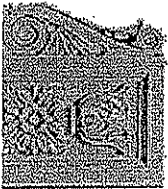




Kathy
Finazzo/PLMG/R7/USEPA/US
07/10/2007 09:31 AM

To Karina Borrromeo/CNSL/R7/USEPA/US
cc
bcc
Subject Re: Fw: Camden County pre-FDL

I can't say that for sure - I wouldn't rule out Camden wanting/requesting EPA to be a witness (?) on their side in a lawsuit -
Karina Borrromeo/CNSL/R7/USEPA/US



Karina
Borrromeo/CNSL/R7/USEPA/US
07/10/2007 09:26 AM

To Kathy Finazzo/PLMG/R7/USEPA/US@EPA
cc
Subject Re: Fw: Camden County pre-FDL

Thanks for the information. I'm assuming that we're not involved in the lawsuit between Camden County and its contractor, right? So, as far as EPA is concerned, since they've paid back the money, the matter is closed?



Karina Borrromeo
Assistant Regional Counsel
U.S. EPA Region 7
901 N. 5th Street
Kansas City, KS 66101
Phone: (913) 551-7675 Fax: (913) 551-9675
Email: borromeo.karina@epa.gov

Kathy Finazzo/PLMG/R7/USEPA/US



Kathy
Finazzo/PLMG/R7/USEPA/US
07/10/2007 07:25 AM

To Karina Borrromeo/CNSL/R7/USEPA/US@EPA
cc Karen Sherrill/PLMG/R7/USEPA/US@EPA, Carla Kohler/PLMG/R7/USEPA/US@EPA
Subject Re: Fw: Camden County pre-FDL

The attached revised FDL was sent to Camden County on November 3, 2006. Camden County repaid EPA \$78,149 on December 7, 2006. I am not aware of the status of the lawsuit between Camden County and its former contractor.



Camden County FDL 11-206.pdf

I hope this helps -

Kathy

Karina Borrromeo/CNSL/R7/USEPA/US

Karina
Borrromeo/CNSL/R7/USEPA/
US
07/10/2007 06:39 AM

To Kathy Finazzo/PLMG/R7/USEPA/US@EPA, Karen
Sherrill/PLMG/R7/USEPA/US@EPA
cc
Subject Fw: Camden County pre-FDL

Counsel is in the process of updating the recusal list for Bill Rice. I need to know the status of the Camden County matter--is it closed or still ongoing? Thanks.

----- Forwarded by Karina Borrromeo/CNSL/R7/USEPA/US on 07/10/2007 06:38 AM -----



Kathy
Finazzo/PLMG/R7/USEPA/U
S
09/20/2006 07:27 AM

To Karen Sherrill/PLMG/R7/USEPA/US@EPA, Carla
Kohler/PLMG/R7/USEPA/US@EPA, Debbie
Titus/PLMG/R7/USEPA/US@EPA, Don
Gibbins/WWPD/R7/USEPA/US@EPA, Pradlp
Dalal/WWPD/R7/USEPA/US@EPA, Karina
Borrromeo/CNSL/R7/USEPA/US@EPA
cc Kathy Finazzo/PLMG/R7/USEPA/US@EPA
Subject Camden County pre-FDL

The attached letter to Camden County was signed yesterday.



Camden County Pre-FDL 9-19-06.pdf

Kathy



Connie
Allen/PLMG/R7/USEPA/US
03/23/2007 01:17 PM

To dede_chasin@camdenmo.org
cc
bcc Connie Allen/PLMG/R7/USEPA/US@EPA
Subject MBE/WBE Report Needed for Camden County XP 98722201

Hi Dede:

I am reviewing this grant for the extension request and realize that Camden County has not submitted administrative reports as required by Term and Condition #7 of their grant. The missing reports are:

1. MBE/WBE Quarterly Reports, EPA Form 5700-52a were received up to January 2003, therefore, are delinquent beginning with April 30, 2003. To satisfy this requirement, one current report including all data for the past months for a report due date of January 30, 2007 may be submitted.

Link to obtain the form: <http://www.epa.gov/osdbu/pdfs/5700-52a.doc>

You may submit the form to me by fax (number below) or email.

After the MBE reports are received I can extend the budget and project period as requested.

If you have any questions at all, please contact me at the number below. Thank you for your help.

Connie Allen
Grants Management Specialist
EPA Region 7 PLMG/RFMB/GRMS
901 N. 5th St.
Kansas City, KS 66101
allen.connie@epa.gov
913-551-7363
913-551-9363 (FAX)

3.

U. S. Environmental Protection Agency, Region VII
Water, Wetlands, and Pesticides Division
901 North 5th Street Kansas City, KS 66101

NOTE

Date: March 21, 2007

Subject: EPA Grant No. XP987222 01, Camden Co., MO
Grant Extension Request

From: Donald Gibbins 

To: Connie Allen/Debbie Titus

Attached is a request for an extension for the subject grantee. The amendment will also involve a change of scope. They have decided to distribute the funds to only three subdivisions instead of spreading it between seven. The other four subdivisions do not currently have feasible projects.

I will be submitting a change request through IGMS this afternoon. The request will include a revised programmatic condition. I will be adding some additional time to the end date requested to be safe. I think they are cutting it too close the estimated construction completion date.

Let me know if you have any questions.

Attachment



Arthur Weiss/LV/USEPA/US
11/08/2006 11:02 AM

To Kathy Finazzo/PLMG/R7/USEPA/US@EPA
cc Carla Kohler/PLMG/R7/USEPA/US@EPA, Dany Lavergne/LV/USEPA/US@EPA, Howard Garis/LV/USEPA/US@EPA, John

bcc

Subject Re: 2 audit final determination letters

History: This message has been replied to.

Here's the URL for the Current Value of Funds Rate which is used to calculate interest on overdue accounts receivables. The rate is calculated quarterly on a 12-month rolling average of the Treasury Tax and Loan rate and is subject to revision only if the published rate changes by 2 percentage points at the close of the prior calendar quarter. Changes in the CVFR will be published in a TFM Bulletin. When the rate changes, it is updated in IFMS by the agency Systems branch. The last rate change was July 1, 2006 and is good until Dec 31, 2006.

<http://fms.treas.gov/cvfr/index.html>

Art
Kathy Finazzo/PLMG/R7/USEPA/US



Kathy
Finazzo/PLMG/R7/USEPA/US
11/08/2006 08:34 AM

To Arthur Weiss/LV/USEPA/US@EPA
cc Carla Kohler/PLMG/R7/USEPA/US@EPA, Dany Lavergne/LV/USEPA/US@EPA, Howard Garis/LV/USEPA/US@EPA, John Phillips/PLMG/R7/USEPA/US@EPA
Subject Re: 2 audit final determination letters

Thank you -

Question though - I thought the interest rate was 2%? This is the verbiage I put in the FDLs:

The interest rate to be charged will be the rate established by the Secretary of Treasury Fiscal Requirements Manual 6-8020.20. The current interest rate is 2 percent per annum.

Where does the 4% come from - so I can revise future letters - does anyone know?

Thank you,

Kathy Finazzo.

Arthur Weiss/LV/USEPA/US



Arthur Weiss/LV/USEPA/US
11/08/2006 10:14 AM

To Kathy Finazzo/PLMG/R7/USEPA/US@EPA
cc Dany Lavergne/LV/USEPA/US@EPA, Howard Garis/LV/USEPA/US@EPA, John Phillips/PLMG/R7/USEPA/US@EPA, Carla



Kohler/PLMG/R7/USEPA/US@EPA
Subject Fw: 2 audit final determination letters requiring the return of federal funds

Kathy,

Accounts receivables have been set up as follows:

Crowder College, bill no. 3307AR028, amount \$31,767.00, interest rate @4%, late payment handling due \$15.00 after 30 days and for each subsequent 30 day period delinquent, and penalty@6% due after 90 days.

Camden County Commission, bill no. 3307AR029, interest rate @ 4%, no handling or penalty will be due.

In accordance with RMDS 2540-9, chapter 6.0, immediately notify us of any appeals so we may suspend billing if necessary.

Thanks
Art

----- Forwarded by Arthur Weiss/LV/USEPA/US on 11/08/2006 08:04 AM -----



Dany
Lavergne/LV/USEPA/US
11/07/2006 08:59 AM

To Arthur Weiss/LV/USEPA/US
cc Howard Garis/LV/USEPA/US
Subject Fw: 2 audit final determination letters requiring the return of federal funds

----- Forwarded by Dany Lavergne/LV/USEPA/US on 11/07/2006 08:58 AM -----



Kathy
Finazzo/PLMG/R7/USEPA/US
11/07/2006 08:55 AM

To Dany Lavergne/LV/USEPA/US@EPA
cc John Phillips/PLMG/R7/USEPA/US@EPA, Kathy Finazzo/PLMG/R7/USEPA/US@EPA, Carla Kohler/PLMG/R7/USEPA/US@EPA
Subject 2 audit final determination letters requiring the return of federal funds

Dany,

I've attached 2 audit final determination letters that were sent out by Region 7 last week. Both letters require the repayment of grant funds. Both letters notify the grantees of their appeal options.

Crowder College - requesting reimbursement of \$31,767, grant T-98735601. The budget/project period for this grant has expired.

~~STATE~~
~~STATE~~
Crowder College FDL 11-2-06.pdf

Camden County Commission - requesting reimbursement of \$78,149, grant number XP-98722201. This grant is still active.

~~STATE~~
~~STATE~~
Camden County FDL 11-2-06.pdf

Please let me know if you need additional information and/or documentation in order to set up the receivables. I will be happy to provide you with any documentation you need.

