarter of FY 1988, followed by a consolidated report.

APPENDICES

APPENDIX 1—AUDIT REPORT REGISTER

Assignment Number	Title	Date of Report
PBS	**Contract Audits**	
A70214	Preaward Audit of Lease Escalation Proposal: C & C Investments, Lease No. GS-09B-06600	04/02/87
A70215	Preaward Audit of Lease Escalation Proposal: C & C Investments, Lease No. GS-09B-82252	04/02/87
A70353	Report on Evaluation of Initial Price Proposal Submitted by: Aceves Construction and Maintenance Company, Contract No. GS-11P-86-MKC-7269 (Neg)	04/02/87
A70238	Preaward Audit of Lease Escalation Proposal: Trizec Properties, Inc., Lease No. GS-09B-76206	04/03/87
A70299	Preaward Audit of Cost or Pricing Data: Platt Construction, Inc., Solicitation No. GS-05P-87-GBC-0049-SBA	04/03/87
A70226	Preaward Audit of Lease Escalation Proposal: Donohoe Building, Lease No. GS-03B-70005	04/07/87
A70319	Preaward Audit of Lease Escalation Proposal: C & C Investments, Lease No. GS-09B-06600	04/13/87
A70172	Preaward Audit of Architect and Engineering Services Contract: The Mathes Group, Warren G. Moses and Company, Inc., Fromherz Engineers, Inc., A Joint Venture, Solicitation No. GS-07P-86-HUC-0120	04/14/87
A70296	Preaward Audit of Architect and Engineering Services Contract: Rolf Jensen and Associates, Inc., Subcontractor to Harry Weese and Associates, Solicitation No. GS-05-P-86-G-BC-0103	04/14/87
A70298	Preaward Audit of Architect and Engineering Services Contract: Gamze Korobkin Caloger, Inc., Subcontractor to Harry Weese and Associates, Solicitation No. GS-05-P-86-G-BC-0103	04/20/87
A70092	Preaward Audit of Change Order Proposal: Halifax Engineering, Inc., Contract No. GS-11C-30029	04/21/87
A70223	Preaward Audit of a Claim for Increased Costs: Rentenbach Engineering Company, Contract No. GS-04P-86-EX-C-0011	04/21/87
A70338	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: Breckco Construction Company, Inc., Wichita, Kansas, Solicitation No. RKS72010	04/22/87
A70283	Preaward Audit of Cost or Pricing Proposal: Haston Construction Company, Inc., Solicitation No. GS-04P-87-EX-C0024	04/23/87
A70360	Audit of Cost Reimbursable Contract: Hubert N. Hoffman, Lease No. GS-03B-5960	04/23/87
A70235	Preaward Audit of Architect and Engineering Services Contract: S.E.A. Consultants, Inc., Solicitation No. 02-PPC-CM-087-0502	04/29/87
A70285	Preaward Audit of Supplemental Architect and Engineering Services Contract: Architectural Resources Group, Project No. ZCA86140	04/29/87
A70328	Preaward Audit of Lease Escalation Proposal: Paramount Group, Agent for One Wilshire Associates, Lease No. GS-09B-76541	04/29/87
A60596	Preaward Audit of a Claim for Increased Costs: Spencer, White & Prentis, Inc., Second Tier Subcontractor to Terminal Construction Corp., Contract No. GS-02P-23256	04/30/87
A70407	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: World Wide Terminal Service Corp. (S.L.), St. Ann, Missouri, Solicitation No. 6PPB870017	04/30/87
A60349	Preaward Audit of Lease Escalation Proposal: Western Stratos Corporation, 1375 Sutter Street, Lease No. GS-09B-77310	05/07/87

A70315	Preaward Audit of Architect and Engineering Services Contract: Lee and Batheja, Inc., Omaha, Nebraska, Solicitation No. ZNE71200	05/11/87
A70297	Audit Report on Evaluation of Price Proposal in Response to GSA Contract No. GS-05-P-86-G-BC-0103 Submitted by: Harry Weese and Associates, Chicago, Illinois	05/19/87
A70364	Preaward Audit of Cost or Pricing Proposal: Spruill Realty/Construction Company, Solicitation No. GS-04P-EX-C-00028	05/19/87
A70206	Preaward Audit of Architect and Engineering Services Contract: Albert S. Komatsu & Associates, Inc., Contract No. GS-07P-86-HUC-0123	05/20/87
A70370	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: The Brooke Company, Davenport, Iowa, Solicitation No. RIA72310	05/20/87
A70207	Preaward Audit of a Claim for Increased Costs: TMS, Inc., Contract No. GS-07B-31531	05/21/87
A70273	Preaward Audit of Architect and Engineering Services Contract: Richter, Cornbrooks, Gribble, Inc., Project No. ZMD-00240	05/26/87
A70389	Preaward Audit of Architect/Engineering Services Contract: Urbahn Associates, Inc., Solicitation No. 02-PPC-CM-086-0506	05/26/87
A70458	Preaward Audit of Lease Escalation Proposal: Jensen and Jensen, Lease No. GS-10B-04424	05/28/87
A70392	Preaward Audit of Architect/Engineering Services Contract: WMFL, P.S., Project RID 87200	05/29/87
A70399	Preaward Audit of Architect/Engineering Services Contract: MW Consulting Engineering, Project No. RID 87200	05/29/87
A70362	Preaward Audit of Lease Escalation Proposal: H.K. Enterprises, Inc., Lease No. GS-04B-15282	06/03/87
A70381	Preaward Audit of Cost or Pricing Data: UBM Inc., Solicitation No. GS-05P-87-GBC-0055-SBA	06/03/87
A70391	Audit of Termination Proposal: Allied Security Forces, Inc., Contract No. GS-04P-86-EWC-0262(Neg)	06/04/87
A70147	Preaward Audit of Architect and Engineering Services Contract: I. M. Pei & Partners, Project No. NMA85670	06/05/87
A70318	Preaward Audit of Cost or Pricing Data: C.W. Swenson, Inc., Solicitation No. RCA 68126	06/05/87
A70410	Preaward Audit of Change Order Proposal: Rand and Son Construction Company, Kansas City, Missouri, Contract No. GS-06P-86-GYC-0083	06/08/87
A70433	Preaward Audit of Architect and Engineering Services Contract: Eidam and Associates, Project No. RID64040	06/10/87
A70434	Preaward Audit of Architect and Engineering Services Contract: Lombard-Conrad Architects, P.A., Project No. RID64040	06/10/87
A70354	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: Cutwright Construction, Co., Inc., Des Moines, Iowa, Solicitation No. RIA 72080	06/11/87
A70339	Preaward Audit of Operating Costs: CECOM Building, Stanwick Management Group, Lease No. GS-02B-15526	06/12/87
A70388	Preaward Audit of Supplemental Architect/Engineering Services Contract: Jansen & Rogan, Consulting Engineers, P.C., Solicitation No. 02-PPC-CM-087-0503	06/12/87
A70406	Preaward Audit of Architect and Engineering Services Contract: Short and Ford Architects, Contract No. GS-11P-87-MKD-9006	06/17/87
A70335	Preaward Audit of Architectural and Engineering Design Services Contract: Mathews, Kessler & Associates, Inc., Project No. ZAZ86210	06/19/87
A70291	Preaward Audit of Change Order Proposal: Dawson Construction Company, Inc., Contract No. GS-04P-86-EX-C0026	06/23/87
A70390	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: Watkins Security Agency, Inc., Solicitation No. GS-003-87-00R-0013	06/24/87
A70441	Preaward Audit of Architect and Engineering Services Contract: JonesMayer, Inc., St. Louis, Missouri, Solicitation No. ZMO71220	06/25/87