Thank you,

Kathy Finazzo
Region 7 Audit Liaison
913-551-7833

5.



Kathy
Finazzo/PLMG/R7/USEPA/U
S

11/03/2006 03:36 PM

To Karen Sherrill/PLMG/R7/USEPA/US, Carla
Kohler/PLMG/R7/USEPA/US, Kathy
Finazzo/PLMG/R7/USEPA/US, Debbie Titus, Robert

cc

bcc

Subject Camden County FDL



Camden County FDL 11-2-06.pdf



6.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VII
901 NORTH 5TH STREET
KANSAS CITY, KANSAS 66101

November 3, 2006

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Camden County Commission
Grant Agreement: XP-98722201

Carolyn F. Loraine, Presiding Commissioner
Camden County Courthouse
1 Court Circle, Suite 1
Camdenton, Missouri 65020

Dear Ms. Loraine,

I have reviewed the July 2006 report from Leon Snead & Company, P.C., on the results of their limited scope review of the Camden County Commission's financial management system for managing Environmental Protection Agency (EPA) grant funds. The review was conducted March 21, 2006 to March 23, 2006, in Camdenton, Missouri. The review objectives were to assess the effectiveness of the Commission's internal controls, and determine if its financial management system met the requirements outlined in the Code of Federal Regulations (CFR), Office of Management and Budget (OMB) cost principles, and the terms and conditions of EPA assistance agreements. The review disclosed three system weaknesses. I have taken into account your responses to the review dated June 27, 2006 and October 25, 2006. This is my final determination based on the report.

Unsupported Costs

The auditors reported that in December 2002, the Camden County Commission disbursed federal funds totaling \$141,893 to the Lake of the Ozarks Council of Local Governments for preliminary project costs, without sufficient documentation to show the funds were disbursed for grant purposes. I concur with the finding. 40 CFR Part 31.20, Standards for Financial Management Systems, details that grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for the financially assisted activities, and that fiscal control and accounting procedures must be sufficient to permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.

In October 2005, the Camden County Commission reimbursed EPA \$63,744 of the total \$141,893 unsupported costs. The auditors reported the remaining \$78,149 was still not adequately supported at the time of their review. On September 19, 2006, EPA formally requested that the Camden County Commission provide adequate documentation to support the validity, allowability, and eligibility, of the remaining \$78,149 claimed as a grant expense and paid to the Lake of the Ozarks Council of Local Governments.

The Camden County Commission responded October 25, 2006, and provided information regarding the circumstances surrounding the absence of documentation to support preliminary project costs. The Camden County Commission explained the actions being taken to either obtain adequate supporting documentation, or repayment of funds from their contractors. EPA acknowledges the situation, yet due to the absence of supporting documentation, I concur with the finding and require that you reimburse EPA \$78,149 as unsupported federal funds received.

Inadequate Federal Reporting

The auditors reported the Camden County Commission did not prepare and submit all required federal financial reports or minority/woman business enterprise utilization reports on a timely basis. I concur with the finding. 40 CFR 31.41, Financial Reporting, requires grantees submit the following reports to EPA annually: Financial Status Reports, Federal Cash Transaction Reports, and MBE/WBE Utilization under Federal Grants reports. EPA has since received the required federal reports, and I accept your establishment of responsibility to ensure that future required federal reports are prepared and submitted to EPA in accordance with federal regulations. I consider this finding resolved.

Inaccurate Grant Budget

The auditors reported the original grant agreement itemized budget had not been revised when the scope of work on the grant was reduced. The auditors noted some projects were revised, but not the grant budget. I concur with the finding; an official revised grant budget should be requested. The EPA Project Officer has now received your request, and once approved, a grant amendment will be processed to incorporate these changes and formally amend the grant scope and approved budget. I consider this finding resolved.

In summary, \$78,149 must be repaid to the U.S. EPA, Las Vegas – Finance Center, P.O. Box 371293M, Pittsburgh, PA 15251. Please indicate the EPA grant award number, XP-98722201, on your remittance. Interest will be charged on money due EPA beginning 30 days from the date of this decision unless full payment is made. The interest rate to be charged will be the rate established by the Secretary of Treasury Fiscal Requirements Manual 6-8020.20. The current interest rate is 2 percent per annum.

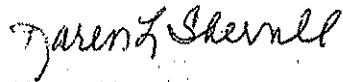
This letter is a final determination by me, the Dispute Decision Official, under applicable regulations (40 CFR Part 31, Subpart F). This decision constitutes final Agency action unless a written request for review is submitted to the Regional Administrator by registered mail, return receipt requested, within 30 calendar days of this decision.

Your request for review must include;

- a) A copy of this decision letter,
- b) A statement of the amount in dispute;
- c) A description of the issues involved, and;
- d) A concise statement of your final objections to the final decision.

If you have any questions concerning this matter, please contact me or the member of my staff most familiar with this decision, Kathy Finazzo, at (913) 551-7833.

Sincerely yours,



Karen Sherrill
Grants Management Official

cc: Chet Pleban

ecc: Kathy Finazzo/RFMB
Carla Kohler/RFMB
Debbie Titus/RFMB
Robert Bukaty/RFMB
Donald Gibbins/WWPD
Pradip Dalal/WWPD

| SENDER: COMPLETE THIS SECTION | COMPLETE THIS SECTION ON DELIVERY |
|--|---|
| <ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. | <p>A. Signature <input checked="" type="checkbox"/> <i>De De Chasin</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>De De Chasin</i> C. Date of Delivery <i>11/07/06</i></p> |
| <p>I. Article Addressed to:</p> <p><i>Carolyn F. Loraine Presiding Commissioner Camden County Courthouse 1 Court Circle, Suite 1 Camdenton, MO 65020</i></p> | <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p> <p>E. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p> |
| <p>J. Article Number (Transfer from service label)</p> | <p><i>7004 2510 0006 9724 9813</i></p> |

CTION AGENCY

Carolyn F. Loraine, Presiding Commissioner
Camden County Courthouse
1 Court Circle, Suite 1
Camdenton, Missouri 65020

Dear Ms. Loraine,

I have reviewed the July 2006 report from Leon Snead & Company, P.C., on the results of their limited scope review of the Camden County Commission's financial management system for managing Environmental Protection Agency (EPA) grant funds. The review was conducted March 21, 2006 to March 23, 2006, in Camdenton, Missouri. The review objectives were to assess the effectiveness of the Commission's internal controls, and determine if its financial management system met the requirements outlined in the Code of Federal Regulations (CFR), Office of Management and Budget (OMB) cost principles, and the terms and conditions of EPA assistance agreements. The review disclosed three system weaknesses. I have taken into account your responses to the review dated June 27, 2006 and October 25, 2006. This is my final determination based on the report.

Unsupported Costs

The auditors reported that in December 2002, the Camden County Commission disbursed federal funds totaling \$141,893 to the Lake of the Ozarks Council of Local Governments for preliminary project costs, without sufficient documentation to show the funds were disbursed for grant purposes. I concur with the finding. 40 CFR Part 31.20, Standards for Financial Management Systems, details that grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for the financially assisted activities, and that fiscal control and accounting procedures must be sufficient to permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.

In October 2005, the Camden County Commission reimbursed EPA \$63,744 of the total \$141,893 unsupported costs. The auditors reported the remaining \$78,149 was still not adequately supported at the time of their review. On September 19, 2006, EPA formally requested that the Camden County Commission provide adequate documentation to support the validity, allowability, and eligibility, of the remaining \$78,149 claimed as a grant expense and paid to the Lake of the Ozarks Council of Local Governments.





7.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VII
901 NORTH 5TH STREET
KANSAS CITY, KANSAS 66101

September 19, 2006

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Camden County Commission
Grant Agreement: XP-98722201

Carolyn F. Loraine, Presiding Commissioner
Camden County Courthouse
1 Court Circle, Suite 1
Camdenton, Missouri 65020

Dear Ms. Loraine,

I have reviewed the July 2006 report from Leon Snead & Company, P.C., on the results of their limited scope review of the Camden County Commission's financial management system for managing Environmental Protection Agency (EPA) grant funds. The review was conducted March 21, 2006 to March 23, 2006 in Camdenton, Missouri. The review objectives were to assess the effectiveness of the Commission's internal controls, and determine if its financial management system met the requirements outlined in the Code of Federal Regulations (CFR), Office of Management and Budget (OMB) cost principles, and the terms and conditions of EPA assistance agreements. The review disclosed three system weaknesses. I have taken into account your response to the review dated June 27, 2006. This is my initial determination based on the report.

Unsupported Costs

The auditors reported that in December 2005, the Camden County Commission disbursed federal funds totaling \$141,893 to the Lake of the Ozarks Council of Local Governments for preliminary project costs, without sufficient documentation to show the funds were disbursed for grant purposes. I concur with the finding. 40 CFR Part 31.20, Standards for Financial Management Systems, details that grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for the financially assisted activities, and that fiscal control and accounting procedures must be sufficient to permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.

In October 2005, the Camden County Commission reimbursed EPA \$63,744 of the total \$141,893 unsupported costs. The auditors reported the remaining \$78,149 was still not adequately supported at the time of their review. Though this issue was discussed in August 2006, this letter is a formal request for the Camden County Commission to provide adequate documentation to support the validity, allowability, and eligibility, of the remaining \$78,149 claimed as a grant expense and paid to the Lake of the Ozarks Council of Local Governments. Otherwise, EPA must request reimbursement of \$78,149 as unsupported federal funds received.

Inadequate Federal Reporting

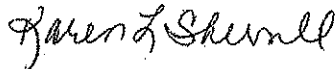
The auditors reported that the Camden County Commission did not prepare and submit all required federal financial reports or minority/woman business enterprise utilization reports on a timely basis. I concur with the finding. 40 CFR 31.41, Financial Reporting, requires grantees submit the following reports to EPA annually: Financial Status Reports, Federal Cash Transaction Reports, and MBE/WBE Utilization under Federal Grants reports. The auditors reported none of these required reports had been prepared and submitted to EPA. Though EPA has received a few of the required reports, I concur with the finding, and require the Camden County Commission to develop and implement controls and procedures that ensure all required federal reports are accurately prepared and timely submitted. Please provide documentation of the policies, procedures, and controls you have established to ensure required federal reports are prepared and submitted to EPA in accordance with federal regulations.

Inaccurate Grant Budget:

The auditors reported that the original grant agreement itemized budget had not been revised when the scope of work on the grant was reduced. The auditors noted some projects were revised, but not the grant budget. I concur with the finding; an official revised grant budget should be requested. Once this request is received and approved, a grant amendment will be processed to incorporate these changes. Please work with your EPA Project Officer to formally amend the grant scope and approved budget.

Please provide the requested documents, and complete the requested actions, within 30 days of the receipt of this letter. If you have any questions concerning this matter, please contact me or the member of my staff most familiar with this decision, Kathy Finazzo, at (913) 551-7833.

Sincerely yours,



Karen Sherrill
Grants Management Official

cc: Chet Pleban

ecc: Kathy Finazzo/RFMB
Carla Kohler/RFMB
Debbie Titus/RFMB
Donald Gibbins/WWPD
Pradip Dala/WWPD



Don
Gibbins/WWPD/R7/USEPAU
S

08/21/2006 08:44 AM

To Karen Sherrill/PLMG/R7/USEPA/US, Kathy
Finazzo/PLMG/R7/USEPA/US@EPA, Debbie
Titus/PLMG/R7/USEPA/US@EPA

cc

bcc

Subject: Camden Co.- Max % on Future Draws to Repay

FYI

The Camden Co. STAG grant currently has \$965,375.15 available. Subtracting the overdraw, \$77,909.70, from the grant funds available equals \$887,465.45, which is the actual grant funds available. Dividing the grant funds available (965,375.15) by 55%, equals \$1,755,227.55, which is the remaining project costs that we would normally participate in at 55%. Dividing the actual grant funds available (887,465.45) by \$1,755,227.55 equals 50.56%. As a check, 4.44% (minimum % withheld on future draws) times remaining project costs of \$1,755,227.54 equals \$77,932.10, which slightly exceeds amount of overdraw.

Unless my logic is off, 50.56% is the maximum we could allow on future draws and still recover all the overdraw by the end of the grant.

Let me know if you have any questions.

Donald E. Gibbins
EPA Region 7 WWPD/WIMB
901 North 5th Street
Kansas City, KS 66101

Telephone #: 913-551-7417
Facsimile #: 913-551-9417
E-mail: gibbins.don@epa.gov



Document Review

IFMS Document: GO
XP98722201

08/18/06

Document Summary: General Ledger Entries
 Doc Type: GO
 Doc No: XP98722201
 Vendor Code: 446000457AV
 GICS Grant No: 987222012
 GICS Budget Start Date: 04/01/2002
 GICS Budget End Date: 06/30/2007
 GICS Project Start Date: 04/01/2002
 GICS Project End Date: 06/30/2007
 Order Date: 09/19/02
 Effective Date: 09/19/02
 Closed Date:
 End Date:
 Servicing Finance Office: AP33
 Order Amount: \$1,455,000.00
 Paid Amount: \$489,624.85
 Available Amount: \$965,375.15
 Vendor: CAMDEN COUNTY COMMISSION

*Caroline to call
 Monday - Aug 21
 to schedule conf call*

*8/18/06
 2/*

Document Details:

Expand

| Line# | Line Amt | Paid Amt | Available Amt | BFY | Fund | Org | Program | Job | BOC | CostOrg | Comment |
|-------|----------------|--------------|---------------|------|------|---------|---------|-----|------|---------|----------|
| 001 | \$1,455,000.00 | \$489,624.85 | \$965,375.15 | 2002 | E4 | 0700QG2 | 20301B | n/a | 4183 | | 0207SX20 |

Document Activity:

| Date | Ref Amount | Related Document | Direction | Date | Ref Amount | Related Document | Date | Ref Amount |
|----------|----------------|------------------|-----------|------|------------|------------------|------|------------|
| 05/05/06 | \$20,000.00 | GP 06AS0166762 | Forward | | | | | |
| 12/07/05 | \$120,000.00 | GP 06AS0137741 | Forward | | | | | |
| 11/04/05 | \$271,715.15 | GP 06AS0131753 | Forward | | | | | |
| 10/20/05 | -\$63,744.30 | DD 3306D1012P | Forward | | | | | |
| 11/12/02 | \$141,654.00 | GP A3003337319 | Forward | | | | | |
| 09/24/02 | \$1,455,000.00 | RQ 0207SX2017 | Back | | | | | |

*8/21/06 -
 Karen - no call
 from Camden County
 to schedule a follow-up
 conf. call.*

Debbie

Warehouse Homepage
 EPA@Work Home | EPA Internet
http://iasint.rtpnc.epa.gov/neis/grant_v
 This web page was last updated on
 This data was last updated on 08/18
 This page coordinated by: Virgin

10.

STAG Project Status Report

A.

Branson West PC: JR RE: CL

51 XP987595-01 2005 Recipient Grant Award \$237,200.00 Project Description: phosphorus removal

6/30/06 Under construction. Will start spending STAG money in July.

5/12/06 Under construction

Caldwell County PC: JS RE: SJ

5 XP987422-01 2004 Recipient Grant Award \$303,600.00 Project Description: water infra improvements

5/11/06 Planned to begin spending for land by now...requested extension of grant.

NRCS match/Need copy of NRCS grant agreement/ no activity

Camden County PC: JR RE: DU

6 XP987222-01 2002 Recipient Grant Award \$1,455,000.00 Project Description: wwtp/collection

Camelot

6/30/06 NEPA stuff under review by DNR. Plan to submit WWTP plans & specs in August, collection plans & specs in Nov., bid in 2-2007.

Normac \$410,000.00

6/30/06 Working on NEPA stuff, applying for USDA funds.

3/15/06 Facility Plan rec'd

early stages of project development

Sunny Slope \$400,000.00

6/30/06 paid 100%

bid project/ start construction 3/1/05

11.



**LEON SNEAD
& COMPANY, P.C.**

*Certified Public Accountants
& Management Consultants*

416 Hungerford Drive, Suite 400
Rockville, Maryland 20850
901-738-8190
fax: 801-738-8210
leonsnead.companypc@erols.com

March 17, 2006

Carolyn Loraine, County Commissioner
Camden County Commission
Camden County Courthouse
1 Court Circle
Camdenton, MO 65020

Dear Ms. Loraine:

Leon Sneed & Company, P.C. has been engaged by the Environmental Protection Agency (EPA) to perform a limited scope management system review of EPA grant(s). The purpose of this letter is to confirm the date and time for the meeting at your office. As agreed during our telephone conversation, the meeting will be held on March 21, 2006, at 10:00 a.m. to begin our review of your organization's records in support of EPA grants. The auditor will be Floyd Deidiker. The review will take no longer than a week.

We request that the items on the enclosed be provided to us at the meeting. In addition, we request that the person or personnel that we will work with be available at the initial meeting.

We appreciate your cooperation and assistance during this review. If you have any questions or concerns, please call Floyd Deidiker or me at (301) 738-8190.

Sincerely,

Leon Sneed
Leon
Pres.

Enclosure

fax
573
346
5181

Joe Lucia 202-564-5378
Glen Langlios 202-564-52

Two years

Enclosure

**Environmental Protection Agency
Limited Scope Financial Management System Review
Data Request**

Please have the following information, if applicable, available for review by Leon Snead & Company, P. C. audit staff.

1. EPA Grant agreements, including any amendments.
2. Organization Chart and Mission Statement.
3. Schedule of fixed assets acquired with grant funds.
4. Payroll registers for most recent 12-month period.
5. Organizational policies and procedures for:
 - Financial Management
 - Budgeting
 - Procurement
 - Accounts Payable
 - Payroll
 - Cash Management
 - Property.
6. Two most recent financial status reports and project status reports (SF 272, SF269, and other reports).
7. Description of accounting system.
8. General ledger for most recent 12-month period.
9. Indirect cost allocation plan.
10. Copies of independent audit reports for the past two years, management letters, and reports on Schedule of Federal Financial Assistance.
11. Bank reconciliation for the most recent three months.
12. A summary of active federally funded grants/projects showing total number of projects and total amounts by awarding Agency.

13. Most current budget vs. actual cost analysis.
14. List of any purchases for more than \$100,000.
15. List of any consultants and/or sub-grantees employed under the EPA assistance agreements.
16. Most current MBE/WBE Utilizations Reports (EPA Form 5700-52A) for each EPA assistance agreement.

12.

THOMAS, BIRDSONG & MILLS, P.C.