A70545	Preaward Audit of Lease Escalation Proposal: W & M Properties, Inc., Solicitation No. GS-04B-22292	06/25/87
A70438	Preaward Audit of Supplemental Architect and Engineering Services Contract: FRE, Solicitation No. 02-PPC-CM-087-0001	07/02/87
A70432	Preaward Audit of Architect and Engineering Services Contract: Robert Couch Associates, Solicitation No. ZDE-00801	07/09/87
A70439	Preaward Audit of Supplemental Architect/Engineering Services Contract: Midestco Consulting Engineers, Solicitation No. 02-PPC-CM-087-0001	07/15/87
A70550	Preaward Audit of Lease Escalation Proposal: C & C Investments, Lease No. GS-09B-82252	07/15/87
A70396	Preaward Audit of Lease Escalation Proposal: Detroit and Canada Tunnel Corporation, Lease No. GS-05B-12863	07/16/87
A60539	Preaward Audit of Change Order Proposal: Aires Electrical Contracting Corp., Subcontractor to Terminal Construction Corp., Contract No. GS-02P-23256	07/17/87
A70032	Preaward Audit of Architectural and Engineering Services Contract: VVKR-Mitchell/ Giurgola Architects, Contract No. GS-11B-69030	07/21/87
A70368	Preaward Audit of Lease Escalation Proposal: The Pilchers Group, Lease No. GS-09B-75762	07/21/87
A70561	Preaward Audit of Lease Escalation Proposal: The Pilchers Group, Lease No. GS-09B-75762	07/21/87
A70401	Preaward Audit of Lease Escalation Proposal: Denver West Office Building No. 3 Venture, Lease No. GS-08B-10737	07/23/87
A70402	Preaward Audit of Lease Escalation Proposal: Denver West Office Building No. 2 Venture, Lease No. GS-08B-09787	07/23/87
A70514	Preaward Audit of Lease Escalation Proposal: Walker, McElliott and Associates, Lease No. GS-08B-10728	07/24/87
A70588	Preaward Audit of Lease Escalation Proposal: Edelbrock Corporation, Lease No. GS-09B-75129	07/24/87
A70009	Preaward Audit of a Claim for Increased Costs: V.A.L. Floors, Inc., Subcontractor to Terminal Construction Corp., Contract No. GS-02P-23256	07/27/87
A70554	Preaward Audit of Lease Escalation Proposal: Paramount Group, Inc., Lease No. GS-09B-76541	07/27/87
A70555	Preaward Audit of Lease Escalation Proposal: Paramount Group, Inc., Lease No. GS-09B-76541	07/27/87
A70541	Preaward Audit of Architect and Engineering Services Contract: Gipe Associates, Inc., Solicitation No. ZDE-70032	07/31/87
A70431	Preaward Audit of a Claim for Increased Costs: Contract Cleaning Maintenance, Inc., Contract No. GS-05BR-41770	08/03/87
A70549	Preaward Audit of Architect/Engineering Services Contract: Rogers, Burgun, Shahine and Deschler, Inc., Architects, Solicitation No. GS-00P-87BQ-0096-MJ07	08/11/87
A70540	Preaward Audit of Architect and Engineering Services Contract: Smith and Faass Consulting Engineers, Inc., Solicitation No. ZDE-70025	08/12/87
A70551	Preaward Audit of Lease Escalation Proposal: South Coast Air Quality Management District, Lease No. GS-09B-82247	08/18/87
A70542	Preaward Audit of Lease Escalation Proposal: Detroit Associates Limited Partnership, Lease No. GS-05BR-9585	08/20/87
A70567	Preaward Audit of Lease Escalation Proposal: Cohen Asset Management, Inc., Kansas City, Missouri, Lease No. GS-06B-14268	08/25/87
A70630	Preaward Audit of Architect and Engineering Services Contract: Werden & Associates, Inc., Solicitation No. ZDE-70026	08/25/87