ATTORNEYS AT LAW
rollalaw@ldnet.com
web: www.rollalaw.com

W.H. THOMAS, JR.
DAN L. BIRDSONG
DAVID L. MILLS

JOHN J. GARRABRANT
SCOTT MOBRIDE

Paralegal/Legal Assistants:
ELSA M. PITTILLO, CILA
NICKI CHAPMAN

1100 NORTH ELM STREET
P. O. BOX 248
ROLLA, MISSOURI 65402-0248
573-384-4087 (PHONE)
573-384-0884 (FAX)

(Direct to Rolla from Waynesville area): 774-5252

OFFICE ADMINISTRATOR:
Elsa Pittillo

November 18, 2005

Charles E. McElyea
Attorney at Law
P.O. Box 559
Camdenton, MO 65020

Fax Transmission

Re: Camden County – Howard R. Green Company
Our File No. 12411-05

Dear Charlie:

I tried to reach you by phone a couple of times to let you know as a courtesy that Howard R. Green Company intends to proceed with suit against the Camden County Commission. You have a copy of the original Contract with Missouri Engineering Corporation and know that Howard R. Green assumed the responsibilities of Missouri Engineering Corporation under that Contract. Paragraph 4 of Section A calls for additional work to be done after the preliminary engineering report was reviewed and approved.

I am sure you have seen the agreement between your client and Lake of the Ozarks Council of Local Governments, wherein you client appointed the Council as "the Owner's representative for the project."

The Council reviewed and approved the preliminary engineering report and directed H.R. Green Company to proceed. Thus, I think it is clear that the County Commission does have a contract for the work for which the Commission has now refused to pay.

My client has been unsuccessful to this point in getting the various parties to sit down to discuss these issues. It does not intend to abandon that effort, but it also does not intend to wait any further before filing suit.

Yours very truly,


W. H. Thomas Jr.

WHT/cjs

cc: Howard R. Green Company
EPA Region VII: Attention: Donald Gibbins, Environmental Engineer
Missouri Department of Natural Resources: Attention: Kevin Mohammadi

W. H. Thomas, Jr. (tomx2@ldmail.com) Dan L. Birdsong (danlb@ldmail.com) David L. Mills (davom@ldmail.com)
John J. Garrabrant (jgar@ldmail.com) Scott Moberide (sboim@ldmail.com)
Elsa M. Pittillo (elsa808@ldmail.com) Nicki Chapman (nickie@ldmail.com)

THOMAS, BIRDSONG & MILLS, P.C.

ATTORNEYS AT LAW
rollalaw@fdmat.com
web: www.rollalaw.com

W.H. THOMAS, JR.
DAN L. BIRDSONG
DAVID L. MILLS

JOHN J. GARRABRANT
SCOTT MCBRIDE

Paralegal/Legal Assistant:
ELSA M. PITTILLO, OLA
NICKI CHAPMAN

1100 NORTH ELM STREET
P. O. BOX 248
ROLLA, MISSOURI 65402-0248
673-364-4087 (PHONE)
673-364-0664 (FAX)

(Direct to Rolla from Waynesville area): 774-5252

OFFICE ADMINISTRATOR:
Elsa Pittillo

TELECOPY FOR IMMEDIATE DELIVERY

DATE: November 18, 2005

TO: Charles E. McElvea

FIRM NAME: _____

FAX NUMBER: 1-573-346-4411

FROM: W. H. Thomas Jr.

TOTAL NUMBER OF PAGES: 2, INCLUDING THIS PAGE XP98722201

CLIENT MATTER/NAME: Howard R. Green Company - Camden County

Please call the undersigned if you do not receive all of the pages.

OPERATOR: Carole

ADDITIONAL COMMENTS: _____

cc: Howard R. Green Company - 364-0468

EPA Region VII, Attention: Donald Gibbins, Environmental Engineer

Missouri Department of Natural Resources, Attention: Kevin Mohammadi

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W. H. Thomas, Jr. (tomx2@fdmail.com) Dan L. Birdsong (danlb@fdmail.com) David L. Mills (davem@fdmail.com)
John J. Garrabrant (jagrr@fdmail.com) Elsa M. Pittillo (elsa608@fdmail.com) Scott McBride (scotim@fdmail.com)
Nicki Chapman (nickic@fdmail.com)

cc: *Debbie Titus, PLMS*

Document Readers



Award Change Request

Re: Onondaga County Infrastructure

Document Status

Document Phase: Grant Specialist
Current Editor: Kathy Finazzo
Delegate: Pam Lister

Last Modified: 10/01/2004

Change Information

EPA Region: EPA R7

Grant Number: 98722201-1

Change Type: EPA Contact Information
Scope of Work (Minor)
Time Extension (Amendment)

Requires: Amendment

Details: This amendment revises programmatic condition #1; extends the project and budget periods from September 30, 2006, to June 30, 2007; and revises the EPA contact information.

Requestor: Kathy Finazzo

Title: Grant Specialist

Phone: 913-551-7833

Request Date: 10/01/2004

EPA Contacts

Grant Specialist: Kathy Finazzo

Office: Grants Administration

E-Mail: Finazzo.Kathy@epamail.epa.gov

GS ID: fkg

Mail Code: PLMG/RFMB

Phone: 913-551-7833

Project Officer: Don Gibbins

Title:

E-Mail: Gibbins.Don@epa.gov

Address: 901 North Fifth Street

City: Kansas City

State: KS

Approving Region: EPA R7

Phone: 913-551-7417

Mail Code: WWPD/SRFB

Zip: 66101

Approval Office Div: Water, Wetlands, and Pesticides

Address:

City:

State:

Zip:

Congressional Liaison: Barbara Brooks

AAShip: R7 - Region 7

Phone: 202-564-2783

Division/Office:

Lab/Office:

Project Dates

Project Period Start: 04/01/2002

Project Period End: 06/30/2007

Budget Period Start: 04/01/2002

Budget Period End: 06/30/2007

Change Request Attachments

Review

EPA Project Officer: Don Gibbins

Submitted:

Due Date:



14.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VII
901 NORTH 5TH STREET
KANSAS CITY, KANSAS 66101

August 3, 2004

MEMORANDUM

SUBJECT: EPA Grant No. XP987222 01, Camden County, MO
Request for Grant Amendment

FROM: Donald Gibbins, Environmental Engineer *DG*
Wastewater & Infrastructure Management Branch, WWPD

TO: Kathy Finazzo, Grants Specialist
Grants & Assistance Management Unit, PLMG

In accordance with the attached correspondence from Camden County, Missouri, please amend the above-subject grant to change one of my conditions and the Budget and Project Period end dates. You may also want to change the EPA Grant Specialist name.

The County requested in their attached letter dated June 28, 2004, that another subdivision be added to the scope of the project. I made the project description for the original grant general, but I included the subdivision names in the scope of the project included in Programmatic Condition No. 1, so I need to revise that condition. Since the grant application and later correspondence adequately defines the project, I want to revise my condition to be more general as follows:

1. Recipient agrees that this grant is FOR SEWER AND WATER IMPROVEMENTS consisting of new collection systems and treatment facilities for seven areas in Camden County adjacent to the Lake of the Ozarks.

In response to the letter from the County, I requested some additional information from them in a letter dated July 7, 2004, and I received a response dated July 12, 2004. That correspondence is also attached. The response includes a revised project schedule, and although the County did not request a grant extension at this time, I would like you to amend the Budget and Project Period end dates at this time to June 30, 2007.

Please contact me at (913) 551-7417 or gibbins.don@epa.gov if you have any questions or need additional information.

Attachments

cc: Jeff Pinson, MDNR



County of **CAMDEN** State of Missouri

1 Court Circle, Suite 1
Camdenton, Missouri 65020

Presiding Commissioner
Carolyn Loraine

1st District Commissioner
Steve West

Office of the
CAMDEN COUNTY COMMISSION

Commission Clerk
Rowland Todd

2nd District Commissioner
Thom Gumm

June 28, 2004

Mr. Don Gibbons, Project Officer
U.S. Environmental Protection Agency, Region VII
901 North Fifth Street
Kansas City, KS 66101

VIA ELECTRONIC MAIL

Re: Project XP-98722201-1

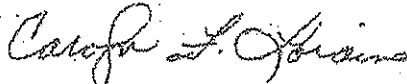
Dear Mr. Gibbons:

Camden County requests an amendment to the referenced project to include the Sunny Slope Country Club Drive Sewer District. The Sunny Slope Country Club Drive Sewer District was not originally included in the broader county wastewater project because the sewer district was the farthest along at the time EPA funds were discussed. However, due to delays caused by a need to hold a new bond election and other matters, the Sunny Slope Country Club Drive construction bid solicitation just occurred. Due to the levels of the bids received and funds available to Camden County, use of some of the referenced EPA funding is necessary to complete the Sunny Slope Country Club Drive portion of the county's project.

Camden County would greatly appreciate your favorable consideration of this amendment request. If you should have any questions, please do not hesitate to call Project Manager Jim Dickerson at 573-346-5616.

Thank you.

Sincerely,



Carolyn F. Loraine

X 1240

July 7, 2004

Ms. Carolyn F. Loraine
Presiding Commissioner
1 Court Circle, Suite 1
Camdenton, MO 65020

Dear Ms. Loraine:

RE: EPA Grant No. XP987222 01; Request for Revision to Project Scope and Schedule

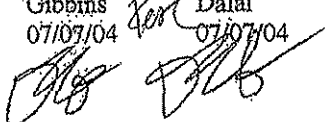
I have received your letter dated June 28, 2004, which requests a revision to the scope of the referenced EPA grant project to include a project for the Sunny Slope Country Club Drive Sewer District. The authorization by Congress for this grant stated that the grant was for sewer and water improvements, so the proposed addition is within the scope of the authorization.