A70581	Preaward Audit of Architect and Engineering Services Contract: Luckett and Farley Architects, Engineers and Construction Managers, Inc., Solicitation No. GS-04F-87-00019	08/26/87
A70594	Preaward Audit of Cost or Pricing Data: Radan Systems, Incorporated, Contract No. GS-00P-BQC-0103	08/26/87
A70655	Preaward Audit of Architect and Engineering Services Contract: Barge, Waggoner, Sumner and Cannon	08/26/87
A70336	Preaward Audit of Change Order Proposal: Tower Construction Company, Contract No. GS-11-P-8601	08/27/87
A70650	Preaward Audit of Lease Escalation Proposal: Cohen Asset Management, Inc., Kansas City, Missouri, Lease No. GS-06B-14268	08/27/87
A70446	Preaward Audit of Change Order Proposal: George A. Fuller Company, Contract No. GS-02P-23364	08/28/87
A70576	Preaward Audit of Cost or Pricing Data for Temporary Border Station: Eastport Development Corp., Inc., Lease No. IDO5365	08/28/87
A70580	Preaward Audit of Architect and Engineering Services Contract: Wolfberg, Alvarez and Associates, Contract No. GS-04P-87-EX-D0020	08/28/87
A70623	Preaward Audit of Change Order Proposal: E.W. Johnson, Inc., Wichita, Kansas, Contract No. GS-006P-86-GYC-0068	08/28/87
A70591	Preaward Audit of Small Business Administration 8(a) Pricing Proposal: Southwestern Security Service, Inc., Solicitation No. GS-07-P-87-HT-C-0116	09/02/87
A70609	Preaward Audit of Change Order Proposal: Aires Electrical Contracting Corp., Subcontractor to Terminal Construction Corp., Contract No. GS-02P-23256	09/04/87
A70639	Preaward Audit of Architect and Engineering Services Contract: Zando, Martin & Milstead, Inc., Solicitation No. P.C.N. ZDE-00801	09/09/87
A70575	Preaward Audit of Architect and Engineering Services Contract: GNM & Associates, Inc., Contract No. GS-11B-79011	09/11/87
A70638	Preaward Audit of Architect and Engineering Services Contract: Silling Associates, Inc., Solicitation No. ZDE-00801	09/11/87
A70508	Preaward Audit of Change Order Proposal: Tower Construction Company, Contract No. GS-11-P-8601	09/23/87
A70509	Preaward Audit of Change Order Proposal: Tower Construction Company, Contract No. GS-11-P-8601	09/23/87
A70656	Preaward Evaluation of Pricing Proposal: Cobarc Services, Inc., Tacoma, Washington, Solicitation No. 87-KS-1051	09/24/87
A70652	Preaward Audit of Architect and Engineering Services Contract: Colton/Lester Corporation, Chesterfield, Missouri, Solicitation No. ZM071220	09/25/87
A70653	Preaward Audit of Architect and Engineering Services Contract: The Christner Partnership, Inc., St. Louis, Missouri, Solicitation No. ZM071220	09/25/87
A70518	Preaward Audit of a Claim for Increased Costs: J. Slotnik Company, Contract No. GS-01B-01962	09/29/87

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A70295	Preaward Lease Review: Lease No. GS-07B-13102, Southpark, Building G, 1821 Directors Boulevard, Austin, Texas	04/02/87
A60547	Review of Adequacy of Regional Review of AE Drawings and Specifications, Region 5	04/08/87
A60571	Review of Buildings Management Field Office, Columbus, Ohio, Region 5	04/08/87
A60177	Review of the Regional Management of Field Offices, Region 9	04/17/87
A60469	Review of Lease No. GS-04B-22165, Wilmington, North Carolina	04/20/87

A70293	Preaward Lease Review: Chester Arthur Building, 425 Eye Street, N.W., Washington, DC, Lease No. GS-11B-60259	04/24/87
A70405	Preaward Lease Review: Social Security Administration/Internal Revenue Service 331-333 N. Halsted Street, Chicago Heights, Illinois, Lease No. GS-05B-14445	04/27/87
A70146	Review of Construction Contract Payrolls in Region 4	04/29/87
A70412	Preaward Lease Review: Gateway Towers, 200 Washington Avenue, Towson, Maryland, Lease No. GS-03B-79030	04/29/87
A70424	Preaward Lease Review: 211 Main Street, San Francisco, California, Lease No. GS-09B-06600	04/30/87
A70420	Preaward Lease Review: 30,000 Square Feet of 1250 Poydras Building, 1250 Poydras Street, New Orleans, Louisiana, Lease No. GS-07B-13130	05/05/87
A70428	Preaward Lease Review: 1850 Craigshire Drive, St. Louis, Missouri, Lease No. GS-06P-78631	05/14/87
A70456	Preaward Lease Review: First and Stewart Building, Seattle, Washington, Lease No. GS-10B-05358	05/14/87
A60620	Review of Taxes and Surcharges Paid on Utility Bills, Region 9	05/26/87
A70449	Preaward Lease Review: Wyoming Valley Veterans Building, 19-27 North Main Street, Wilkes-Barre, PA, Lease No. GS-03B-79009	05/27/87
A70463	Preaward Lease Review: Fairchild Building, 499 S. Capitol Street, S.W., Washington, DC, Lease No. GS-11B-50025	06/01/87
A70490	Preaward Lease Review: Allendale Square, King of Prussia, PA, Lease No. GS-03B-79014	06/15/87
A70526	Preaward Lease Review: Lease Extension, Federal Aviation Administration, 2300 E. Devon Avenue, Des Plaines, Illinois, Lease No. GS-05B-10740	06/22/87
A70242	Review of an Allegation Concerning Removal of Ceiling Tiles Containing Asbestos at the Washington Navy Yard	06/30/87
A70256	Report on the Count of Contractor and Subcontractor Employees Working at the Jamaica Federal Office Building, Contract No. GS-02P-23256	07/06/87
A70027	Review of Elevators in GS Building, 18 & F Streets, N.W., Washington, DC	07/09/87
A70311	Postaward Lease Review: GS-04B-26278, One North University Drive, Ft. Lauderdale, Florida	07/13/87
A70584	Preaward Lease Review: Lease No. GS-01B(PEL)-03553 NEG., 90 Canal St., Boston, MA	07/16/87
A70464	Limited Review of Concerns About Language Contained in Solicitation No. GS-11P-87-MJ-D0030, Indefinite Quantity (Term) Contract for Industrial Hygienist Services in the National Capital Region	07/20/87
A60139	Review of Selected Repair and Alteration Contracts, Region 4	07/21/87
A70256	Review of the Wiring Being Installed in the Federal Office Building in Jamaica, Queens, NY, Contract No. GS-02P-23256	07/22/87
A70610	Preaward Lease Review: Lease No. GS-01B(PEL)-03560 NEG., 94-104 Glenn Street, Lawrence, MA	07/22/87
A70011	Review of the Buildings Management Field Office, 26 Federal Plaza, New York	07/29/87
A70604	Preaward Lease Review: Boyers Mine, Boyers, PA, Lease No. GS-03B-79039	07/30/87
A60256	Review of Construction and Administration of the Portland East Federal Building, Portland, Oregon	07/31/87
A70489	Preaward Lease Review: Temporary Border Station, Eastport, Idaho	07/31/87
A60546	Review of Selected Repair and Alteration Contracts in Region 5	08/07/87
A70517	Review of Alleged Procurement Improprieties, Fargo, North Dakota	08/07/87
A70287	Review of the Norfolk Field Office, Norfolk, VA	08/12/87

A70617	Preaward Lease Review: Gwynn Oak Building, Woodlawn, Maryland, Lease No. GS-03B-79035	08/14/87
A70256	Review of Defects and Omissions at the Jamaica, Queens Federal Office Building, Contract No. GS-02P-23256	08/24/87
A70572	Letter Report on Proposed Location of STRIDE Computer Operations in Region 9	08/24/87
A70326	Interim Audit Report-Building Purchase Program, Purchase of the IRS/VA Complex, Austin, Texas	08/25/87
A70657	Preaward Lease Review: Columbia Pike Office Building, 5600 Columbia Pike, Falls Church, Virginia, Lease No. GS-11B-60147	09/08/87
A70695	Preaward Lease Review: 360 22nd Street, Oakland, California, Lease No. GS-09B-86844	09/09/87
A70714	Preaward Lease Review: 6130 and 6120 Executive Boulevard, Rockville, Maryland, Lease No. GS-11B-70158	09/17/87
A70706	Preaward Lease Review, Lease No. GS-01B(PEL)-03566Neg., One Montvale Avenue, Stoneham, MA	09/23/87
A70728	Preaward Lease Review: Decatur & Oakey Blvds., Las Vegas, Nevada, Lease No. GS-09B-87117	09/24/87
A70287	Review of the Buildings Management Field Office, Wilkes-Barre, PA	09/25/87
A70600	Advisory Review of Proposed Lease Award, 5812 Bannister Road, Kansas City, Missouri, Lease No. GS-06P-78645	09/25/87
A70694	Preaward Lease Review: Lease No. GS-02B-22312 Journal Square Office Building, Building #1, Jersey City, NJ	09/25/87
A70711	Preaward Lease Review: GS-04B-28085; Proposed GSA/FSS Warehouse, Henry County, Georgia	09/25/87

FSS Contract Audits

A70241	Preaward Audit of Multiple Award Schedule Contract: Lifesaving Systems Corporation, Solicitation No. 7PM-531245/Z3/7FX	04/01/87
A70309	Preaward Audit of a Claim for Increased Costs: Chrysler Corporation, Contract No. GS-00F-81224	04/01/87
A70083	Preaward Audit of Multiple Award Schedule Contract: Finnigan Corporation, Solicitation No. FCGS-Z2-40010-N-10-16-86	04/02/87
A70210	Preaward Audit of Multiple Award Schedule Contract: AirKem Professional Products, Solicitation No. 10PN-SKS-6051	04/03/87
A70258	Preaward Audit of Multiple Award Schedule Contract: Hy-Test Safety Shoes, St. Louis, Missouri, Solicitation No. 7PM-53245/Z3/7FX	04/03/87
A70373	Preaward Audit of Multiple Award Schedule Contract: A.B. Dick Company, Proposed Modification to Contract No. GS-00F-85013	04/03/87
A70259	Preaward Audit of Multiple Award Schedule Contract: Angelica Uniform Group, St. Louis, Missouri, Solicitation No. 7PM-53245/Z3/7FX	04/07/87
A70209	Preaward Audit of Multiple Award Schedule Contract: Surgikos, Inc., Solicitation No. 10PN-SKS-6051	04/13/87
A70264	Postaward Audit of Multiple Award Schedule Contract: Gould, Incorporated, Imaging and Graphics Division, Contract No. GS-00F-78072 for the Period November 11, 1984 to September 30, 1987	04/16/87
A70253	Preaward Audit of Multiple Award Schedule Contract: Knapp Shoes, Inc., Solicitation No. 7PM-53245/Z3/7FX	04/17/87
A70138	Preaward Audit of Multiple Award Schedule Contract: FMC Corporation, Solicitation No. 7PM-53003/F5/7FX	04/21/87

A70312	Preaward Audit of Multiple Award Schedule Contract: Pitney Bowes, Inc., Solicitation No. FCGE-A7-75402-N-2-3-87	04/21/87
A70272	Preaward Audit of Multiple Award Schedule Contract: Copygraphics, Solicitation No. FCGE-A7-75402-N-12-31-86	04/22/87
A70211	Preaward Audit of a Claim for Increased Costs: Chrysler Corporation, Contract No. GS-00F-73253	04/23/87
A70342	Preaward Audit of Cost or Pricing Data: Ikselah Corporation, Solicitation No. FCGE-A7-75402-N-2-3-87	04/23/87
A70275	Preaward Audit of Multiple Award Schedule Contract: Multigraphics, A Division of AM International, Solicitation No. FCGE-A7-75402-N-2-3-87	04/27/87
A70380	Preaward Audit of Cost or Pricing Data: CACI Field Services Incorporated, Solicitation No. FCGA-S7-XV333-N	04/28/87
A70307	Preaward Audit of Multiple Award Schedule Contract: E. I. DuPont De Nemours & Company, Solicitation No. FCGS-Y5-37003-N-9-25-86	04/30/87
A60012	Postaward Audit of Multiple Award Schedule Contract: Xerox Corporation, Contract No. GS-00F-69830 for the Period October 1, 1984 to September 30, 1985	05/01/87
A70183	Preaward Audit of Multiple Award Schedule Contract: Philips Electronic Instruments, Inc., Solicitation No. FCGS-Z2-40010-N	05/05/87
A70251	Preaward Audit of Multiple Award Schedule Contract: Harris/3M Document Products, Inc., Solicitation No. FCGE-A7-75402-N-2-3-87	05/06/87
A70266	Preaward Audit of Multiple Award Schedule Contract: Savin Corporation, Solicitation No. FCGE-A7-75402-N-2-3-87	05/06/87
A70262	Preaward Audit of Multiple Award Schedule Contract: Toshiba America, Inc., Solicitation No. FCGE-A7-75402-N-2-3-87	05/07/87
A70322	Preaward Audit of Multiple Award Schedule Contract: Sharp Electronics Corporation, Solicitation No. FCGE-A7-75402-N-2-3-87	05/11/87
A70352	Preaward Audit of Multiple Award Schedule Contract: Delco Remy, Division of General Motors Corporation, Solicitation No. 7PM-53030/A6/7FX	05/11/87
A70321	Preaward Audit of Multiple Award Schedule Contract: Johnson Controls, Inc., Battery Division, Solicitation No. 7PM-53030/A6/7FX	05/14/87
A70219	Preaward Audit of Multiple Award Schedule Contract: Hewlett-Packard Company, Solicitation No. FCGS-Y4-37004-N-12-11-86	05/19/87
A70281	Preaward Audit of Multiple Award Schedule Contract: Lehigh Safety Shoe Company, Solicitation No. 7PM-53245/Z3/7FX	05/19/87
A70331	Audit of Termination Claim: Cascade Pacific International, Contract No. GS-00S-88694	05/19/87
A70325	Preaward Audit of Multiple Award Schedule Contract: GNB Incorporated, Industrial Battery Division, Solicitation No. 7PM-53030/A6/7FX	05/26/87
A70289	Preaward Audit of Multiple Award Schedule Contract: John Fluke Manufacturing Co., Inc., Solicitation No. FCGS-Y4-37004-N-12-11-86	05/27/87
A70278	Preaward Audit of Multiple Award Schedule Contract: Minolta Corporation, Solicitation No. FCGE-A7-75402-N-2-3-87	05/29/87
A70282	Preaward Audit of Multiple Award Schedule Contract: Eagle Work Clothes, Solicitation No. 7PM-53245/Z3/7FX	05/29/87
A70274	Preaward Audit of Multiple Award Schedule Contract: Nashua Corporation, Solicitation No. FCGE-A7-75402-N-2-3-87	06/03/87
A70052	Postaward Audit of Multiple Award Schedule Contract: Information Marketing International, Contract No. GS-01F-09204 for the Period December 1, 1984 to July 26, 1986	06/08/87
A70244	Postaward Audit of Multiple Award Schedule Contract: Information Marketing International, Contract No. GS-00S-41321 for the Period October 1, 1982 to September 30, 1983	06/08/87