The following information was provided to EPA with the original grant application and with a memorandum from Barbara Bohley dated September 3, 2002:

| <u>Project Segment</u> | <u>EPA \$</u> | <u>Total \$</u> | <u>Design Complete</u> | <u>Construction Complete</u> |
|------------------------|---------------|-----------------|------------------------|--|
| Camelot Estates | \$200,000 | \$3,444,000 | 09/03 | 11/04 |
| Climax Springs/Normac | 160,000 | 1,565,000 | 09/03 | 06/04 - Normac 09/04 - Climax Springs |
| Crane Cove/Davey Cove | 500,000 | 8,500,000 | 09/04 | 12/05 |
| Coffman Bend | 245,000 | 1,500,000 | 06/04 | 06/05 |
| Greenvew/Hwy E | 285,000 | 9,210,000 | 12/04 | 12/05 |
| Other project costs | <u>65,000</u> | <u>555,000</u> | | |
| Application Totals | \$1,455,000 | \$24,774,000 | | |

Your requested revision to the scope of the grant project will impact the above project cost information. Before I approve the change, you should submit a revision to the above chart which includes the Sunny Slope Country Club Drive Sewer District project and a revision to all of the cost information. The project segment costs were taken from pages 10 and 11 of the Narrative statement submitted with your grant application. Those costs do not equal the grant amount and total project cost listed in the application, so I have added the line "Other project costs." Your revised table should distribute the grant amount and all of the total costs to the various project segments. I understand that the new total project cost may be different with the addition of another project segment.

D.Gibbins:dg:WIMB:7417:7/6/04:Loraine 04-07-07 letter-request project schedule.wpd

WIMB Dalal 07/07/04
 WIMB Dalal 07/07/04


FILE TO:
Camden County SIG
EPA Grant No. XP987222 01.

The project schedules included in the chart were taken from the above-referenced letter from Barbara Bohley. Several of the scheduled dates have passed or are soon approaching, and as far as I am aware, no progress has been made on any of the originally proposed projects. Please revise the schedule dates with your best current estimate, and provide a reason for the missed schedule milestones as required by Programmatic Condition No. 7.

Please do not hesitate to contact me at (913) 551-7417 or gibbins.don@epa.gov if you have any questions or need additional information.

Sincerely,

Donald E. Gibbins
Environmental Engineer
Wastewater & Infrastructure Management Branch
Water, Wetlands & Pesticides Division

cc: Jim Dickerson, Project Manager, via facsimile
Barbara Bohley, BLB & Associates
Jeff Pinson, MDNR

3.6.9 Surveying Internal Controls

A system of internal controls includes all coordinated methods and measures adopted by an organization to safeguard its resources, assure the accuracy and reliability of its accounting and cost data to promote operation efficiency, and encourage adherence to established management policies and procedures. A system of internal controls enables the organization to:

- protect assets;
- protect against the incurrence of improper liabilities;
- assure the accuracy and reliability of all financial and operating information;
- judge operating efficiency; and
- measure adherence to established policies and procedures.

When reviewing an organization's internal controls, use the following procedures as a guide.

1. Determine whether the organization has an organizational structure which provides appropriate segregation of functional responsibilities.

A good organizational structure provides for the proper assignment of authority and responsibility among departments, individual officers, and employees to achieve the necessary segregation of duties and responsibilities. Duties of the management staff must be allocated so that the responsibilities for operations, custodianship, and reporting are separate and distinct and can be immediately subjected to the challenge and scrutiny of the chief executive officer and board of directors.

2. Determine whether the organization has a system of authorization and record procedures adequate to provide reasonable ~~accounting control over assets, liabilities, revenues, and expenses.~~

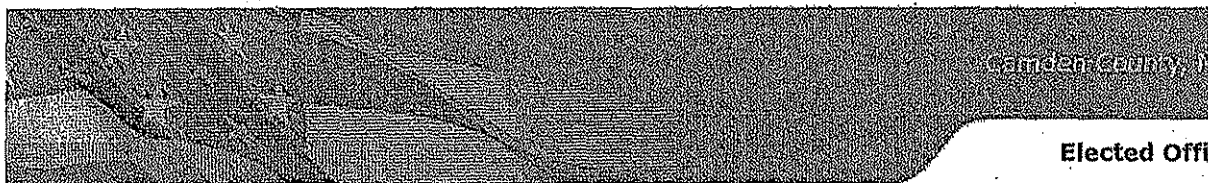
This aspect of internal control is primarily concerned with detailed accounting and operational procedures. Another function of this as-

Reviewing Business Management Systems

This aspect of internal control promotes operational efficiency and encourages adherence to prescribed managerial policies. These purposes are achieved in part by establishing departmental personnel responsibilities. They are further accomplished by installing reporting procedures which measure the performance of each breakdown of responsibility, thereby exposing such measurements to review, cross-check, or criticism. Examples of internal control in this area are:

- written operating instructions for each position (these manuals of procedure promote efficiency and prevent misunderstanding);
and
 - clearly established lines of responsibility (this feature allows management to periodically check on progress made or performance based on established goals);
-

18.



Elected Offi

[Home](#) | [Elected Officials](#) | [Public Notices](#) | [Links of Interest](#) | [Site Map](#)

- [Assessor](#)
- [County Clerk](#)
- [Collector](#)
- [Emergency Man](#)
- [Planning/Zoning](#)
- [Recorder](#)
- [Sheriff](#)
- [Treasurer](#)
- [Waste Water](#)

Camden County Elected Officials

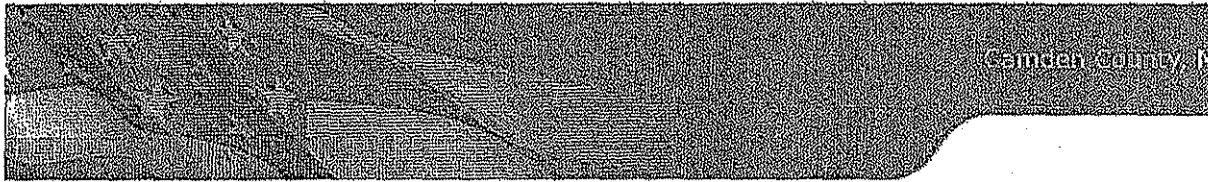
| Office | Elected Official | Contact (573) 346-4440 |
|---------------------------|-----------------------------------|------------------------|
| Presiding Commissioner | Carolyn Loraine | x 205 |
| 1st District Commissioner | Steve West | x 204 |
| 2nd District Commissioner | Thom Gumm | x 203 |
| County Clerk | Rowland Todd | x 208 |
| Presiding Circuit Judge | Hon. Jim Franklin | x 251 |
| Circuit Judge | Hon. Mary Dickerson | x 249 |
| Associate Circuit Judge | Hon. Jack Bennett | x 240 |
| Prosecuting Attorney | James W. Icenogle | x 271 |
| Treasurer | Sherry Meissert | x 215 |
| Auditor | Ronnie Capps | x 286 |
| Collector | Linda Sweatt | x 284 |
| Assessor | Eddie Whitworth | x 231 |
| Recorder | Donnie Snelling | x 236 |
| Sheriff | John W. Page | x 276 |

Contact Information

You may contact a county official by either calling the number listed next to their name or, if their name is underlined, you may send them an e-mail.

You may also visit a Department's page by clicking on that office if it is underlined.

19.



[Elected Officials](#) | [Public Notices](#) | [Links of Interest](#) | [Site Map](#)

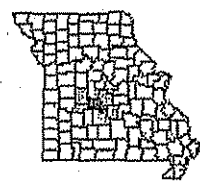
- Assessor
- County Clerk
- Collector
- Emergency Man.
- Planning/Zoning
- Recorder
- Sheriff
- Treasurer
- Waste Water

The History of Camden County ...

Camden County lies in the south central part of the State of Missouri, and is bordered by Morgan; Miller; Pulaski; Laclede; Dallas; Hickory; and Benton Counties (highlighted in yellow on map to the right). Camden County encompasses 655.2 square miles, or 419,330 acres (highlighted in blue on map to the right).

Phone Number
 The main phone number for all departments at the Camden County Courthouse is:
 573-346-4440

The County was created by an act of the Legislature, and originally named "County of Kinderhook" after President Van Buren's residence. The Act was approved by Gov. Thomas Reynolds on January 29, 1841.



Accordingly, on the first Monday of March, 1841, Laban Ivy, David Fulbright and Miles Vernon, the county court justices met at the house of Thomas M. Pollard, and organized their court by electing Laban Ivy president. James N. B. Dodson was then appointed clerk of the court, and Martin Fulbright received his Commission from the governor of the State authorizing him to perform functions of the office of sheriff of the county, and William A. Pope was appointed assessor of revenues. The County organization was complete.

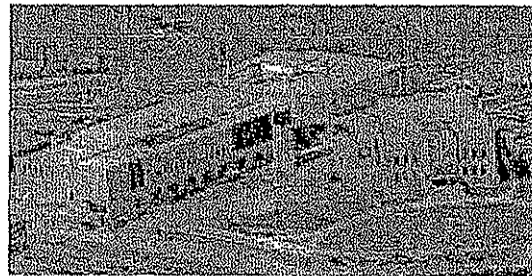


[Support Freedom](#)



[Web Mail Login](#)

On February 23, 1843, the General Assembly of the State of Missouri changed the name of County of Kinderhook to the County of Camden.



Web START
Free Web Statistics

20.

7002 0860 0006 5960 7682

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

March 4, 2003

Camden County Commission
Grant Number: XP987222 01

Mr. O. L. Wallace
Presiding Commissioner
Camden County Commission
Camden County Courthouse
1 Court Circle
Camdenton, Missouri 65020

Dear Mr. Wallace:

2992 0965 9000 0980 2002

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only, No Insurance Coverage Provided)

OFFICIAL USE

| | | |
|--|----|---------------|
| Postage | \$ | Postmark Here |
| Certified Fee | | |
| Return Receipt Fee (Endorsement Required) | | |
| Restricted Delivery Fee (Endorsement Required) | | |
| Total Postage & Fees | \$ | |

Sent To: Mr. O. L. Wallace, Presiding Comm
 Street, Apt. No., or PO Box No.: Camden County Courthouse
 City, State, ZIP+4: Camdenton, MO 65020

U.S. PS Form 3800, April 2002

The Environmental Protection Agency (EPA) has been made aware the Camden County Commission has not complied with the terms of the assistance agreement. Specifically the following have occurred:

1. The City requested payments from the EPA for 100 percent of the costs incurred for engineering services for the completion of a preliminary engineering report and a portion of the facility plan for the overall sewer district; and preliminary administration, financial planning, applications and bond financing. The payment request submitted to the Agency dated November 8, 2002, was in the amount of \$141,654. On November 12, 2002, the Commission was paid \$141,654 by the US. EPA. The federal share of payments authorized in the grant agreement (Programmatic Term and Condition of Award No. 2) were for fifty-five percent of allowable costs. Based on this percentage, the Commission received an overpayment of federal funds in the amount of \$63,744.30 (\$141,654 x .45).
2. Programmatic Term and Condition of Award No. 10 required the City to provide to the Missouri Department of Natural Resources (MDNR), as our Agent, copies of all grant payment requests and their supporting documentation at the same time a payment was requested from the EPA. This payment information was not provided to the MDNR as agreed to in the award document.
3. In addition, EPA believes that the City's fiscal accounting functions are not adequately segregated. Our records indicate one person is responsible for performing accounting functions (authorizing and approving payments, receipts, etc) which are incompatible. An important aspect of an organization's internal

Sherill
SHERILL
3/4/03

ROMPAGE
3/4/03

control structure is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. Good accounting practices call for segregation of these fiscal accounting functions.

The above issues raise concerns about the overall management by the Camden County Commission of the grant with our agency. Federal regulation, 40 CFR 31.42, Enforcement, states,

"...If a grantee materially fails to comply with any term of an award, whether stated in a federal statute or regulation, an assurance, in a State plan or application, a notice of award or elsewhere, the awarding agency may take one or more of the following actions, as appropriate in the circumstances:

1. Temporarily withholding cash payments pending correction of the deficiency by the grantee or subgrantee or more severe enforcement action by the awarding agency,
2. Disallow (that is deny both use of funds and matching credit for) all or part of the cost of the activity or action not in compliance,
3. Wholly or partly suspend or terminate the current award for the grantee's or subgrantee's program [EPA can also wholly or partly annul the current award for the grantee's or subgrantee's program],
4. Withhold further awards, or
5. Take other remedies that may be legally available."

Based upon non-compliance with the terms of the assistance agreement, we have temporarily suspended the Camden County Commission's ability to receive grant payments from the EPA, in accordance with federal regulatory Enforcement provisions.

In order to resolve the above-referenced issues, a technical assistance site visit has been scheduled for March 19, 2003, at 10:30 a.m., at the Camden County Courthouse. This technical assistance visit will be led by Ms. Karen Sherrill, Senior Grants Specialist, Mr. Donald Gibbins, EPA Project Officer, and will include representatives from the MDNR. During this visit the financial management, internal control and procurement requirements which apply to this grant agreement will be discussed. It is necessary that these issues be resolved in order to restore the Commission's ability to receive payments from the EPA. Please have representatives in attendance from the Commission's financial management office.

If you have any questions concerning this matter, please contact me or the member of my staff most familiar with this matter, Ms. Sherrill, at (913) 551-7461; internet address: sherrill.karen@epa.gov.

Sincerely yours,

Carol Rompage
Grants Management Officer

cc: Missouri Department of Natural Resources

U. S. Environmental Protection Agency, Region VII
Water, Wetlands, and Pesticides Division
901 North 5th Street Kansas City, KS 66101

FILE NOTE

Date: February 5, 2003
Subject: Camden County Special Infrastructure Grant
MDNR Concerns
From: Donald E. Gibbins, WWPD/SRFB *DEG*
Environmental Engineer
File To: XP987222-01

I traveled to Jefferson City with Karen Sherrill on January 30 to meet with MDNR to discuss concerns they have with the subject grant project which they are managing for EPA.

The major concerns are: 1) the official signer (Jim Dickerson) is the Executive Director of the regional council of governments which is also being paid with grant funds to administer the grant, thereby constituting a conflict of interest, 2) the first payment was for 100% of incurred costs, and 3) the pre-award costs do not seem reasonable and the payment documentation was inadequate.

Karen advised that she would contact the county commissioners and set up a meeting to discuss item 1 and 2, and she would also notify Las Vegas to hold any additional payment requests until item 2 is resolved. MDNR will also send a letter to Mr. Dickerson advising that additional payments will be withheld until item 2 is resolved.

Regarding item 3, MDNR will request copies of all contracts for the pre-award services (preliminary engineering, assistance with grant application, and grant management assistance) to determine if the contracts comply with EPA requirements and if the method of payment in the contracts corresponds with the invoices submitted for payment request #1. If the contracts do include the same basis for payment, we will decide with MDNR whether we should conduct a reasonableness of costs review as per requirements in OMB Circular A-87 (cost principles for grants). We will also consider requesting an interim audit from the IGs office.

cc: Karen Sherrill, PLMG/RFMB/AAMS/GAMU
Pradip Dalal, WWPD/SRFB



Karen Sherrill

02/04/2003 10:57 AM

To: Eileen Brasier/LV/USEPA/US@EPA
cc: Don Gibbins/WWPD/R7/USEPA/US@EPA
Subject: Camden County - XP987222 01 - Payments

Hi Eileen -

It has been brought to our attention that Camden County has requested and received payments for 100 percent of costs incurred. We are currently in the process of scheduling a visit with the grantee which will hopefully correct this problem with the amounts they are requesting for reimbursement. Until we get this problem corrected, please do not process further payments to this grantee without EPA PO approval. Hopefully, this will be resolved in the near future.

Thanks,

Karen L. Sherrill, Region 7
Senior Grant Specialist
Competition Advocate
(913) 551-7461

23.

cc: Karen St. Will

RECEIVED
FEB 11 2003
WWPD/SRFB

STATE OF MISSOURI
DEPARTMENT OF NATURAL RESOURCES

Bob Holden, Governor - Stephen M. Mahfood, Director



www.dnr.state.mo.us

February 4, 2003

Mr. O.L. Wallace
Presiding Commissioner
Camden County Courthouse
1 Court Circle
Camdenton, MO 65020

RE: Special Infrastructure Grant Project XP987222-01

Dear Commissioner Wallace:

We have received the information that was requested concerning the pay request for the first payment. After reviewing the information it has been determined that the county is in non-compliance with the grant conditions. The percentage of eligible cost to be paid, as stated in the grant conditions, is 55% of eligible costs. The correct amount was not included on the pay request form and 100% of the eligible costs were paid. This constitutes an over payment to the county. As such, funds are being withheld until further notice by the Environmental Protection Agency.

If you have any questions, please contact me at (573) 751-1406 or at P.O. Box 176, Jefferson City, MO 65102-0176.

Sincerely,

WATER POLLUTION CONTROL PROGRAM

E. Jeffrey Pinson
Project Coordinator

EJP/amb

cc: Mr. Don Gibbins, EPA Region 7
Mr. Jim Dickerson, Project Manager

Integrity and excellence in all we do



Topics for Discussion
January 30, 2003
EPA Special Infrastructure Grants

How does Las Vegas know to hold 5% of the grant payment until final inspection of each construction contract and all grant conditions have been met? How does this work when there is a recipient and a subrecipient involved? Example: Holt County

Options:

- 1.) Vegas should receive documentation project is complete and all grant conditions have been met before 5% is paid
- 2.) Review pay requests and approve before they are sent to Las Vegas
- 3.) Grantee could be required to include a copy of letter requesting final inspection and stating all grant conditions have been met with pay request

How can we minimize over paying and then having to spend the rest of time trying to collect?

Options:

- 1.) Have grantees send pay request to us for approval prior to sending to Vegas

If grant money is to be used for the payment of financial planners and grant administrators do they have to comply with procurement regulations? Do we need to approve contract? *yes, yes*

Options:

- 1.) Not Eligible

If grantee does not comply with grant condition how do we withhold payments?

Small Purchases Requirements?

W. S.

TOPICS FOR DISCUSSION
1-29-03
MEETING WITH EPA

Should we review the payment requests and back-up information (invoices) for eligibility and proper percent to be paid before the payment submitted to Las Vegas?

- ① Las Vegas - withhold payments pending correction of overpayment.
- ② Add in program condition re: payments.

The EPA pay request form being used by Camden County and possibly others does not indicate the percent of eligible costs to be paid from the grant. We have sent a form that EPA gave us to Camden County that does have the percent shown (55%). They are to submit this form with invoices to us in the future.

Las Vegas paid 100% of the amount requested by Camden County, not 55%. Camden County has been overpaid by receiving 100% of their requested payment and many of their costs billed may not be eligible.

The invoices submitted to us by Barbara Bohley do not equal the amount shown on the pay request form and paid by grant funds. More was paid than the total of all invoices submitted. Nothing, according to information submitted, adds up to the amount paid.