A70245	Postaward Audit of Multiple Award Schedule Contract: Information Marketing International, Contract No. GS-00S-41321, for the Period October 1, 1983 to November 30, 1984	06/08/87
A70292	Postaward Audit of Savin Corporation: Contract No. GS-00F-77069	06/11/87
A70306	Preaward Audit of Multiple Award Schedule Contract: Del Paint Manufacturing Corporation, Solicitation No. 10PN-ZNS-4063	06/11/87
A70260	Preaward Audit of Multiple Award Schedule Contract: Ozalid Corporation, Vestal, New York, Solicitation No. FCGE-A7-75402-N	06/12/87
A70340	Preaward Audit of Multiple Award Schedule Contract: C&D Power Systems, Solicitation No. 7PM-53030/A6/7FX	06/16/87
A70104	Postaward Audit of Multiple Award Schedule Contract: Pitney Bowes, Inc., Contract No. GS-00F-69850 for the Period October 1, 1984 to September 30, 1985	06/18/87
A70252	Preaward Audit of Multiple Award Schedule Contract: Monroe Systems for Business, Inc., Solicitation No. FCGE-A7-75402-N	06/19/87
A70300	Preaward Audit of Multiple Award Schedule Contract: Eastman Kodak Company, Solicitation No. FCGE-A7-75402-N-2-3-87	06/19/87
A70301	Preaward Audit of Multiple Award Schedule Contract: Konica Business Machines U.S.A., Inc., Solicitation No. FCGE-A7-75402-N-2-3-87	06/23/87
A70247	Preaward Audit of Multiple Award Schedule Contract: 3M Company, Audio Visual Division, Solicitation No. FCGE-A7-75402-N-2-3-87	06/25/87
A70369	Preaward Audit of Multiple Award Schedule Contract: OCE, Business Systems, Inc., Solicitation No. FCGE-A7-75402-N-2-3-87	06/25/87
A70276	Preaward Audit of Multiple Award Schedule Contract: A.B. Dick Company, Solicitation No. FCGE-A7-75402-N-2-3-87	06/26/87
A70417	Preaward Audit of Multiple Award Schedule Contract: S.C. Johnson & Son, Inc., Solicitation No. 10PN-HTS-6149	06/26/87
2C20857	Postaward Audit of Multiple Award Schedule Contract: Continental Water Systems Corporation, Contract No. GS-07S-07425	06/29/87
A70169	Postaward Audit of Multiple Award Schedule Contract: Andrew Corporation, Grandview, Missouri, Contract No. GS-08F-37437	06/30/87
A70423	Preaward Audit of Multiple Award Schedule Contract: Premier Chemicals, Inc., Solicitation No. 10PN-HTS-6149	07/02/87
A70415	Preaward Audit of Multiple Award Schedule Contract: Hewlett-Packard Company, Solicitation No. FCGS-Y1-37006-N-3-4-87	07/14/87
A70520	Preaward Audit of Multiple Award Schedule Contract: DeLong Sportswear Inc., Grinell, Iowa, Solicitation No. 7PM-53216/W3/7FX	07/16/87
A70538	Audit of Refund on Open Market Purchases: Xerox Corporation	07/23/87
A70558	Preaward Evaluation of Price Proposal: EyeDentify, Inc., Beaverton, Oregon, Solicitation No. 7PM-53024/R5/7FX	07/23/87
A70265	Preaward Audit of Multiple Award Schedule Contract: Dranetz Technologies, Inc., Solicitation No. FCGS-Y4-37004-N-12-11-86	07/27/87
A70240	Preaward Audit of Multiple Award Schedule Contract: Xerox Corporation, Solicitation No. FCGE-A7-75402-N-2-3-87	07/29/87
A70536	Preaward Audit of Multiple Award Schedule Contract: Alerting Communicators of America, Solicitation No. 7PM-53024/R5/7FX	07/29/87
A70544	Preaward Audit of Multiple Award Schedule Contract: Sam Wyche Sports World, Inc., Solicitation No. 7PM-53216/W3/7FX	07/29/87
A70563	Preaward Audit of Multiple Award Schedule Contract: Badger Division, Telecommunications Technology, Inc., Solicitation No. 7PM-53024/R5/7FX	07/30/87
A70535	Preaward Audit of Multiple Award Schedule Contract: King-Fisher Co., Solicitation No. 7PM-53024/R5/7FX	08/14/87