Mr. Dickerson is the person who signed for the grant, has all the authority over the administration of the grant and is the financial official responsible for payment to himself and the contractors. This appears to be a conflict of interest. Mr. Dickerson is the Director of the Lake Ozark Council Local of Governments. The County gave authority for being the grantee's representative to Mr. Dickerson. We do not believe the County can abdicate and give authority over the grant to a contractor.

We do not have a copy of the contract with Mr. Dickerson or Ms. Bohley.
We do not have a copy of the engineering agreement.

Intermunicipal agreements have not been provided and likely have not been entered into, since there are no sewer districts formed.

The grant recipient has not secured their match for the grant and will not do so, in all probability, for a long time.

Should payment have been made if the above requirements (no intermunicipal agreements, engineering agreement, contracts or match) have not been met? We don't know when the request for payment is made until we are informed by EPA.

What are eligible pre-award costs?

/reasonable

What are the options to correct Camden County's problems?

on-site/tech assist / w/ hold payment / safe action

Should Mr. Dickerson be replaced as grant administrator and be replaced with an employee of the county or County Commissioner?

Should Mr. Dickerson resign from the LOCLG?



Mary Clark
<nrcalarm@mail.dnr.state.mo.us>

01/23/2003 09:54 AM

To: Don Gibbins/WWPD/R7/USEPA/US@EPA
cc: John Fraga <nrfraj@mail.dnr.state.mo.us>, Steve Townley
<nrtowns@mail.dnr.state.mo.us>, Jeff Pinson
<nrpinsj@mail.dnr.state.mo.us>

Subject: EPA grant payments

Don,

John and I have been in a quandary about how we are going to handle the limit of 95% payments to the county projects that have more than one project. The EPA payment people don't know when the project is at 95% since they have no individual project information. We know we have Maitland that has had their final inspection and Craig has had their final inspection so they could be paid to 100% of their share of the grant amount (of course, Craig has already been paid 100%). **But, is it even possible for us to hold payment on the projects except the last project?**

If it is the case that we can only hold to 95% of the total grant to the county, the last project will be very short of money. **How do we convey to the payment people in Las Vegas that they should be holding payment because a project has not had a final inspection or complied with all of their grant conditions?**

We have no input into the payment process to prevent the government from overpaying. If the community is overpaid then EPA will recover the grant funds at a later date. As in the case with Craig, Camden also requested more of their costs on their first pay request than invoices submitted to us. The County's invoices total \$157,246.600 and EPA paid \$145,500. Actual payment should have been \$86,485.30 if they paid on all of the invoices at 55%. Now we need to know how we tell Las Vegas to withhold the excess of the payment # 1, out of the next payment to Camden. In addition, we need to determine what was actually eligible for grant payment (Is the cost of developing the grant application and . We also need to determine if there are any EPA regulations on conflict of interest for these grants. In Part 31, like Part 30.613. WE will start reviewing Part 31 but if you have any knowledge of conflict of interest or the legality

I guess we can just tell the grantee to deduct the grant amount out of their next payment but it isn't going to work with Camden, since they don't obviously have any match to the grant. We are aware that it is our responsibility to inform the grantee to comply with the grant conditions and submit the payment documentation. We don't know when grantees request payment from Las Vegas, however, until I see your Status of EPA SPECIAL GRANTS...unless we can convince them to send us the payment form we have given communities and the invoices to match. **When or how can we have EPA hold payment if they continue to request payment without sending the documentation to us?**

So what do we do with these council of governments? Do we need a contract? On our State grants and loans we require a contract for everything we pay on, bids or quotes (Small purchases). We don't have a contract for the NWRCOG but if we don't pay them out of the grant it is OK, isn't it? Since Jim Dickerson just got \$31,000+ don't we need a contract? They should have to meet the procurement requirements just like any other contractor with the grantee. I also think it is totally ineligible (and illegal) for the grant signer AND FINANCIAL Director of the grant to be paid out of the grant but that is EPA's decision. We don't want to be in the position of having the FBI investigate the RCOG like the Green Hills RCOG where the director and his assistant were investigated for misappropriating (CDBG) grant funds.

John can come up with some procedures for grantees to follow on the above questions. **Would you be interested in looking at some additional guidance to grantee?** We would propose that the grantees send the payment request forms here and then we send them to Las Vegas after we have reviewed the invoices and the amount requested. It would certainly eliminate the problem with paying more than 55% of the invoices as is now occurring.

BARBARA BOHLEY
BLB & ASSOCIATES

5641 MIDNIGHT PASS RD # 908
SARASOTA FL 34242
(941) 346-8531

P O BOX 1027
ROLLA, MO 65402
(573) 467 0197

January 15, 2003

Mr. E. Jeffrey Pinson
Project Coordinator
Department of Natural Resources
P O Box 179
Jefferson City, MO 65102-0176

Re: Special Infrastructure Grant Project XP987222-01

Dear Mr. Pinson:

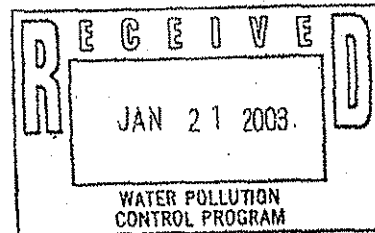
Enclosed is the documentation that you required for the EPA Grant for Camden County regarding the Pre-award Grant Payment Request # 1. I apologize for not getting this to you sooner. It is my fault, I mislaid your letter. In the future we will send you a copy of all requests at the same time that they are sent to EPA on this project and I am sorry for the inconvenience.

If you have any questions would you please contact me at the above Sarasota address or call my 573 467 0197 number. In the future would it be possible to copy me on any correspondence you have on this project. I am assisting the Project Manager, Jim Dickerson and am responsible for coordination.

Thank you

Sincerely,

Barbara Bohley
Barbara Bohley
Project Coordinator



28

LOCLG

P O BOX 786
115 WEST HWY 54
CAMDENTON, MO 65020

Invoice

| DATE | INVOICE # |
|-----------|-----------|
| 12/4/2002 | 285 |

| BILL TO |
|---|
| CAMDEN COUNTY 1 COURT CIRCLE CAMDENTON, MO 65020 ATTENTION: STEVE WEST |

PAID

| DESCRIPTION | AMOUNT |
|---|---------------------|
| XP - 987222 - 01 Camden County Special Infrastructure Grant | |
| Engineering services for completion of preliminary engineering report and a portion of the facility plan for the overall sewer district | 110,450.00 |
| Preliminary administration, financial planning, applications and bond financing | 31,204.00 |
| Research, budget, application 463 hours | |
| Meeting, conference calls 131 hours | |
| 594 hours @ \$1.50 = 31,185.00 | |
| Copies 19.00 | |
| Total 31,204.00 | |
| THANK YOU. | |
| Total | \$141,654.00 |

U.S. EPA PAYMENT REQUEST

PAGE 02

| | |
|--------------------------------------|---|
| Recipient Name: CAMDEN COUNTY | Contact Person: JAMES R. DICKERSON |
| Phone #: (573) 346-5616 | Fax#: (573) 346-2007 |

| ACH # 7676 <small>(if applicable)</small> | Request # 1 | Cash on Hand: \$ 0.00 | |
|---|--|------------------------------|--|
| Assistance Agreement | Account No/Activity Code <small>(Superfund Site Specific)</small> | \$ Amount | Mark <small>(X) if Credit</small> |
| XP987222-01 | N/A | 141,654.00 | |
| | | | |
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| | | | |
| | | | |
| | | | |
| TOTAL AMOUNT REQUESTED \$ | | 141,654.00 | |

I certify that to the best of my knowledge and belief the data above are correct and that all outlays were made in accordance with the grant conditions or other agreement and that payment is due and has not been previously requested.

APPROVALS: _____
Recipient Approving Official's Signature

EPA Certifying Officer Approval

11-08-02
Date Approved

Date Approved

\$ _____
EPA APPROVED AMOUNT
 For EPA Use Only

29

LJUL03 3105460404 10.40

LAKE OF THE OZARKS COUNCIL OF LOCAL
GOVERNMENTS

October 1, 2002

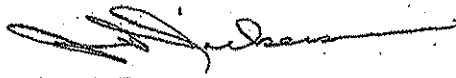
U.S. Environmental Protection Agency
ATTN: PLMG/GRAD/ALLEN
901 North 5th Street, 5th Floor
Kansas City, Kansas 66101

Re: Assistance Number XP-98722201-0

Dear Sir or Madam:

I am enclosing an executed original of the referenced Grant Agreement that we received yesterday. If there are any questions, please do not hesitate to call.

Sincerely,



James R. Dickerson
Camden County Sewer District Coordinator
LOCLG Executive Director

Document Readers



Approver Response - Nat Scurry

Re: Camden County Infrastructure

Approver Input

Visibility: Controlled

Response: Approve

Overview:

Detail:

Attachment:

Origination Information

Created By: Nat Scurry on 09/13/2002
Organization: EPA R7




UNITED STATES ENVIRONMENTAL PROTECTION AGENCY


REGION VII
901 NORTH 5TH STREET
KANSAS CITY, KANSAS 66101

MEMORANDUM

DATE: September 3, 2002

SUBJECT: FY2002 Camden County Special Infrastructure Grant - #XP987222-01
Approval of Pre-Award Costs Incurred More Than 90 Days Prior to Award

FROM: Donald Gibbins, WWPB/SRFB 
Project Officer

THRU: Debbie Titus, PLMG/RFMB/AAMS/GAMU 
Grants Specialist

TO: Carol Rompage, PLMG/RFMB/AAMS/GAMU
EPA Award Official

The March 30, 2000, memorandum "Modification to Policy Guidance for 40 CFR Part 31" and the May 3, 2000, memorandum "Clarification on GPI 00-02 Modification to Policy Guidance for 40 CFR Part 31 Pre-Award Costs," both from Bruce Feldman, Acting Division Director, Grants Administration Division, provide for approval by the EPA Award Official of pre-award costs incurred more than 90 days prior to the award of the grant if the EPA Project Officer finds the costs are necessary, reasonable and allocable to the project and the EPA Award Official finds that the costs are eligible under statute or regulation.