A70599	Preaward Audit of Cost or Pricing Data Contract: Monaco Enterprises, Inc., Solicitation No. 7PM-53024/R5/7FX	08/19/87
A70596	Preaward Audit of Multiple Award Schedule Contract: The Glidden Company, Solicitation No. 10PN-ZNS-4063	08/24/87
A70503	Preaward Audit of Multiple Award Schedule Contract: Champion Products, Inc., Solicitation No. 7PM-53216/W3/7FX	08/28/87
A70547	Preaward Audit of Multiple Award Schedule Contract: Felco Athletic Wear Co., Inc., Solicitation No. 7PM-53216/W3/7FX	08/28/87
A70534	Preaward Audit of Multiple Award Schedule Contract: Honeywell, Building Services Division, Solicitation No. 7PM-53024/R5/7FX	08/31/87
A70614	Preaward Evaluation of Cost Data: Uniforms Manufacturing, Inc., Solicitation No. 7PM-53245/Z3/7FX	08/31/87
A70502	Preaward Audit of Multiple Award Schedule Contract: Velva Sheen Manufacturing Company, Solicitation No. 7PM-53216/W3/7FX	09/09/87
A70506	Preaward Audit of Multiple Award Schedule Contract: Technicon Instruments Corp., Solicitation No. FCGS-Z6-40009-N	09/09/87
A70562	Preaward Audit of Multiple Award Schedule Contract: Aritech Corporation, Solicitation No. 7PM-53024/R5/7FX	09/11/87
A70569	Preaward Audit of Multiple Award Schedule Contract: Vindicator Corporation, Solicitation No. 7PM-53024/R5/7FX	09/11/87
A70548	Preaward Audit of Multiple Award Schedule Contract: Empire Sporting Goods, Mfg. Co., Inc., Solicitation No. 7PM-53216/W3/7FX	09/17/87
A70647	Preaward Audit of Cost or Pricing Data: Abacus Controls, Inc., Solicitation No. FCGS-Y1-37006-N	09/17/87
A70333	Preaward Audit of Cost or Pricing Data: Zodiac of North America, Inc., Contract No. GS-10F-47048	09/21/87
A70499	Preaward Audit of Multiple Award Schedule Contract: SAB Nife, Inc., Solicitation No. 7PM-53030/A6/7FX	09/22/87
A70758	Report on Review of Proposal for Initial Pricing Under RFP No. FCGA-A3-QW423-N-7-6-87: Ortho Pharmaceutical Corporation, Raritan, New Jersey	09/23/87

FSS Internal Audits

A70051	Observation of the Physical Inventory at the Franconia Wholesale Distribution Center, Franconia, VA	06/05/87
A60396	Review of Compliance with Training Requirements of the Contracting Officer Warrant Program by FSS, Central Office	06/25/87
A60434	Review of Contractor's Operations of the Franconia Depot	07/24/87
A50089	Review of the Shipbottom Paint Program in GSA	08/13/87
A70578	Review of Unidentified Telephone Toll Charges	09/09/87

IRMS Contract Audits

A70033	Preaward Audit of Cost or Pricing Data: Electronic Data Systems Federal Corporation, Solicitation No. GSC-KECT-A-00008-N-4-10-85	04/07/87
A60455	Postaward Audit of Multiple Award Schedule Contract: Nixdorf Computer Corporation, Contract No. GS-00K-8401S5609 and Modification 1A for the Period October 1, 1983 to September 30, 1985	04/14/87
A70087	Postaward Audit of Multiple Award Schedule Contract: Nixdorf Computer Corporation, Contract No. GS-00K-86AGS5639 for the Period October 1, 1985 to September 30, 1986	04/14/87

A70088	Postaward Audit of Multiple Award Schedule Contract: Nixdorf Computer Corporation, Contract No. GSC-00C-03346 for the Period October 1, 1982 to September 30, 1983	04/14/87
A60471	Preaward Audit of Multiple Award Schedule Contract: Martin Marietta Corporation, Solicitation No. GSC-KECT-A-00008-N-10-85	04/16/87
A60430	Postaward Audit of Multiple Award Schedule Contract: Technology Services, Inc., Contract No. GS-00K-85AGS6059	04/17/87
A70154	Preaward Audit of Multiple Award Schedule Contract: Federal Data Corporation, Solicitation No. GSC-KESF-G-00034-N-11-19-86	04/21/87
A70383	Preaward Audit of Multiple Award Schedule Contract: APTEC Computer Systems, Inc., Solicitation No. GSC-KESO-C-00036-N-4-8-87	05/01/87
A70440	Report on Review of Proposal for Change Order Under Contract No. GS-00K-86-AIC0001: System Automation Corporation, Silver Spring, Maryland	05/01/87
A70447	Report on Review of Proposal for Initial Pricing Under RFP No. GS-00K-AGS-6100: International Technology Corporation, McLean, Virginia	05/05/87
A70425	Preaward Audit of Multiple Award Schedule Contract: Calcomp Group, Sanders Associates, Inc., Solicitation No. GSC-KESO-C-00036-N-4-8-87	05/26/87
A70460	Report on Review of Proposal for Initial Pricing Under GSA RFP No. GSC-OIT-7008: Control Data Corporation, Government Systems Operations, Professional Services Division, Minneapolis, Minnesota	05/27/87
A70418	Preaward Audit of Multiple Award Schedule Contract: Information Dimensions, Inc., Solicitation No. GSC-KESO-C-00036-N-4-8-87	06/05/87
A70236	Preaward Audit of Multiple Award Schedule Contract: Timeplex, Inc., Contract No. GS-00K-86AGS5256	06/06/87
A70413	Preaward Audit of Multiple Award Schedule Contract: Tellabs, Inc., Solicitation No. GSC-KESV-00043-N-4-13-87	06/16/87
A70394	Preaward Audit of Multiple Award Schedule Contract: Gould, Inc., Computer Systems Division, Solicitation No. GSC-KESO-C-00036-N-4-8-87	06/17/87
A70507	Report on Evaluation of Price Proposal Submitted by: Microlog Corporation, Germantown, Maryland, Solicitation No. GS-00K-86-AGS-0804	06/17/87
A70511	Contract Audit Closing Statement: Contract No. GS-00K-85ADJ0059 (Task 1), Submitted by The Mitre Corporation, Bedford, Massachusetts	06/17/87
A70378	Preaward Audit of Multiple Award Schedule Contract: Modular Computer Systems, Inc., Solicitation No. GSC-KESO-C-00036-N-4-8-87	06/18/87
A70419	Preaward Audit of Multiple Award Schedule Contract: Hekimian Laboratories, Inc., Solicitation No. GSC-KESV-00043-N-4-16-87	06/18/87
A60402	Postaward Audit of Multiple Award Schedule Contracts: Digital Equipment Corporation, Contract Nos. GS-00C-03404, GS-00K-8401S5657, GS-00K-8501S5933, and GS-00K-86AGS5669	06/22/87
A70546	Preaward Audit of Multiple Award Schedule Contract: Loral Terracom, Solicitation No. GSC-KESV-00044-N-4-23-87	06/26/87
A60404	Postaward Audit of Multiple Award Schedule Contracts: Digital Equipment Corporation, Contract Nos. GS-00C-03404, GS-00K-8401S5657, GS-00K-8501S5933, and GS-00K-86AGS5669	07/01/87
A70495	Preaward Audit of Multiple Award Schedule Contract: Sorbus, Inc., Solicitation No. GSC-KESO-C-00036-N-4-8-87	07/09/87
A70573	Report on Review of Proposal for Initial Pricing Under RFP No. GSC-OIT-7015: Martin Marietta Data Systems, Field Services Division, Greenbelt, Maryland	07/10/87
A70351	Preaward Audit of Multiple Award Schedule Contract: Motorola, Inc., Communications Sector, Solicitation No. GSC-KESV-00044-N-4-23-87	07/15/87
A70421	Preaward Audit of Multiple Award Schedule Contract: Infolink Corporation, Solicitation No. GSC-KESV-00043-N-4-13-87	07/21/87

A70528	Preaward Audit of Multiple Award Schedule Contract: General Electric Company - Mobile Communications Business Division, Solicitation No. GSC-KESV-00044-N-4-23-87	07/21/87
A70611	Report on Review of Proposal for Initial Pricing Under RFP No. GSC-KESV-00041-N-12-4-86: Microcom Corporation, Warminster, Pennsylvania	07/21/87
A70612	Audit Report on Evaluation of Cost or Pricing Data in Support of Proposed Catalog Prices Submitted by: Decom Systems, Inc.	07/21/87
A70436	Preaward Audit of Multiple Award Schedule Contract: Emulex Corporation, Solicitation No. GSC-KESO-C-00036-N-4-8-87	07/23/87
A70527	Preaward Audit of Multiple Award Schedule Contract: Audio Intelligence Devices, Solicitation No. GSC-KESV-00044-N-4-23-87	07/29/87
A70379	Preaward Audit of Multiple Award Schedule Contract: Harris Corporation, Computer Systems Division, Solicitation No. GSC-KESO-C-00036-N-4-8-87	07/30/87
A70429	Preaward Audit of Multiple Award Schedule Contract: Harris Corporation, Lanier Business Systems Division, Solicitation No. GSC-KESO-C-00036-N-4-8-87	07/30/87
A70435	Preaward Audit of Multiple Award Schedule Contract: Tektronix, Inc., Solicitation No. GSC-KESO-C-00036-N-4-8-87	07/31/87
A70496	Preaward Audit of Multiple Award Schedule Contract: Contel Business Systems, Inc., for Contel Executone, Solicitation No. GSC-KESV-00043-N-4-16-87	08/03/87
A60405	Postaward Audit of Multiple Award Schedule Contracts: Digital Equipment Corporation, Contract Nos., GS-00C-03404, GS-00K-8401S5657, GS-00K-8501S5933, and GS-00K-86AGS5669	08/04/87
A70628	Report on Evaluation of Price Proposal Submitted by: Computer Data Systems, Incorporated, Rockville, Maryland	08/04/87
A70222	Preaward Audit of Multiple Award Schedule Contract: Falcon Microsystems, Inc., Solicitation No. GSC-KESS-B-00035-N-11-26-86	08/11/87
A70559	Preaward Audit of Multiple Award Schedule Contract: Oracle Corporation, Solicitation No. GSC-KESO-C-00036-N-4-8-87	08/11/87
A70560	Preaward Audit of Multiple Award Schedule Contract: Motorola, Inc., Solicitation No. GSC-KESV-00044-N-4-23-87	08/11/87
A70556	Preaward Audit of Multiple Award Schedule Contract: Trans World Communications, Inc., Solicitation No. GSC-KESV-00044-N-4-23-87	08/13/87
A60403	Postaward Audit of Multiple Award Schedule Contracts: Digital Equipment Corporation, Contract Nos. GS-00C-03404, GS-00K-8401S5657, GS-00K-8501S5933, and GS-00K-86AGS5669	08/20/87
A70505	Preaward Audit of Multiple Award Schedule Contract: Control Data, Business Information Services, Solicitation No. GSC-KECT-A-00009-N-4-30-87	08/20/87
A70416	Preaward Audit of Multiple Award Schedule Contract: Hewlett-Packard Company, Solicitation No. GSC-KESO-C-00036-N-4-8-87	08/28/87
A70430	Preaward Audit of Multiple Award Schedule Contract: Andrew Corporation, Solicitation No. GSC-KESV-00044-N-4-23-87	08/28/87
A70455	Preaward Audit of Multiple Award Schedule Contract: CPT Corporation, Solicitation No. GSC-KESO-C-00036-N-4-8-87	08/28/87
A50193	Postaward Audit of Multiple Award Schedule Contracts: Intel Corporation, Contract Nos. GS-00C-03079 and GS-00C-03575	09/03/87
A70598	Preaward Audit of Multiple Award Schedule Contract: Mitel, Inc., Solicitation No. GSC-KESV-00043-N-4-16-87	09/03/87
A70443	Preaward Audit of Multiple Award Schedule Contract: Sun Microsystems Federal, Inc., Solicitation No. GSC-KESO-C-00036-N-4-8-87	09/09/87
A70422	Preaward Audit of Multiple Award Schedule Contract: NCR Corporation, Solicitation No. GSC-KESO-C-00036-N-4-8-87	09/11/87

A70329	Postaward Audit of Multiple Award Schedule Contract: Data Access Systems, Inc., Contract No. GS-00K-8501S5139 for the Period April 1, 1985 to June 30, 1986	09/15/87
A70537	Preaward Audit of Multiple Award Schedule Contract Renewal: Data General Corporation, Contract No. GS-00K-87AGS5862	09/15/87
A70478	Preaward Audit of Cost or Pricing Data: IBIS Corporation, Solicitation No. GSC-KESA-C-00034-N-11-19-86	09/17/87
A70488	Preaward Audit of Cost or Pricing Data: IBIS Corporation, Solicitation No. GSC-KESS-B-00035-N-11-26-86	09/17/87
A70686	Report on Review of Proposal No. H7-2078 for Initial Pricing Under RFP No. KECA 87-001: Pentastar Support Services, Incorporated, Huntsville, Alabama	09/18/87
A70741	Contract Audit Closing Statement, Contract No. GS-00K-85ADJ0059 (Task 2), Submitted by: The Mitre Corporation, Bedford, Massachutetts	09/18/87
A70742	Contract Audit Closing Statement, Contract No. GS-00K-85ADJ0059 (Task 3), Submitted by: The Mitre Corporation, Bedford, Massachusetts	09/18/87
A70500	Preaward Audit of Multiple Award Schedule Contract: Telex Federal Systems, Inc., Solicitation No. GSC-KESO-C-00036-N-4-8-87	09/21/87
A70501	Preaward Audit of Multiple Award Schedule Contract: NBI, Inc., Solicitation No. GSC-KESO-C-00036-N-4-8-87	09/21/87
A70516	Preaward Audit of Multiple Award Schedule Contract: Sunair Electronics, Inc., Solicitation No. GSC-KESV-00044-N-4-23-87	09/23/87
A70531	Preaward Audit of Multiple Award Schedule Contract: Computer Associates International, Inc., Solicitation No. GSC-KESO-C-00036-N-4-8-87	09/23/87
A70744	Report on Review of Proposal for Initial Pricing Under RFP No. KECA-87-006: Computer Sciences Corporation, Applied Technology Division-Applied Technology Company, Falls Church, Virginia	09/23/87
A70747	Audit Report on Review of Firm-Fixed-Price-Proposal Submitted in Response to General Services Administration RFP No. KECA-87-002 by: Colsa, Inc., Huntsville, Alabama	09/23/87
A70748	Report on Evaluation of Price Proposal GSA RFP No. GSC-OIT-7038: E.C. Buie Data Processing Services, Inc., Beachwood, Ohio	09/23/87
A70762	Report on Evaluation of Price Proposal Submitted by: Computer Data Systems, Inc., Rockville, Maryland	09/23/87
A70470	Preaward Audit of Multiple Award Schedule Contract: Varityper, Division of AM International, Inc., Solicitation No. GSC-KESO-C-00036-N-4-8-87	09/25/87
A70529	Preaward Audit of Cost or Pricing Data: GRIM Corporation, Solicitation No. GSC-KESV-00044-N-4-23-87	09/25/87
A70749	Report on Review of Proposal for Initial Pricing Under RFP No. KECA-87-006: Vanguard Technologies Corporation, National Systems Company, Defense Systems Division	09/25/87
A70750	Report on Review of Proposal for Initial Pricing Under RFP No. KECA-87-006: Planning Research Corporation, Field Services Division	09/25/87
A70751	Report on Review of Proposal for Initial Pricing Under RFP No. KECA-87-006: OAO Corporation, Western Zone Division	09/25/87
A70752	Report on Review of Proposal for Initial Pricing Under RFP No. KECA-87-002: American Management Systems, Inc.	09/25/87
A70753	Report on Review of Proposal for Initial Pricing Under RFP No. KECA-87-003: Keydata Systems, Inc.	09/25/87
A70597	Preaward Audit of Multiple Award Schedule Contract: Wang Laboratories, Inc., Solicitation No. GSC-KESO-C-00036-N-4-8-87	09/30/87

IRMS Internal Audits

A60537	Review of the Procurement and Administration of Telephone Services in Region 4	06/22/87

Other Internal Audits

A70249	Review of Imprest Fund, Tulsa Field Office, Buildings Management Division	04/07/87
A70250	Review of Imprest Fund, Oklahoma City Field Office, Buildings Management Division	04/07/87
A70182	Review of Imprest Fund, Cadman Plaza Buildings Management Field Office, Brooklyn, NY	04/30/87
A60565	Limited Review of the Federal Managers' Financial Integrity Act, Section 2, Fiscal Year 1986	05/19/87
A70212	Review of Imprest Fund, East Bay Field Office, Oakland, California	05/20/87
A70261	Review of the Central Office Imprest Fund	06/12/87
A70348	Review of Norfolk Field Office Imprest Fund	07/30/87
A70350	Review of Imprest Fund at the Wilkes-Barre Field Office, Wilkes-Barre, PA	08/12/87
A60489	Review of Controls Over Overtime, Region 9	08/26/87
A70332	Review of Operations of the External Services Branch in the Region 6 Finance Division	08/27/87
A70070	Review of Non-Federal Accounts Receivable for Hospital Grants	09/04/87
A70349	Review of the Chesapeake Field Office Imprest Fund	09/21/87
A70070	Review of Non-Federal Accounts Receivable for Audit Related Claims	09/23/87
A70070	Review of Non-Federal Accounts Receivable for Scrap and Stockpile Sales	09/23/87
A70070	Review of Non-Federal Accounts Receivable for Mortgages	09/24/87
A70070	Review of Non-Federal Accounts Receivable for Fines and Penalties and General Supply Fund Claims	09/24/87

APPENDIX II—DELINQUENT DEBTS

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

GSA Efforts to Improve Debt Collection

During the period April 1, 1987 through September 30, 1987, GSA efforts to improve debt collection and reduce the amount of debt written off as uncollectible focused on upgrading collections functions and enhancing debt management. These activities included the following:

- Eleven mortgages valued at approximately $477,000 were paid off.
- Twenty-eight delinquent accounts were referred to collection agencies.

Non-Federal Accounts Receivable

	As of April 1, 1987	As of September 30, 1987	Difference
Total Amounts Due GSA	$28,908,306	$31,919,113	$3,010,807
Amount Delinquent	$14,880,512	$16,914,003	$2,033,491
Total Amount Written Off as Uncollectable Between 4/1/87 and 9/30/87	$539,318		

Of the total amounts due GSA and the amounts delinquent as of April 1, 1987, $12.4 million and $12 million, respectively, were in dispute. Of the total amounts due GSA and the amount delinquent as of September 30, 1987, $14.3 million and $13.1 million, respectively, are being disputed.

APPENDIX III — SUMMARY OF OIG PERFORMANCE DURING FISCAL YEAR 1987

During Fiscal Year 1987, OIG activities resulted in:

- 635 audit reports.
- 57 implementation reviews of internal audit reports.
- Recommended cost avoidances and recoveries of over $326 million.
- Management commitments to more efficiently use almost $212 million.
- Management commitments to recover funds, voluntary recoveries, court-ordered recoveries, and investigative recoveries of almost $8.7 million.
- 408 new investigations opened and 377 cases closed.
- 35 case referrals (68 subjects) accepted for criminal prosecution and 13 case referrals (20 subjects) accepted for civil litigation.
- 40 criminal indictments/informations/complaints and 37 successful prosecutions on criminal matters referred.
- Civil complaints against 12 individuals and 8 civil settlements.
- 20 case referrals to other Federal and State agencies for further investigation.
- 44 reprimands, 15 suspensions, 3 demotions, and 26 terminations of GSA employees.
- 13 case referrals recommending suspension of 52 contractors.
- 35 case referrals recommending debarment of 117 contractors.
- 49 contractor suspensions and 52 contractor debarments.
- 68 OIG subpoenas.
- 471 legislative matters and 224 regulations and directives reviewed.
- 587 Hotline calls and letters, 21 GAO referrals, and 30 other agency referrals.

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