The above-referenced special infrastructure grant was authorized by Congress in the EPA FY2002 appropriation act to fund water and sewer improvements in Camden County. Attached is a letter dated September 3, 2002, from Ms. Barbara Bohley on behalf of Camden County requesting approval for the inclusion of pre-award costs in the amount of \$141,654 and also asking that the project and budget start dates be adjusted to April 1, 2002. In this letter, Ms. Bohley states that the costs include preliminary planning and project administration costs. Also attached is a follow-up e-mail message which further clarifies the nature of some of the services included in the request.

Attached is a portion of the headquarters memorandum dated April 15, 2002, from Michael B. Cook, Director, Office of Wastewater Management, which addresses the award of grants for special projects authorized in the STAG account of the EPA FY02 appropriations act. This memorandum discusses approval of pre-award costs by the regional award official on pages 7 and 8. The conclusion stated in the memorandum is that the Regions can approve pre-award costs when the costs were incurred after the start of the fiscal year for which the funds were appropriated, but before the grant award. That is the case for the costs in question for this request for approval.

I have evaluated this request and find that the requested pre-award costs are necessary, reasonable and allocable to the project which is specified in the EPA FY2002 appropriations act. I ask that you approve these costs by signing below. Please retain this original for your grant file and return a copy for my project officer file.

Please contact me at (913) 551-7417 if you have any questions or need additional information.

Attachments

I find that the pre-award costs discussed in this memorandum and the attached letters are eligible under the authorizing statute and I approve their inclusion in the grant. Reimbursement for the grant share of these costs will only be allowable if the services were procured in accordance with the applicable procurement regulation at 40 CFR 31.36.



Carol Rompage, Region 7 EPA Award Official

BARBARA BOHLEY
BLB & ASSOCIATES

5641 MIDNIGHT PASS RD
908
SARASOTA FL 34242
(941) 346-8531

P O BOX 1027
ROLLA, MO 65402
(573) 578-0938

September 3, 2002

Mr. Donald Gibbons E. Gibbons, Environmental Engineer
United States Environmental Protection Agency
Region VII
901 North 5th Street
Kansas City, Kansas 66101

Dear Mr. Gibbons:

Following are the pre-award costs for the Camden County Sanitary Sewer Project. These costs were incurred between April 2002 and August 2002. A portion of the match requirement is being billed to Camden County with the remainder being paid by the districts affected. Since cash flow is sometimes a problem with the county and the districts the contractors are willing to accept the EPA portion and at this point in time and will invoice the match entities work with them on arranging payment until sufficient funds are available. Both the engineering and administration services were procured using federal procurement standards.

| | |
|--|----------------------|
| Engineering services for completion of preliminary engineering report and a portion of the facility plan for the overall sewer district. | \$110,450.00 |
| Preliminary administration , financial planning, applications and bond financing. | \$ 31,204.00 |
| Total pre-award costs requested | <u>\$ 141,654.00</u> |

Please contact me if you have any questions, need additional documentation or invoices. I will be out of town from the 6th of September until the 10th. You can, however, reach me on my cell phone which is 573 578 0938. Thank you.

Sincerely,

Barbara Bohley



Barbara Bohley
<bohleyb@earthlink.net>

To: Don Gibbins/WWPD/R7/USEPA/US@EPA
cc:
Subject: Re: Approval of Pre-Award Costs for Camden County

09/03/2002 02:51 PM

Mr. Don Gibbins:

In reference to the request for pre-award costs.

All of the pre-award costs are expenses that have been incurred by the engineer and administrators and are above the normal and regular costs of the County. These costs are project specific. The costs were incurred after procurement and award of the administration and engineering contracts. These services are being provided by non-County personnel

>From: Gibbins.Don@epamail.epa.gov
>To: Barbara Bohley <bohleyb@earthlink.net>
>Subject: Approval of Pre-Award Costs for Camden County
>Date: Tue, Sep 3, 2002, 9:21 AM

> In reference to your letter dated September 3, 2002, which requests
> approval of pre-award costs for the Camden County special infrastructure
> grant for "Preliminary administration, financial planning, applications
> and bond financing," I understand that these costs are project related
> and beyond the normal cost of doing business for the County, and are
> services being provided by non-County personnel. These conditions need
> to be true for these costs to be allowable. Please confirm by return
> e-mail if my understanding of these costs is correct.

Missouri Engineering Corporation
ENGINEERING CONSULTANTS

P.O. BOX 13
ROLLA, MISSOURI 65402 • PHONE: 573-364-4003

To Camden County Sewer District

DATE 8/6/2002

Engineering services for completion of preliminary engineering report
and a portion of the facility plan for the overall sewer district.

3095 Users Studied@ \$30.00

92,850.00

Facility Plan-Camelot


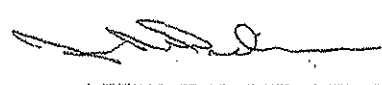
11,000.00

Facility Plan- Climax Springs 60%

6,600.00

AMOUNT DUE

\$110,450.00

| | | |
|--|--|---|
|  UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, DC 20460 Preaward Compliance Review Report For All Applicants Requesting Federal Financial Assistance | | Form Approved OMB No. 2098-0014 Expires 4-30-99 |
| Note: Read instructions on reverse side before completing form. | | |
| I. A. Applicant (Name, City, State) Camden County Camdenton MO 65020 | B. Recipient (Name, City, State) Camden County <i>1 Court Circle</i> Camdenton MO 65020 | C. EPA Project No. <i>XP 987222 01</i> |
| II. Brief description of proposed project, program or activity. Wastewater collection and treatment facilities. | | |
| III. Are any civil rights lawsuits or complaints pending against applicant and/or recipient? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If "yes", list those complaints and the disposition of each complaint. | | |
| IV. Have any civil rights compliance reviews of the applicant and/or recipient been conducted by any Federal agency during the two years prior to this Application for activities which would receive EPA assistance? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If "yes", list those compliance reviews and status of each review. | | |
| V. Is any other Federal financial assistance being applied for or is any other Federal financial assistance being applied to any portion of this project, program or activity? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO If "yes", list the other Federal Agency(s), describe the associated work and the dollar amount of assistance. USDA Rural Development \$18,235,000. | | |
| VI. If entire community under the applicant's jurisdiction is not served under the existing facilities services, or will not be served under the proposed plan, give reasons why. Areas designated for service are those areas where sewage is negatively impacting the the lake. | | |
| VII. Population Characteristics | | Number of People |
| 1. A. Population of Entire Service Area | | 27,495 |
| B. Minority Population of Entire Service Area | | 329 |
| 2. A. Population Currently Being Served | | 5,759 |
| B. Minority Population Currently Being Served | | 70 |
| 3. A. Population to be Served by Project, Program or Activity | | 4,660 |
| B. Minority Population to be Served by Project, Program or Activity | | 107 |
| 4. A. Population to Remain Without Service | | 17,076 |
| B. Minority Population to Remain Without Service | | 152 |
| VIII. Will all new facilities or alterations to existing facilities financed by these funds be designed and constructed to be readily accessible to and usable by handicapped persons? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO If "No", explain how a regulatory exception applies (40 CFR 7.70). | | |
| IX. Give the schedule for future projects, programs or activities (or of future plans), by which service will be provided to all beneficiaries within applicant's jurisdiction. If there is no schedule, explain why. Once this 5 year proj. is complete future service will be eval. | | |
| X. I certify that the statements I have made on this form and all attachments thereto are true, accurate and complete. I acknowledge that any knowingly false or misleading statement may be punishable by fine or imprisonment or both under applicable law. | | |
| A. Signature of Authorized Official  | B. Title of Authorized Official Executive Director Telephone Number 573 346 5616 | C. Date 7-30-02 |
| For the U.S. Environmental Protection Agency | | |
| <input type="checkbox"/> Approved <input type="checkbox"/> Disapproved | Authorized EPA Official | Date |



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

APR 15 2002

OFFICE OF
WATER

MEMORANDUM

SUBJECT: Award of Grants and Cooperative Agreements for the Special Projects and Programs Authorized by the Agency's FY 2002 Appropriations Act

FROM: Michael B. Cook, Director
Office of Wastewater Management (4201M)

TO: Water Management Division Directors
Regions I - X

PURPOSE

The purpose of this memorandum is to provide information and guidelines on how the Environmental Protection Agency (EPA) will award and administer grants and cooperative agreements for the special projects and programs identified in the State and Tribal Assistance Grants (STAG) account of the Agency's fiscal year (FY) 2002 Appropriations Act.

BACKGROUND

The Environmental Protection Agency (EPA) section of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 (P. L. 107-73), hereafter referred to as the Agency's FY 2002 Appropriations Act, included \$343,900,000 in the State and Tribal Assistance Grants (STAG) account and authorized the use of \$623,625 of undesignated FY 2001 STAG monies for funding 337 earmarks. Two of the earmarks provided funds for the Aboveground Storage Tank Grant Program and the Long Island Sound Restoration Program and 335 of the earmarks provided funds for specific water, wastewater and groundwater infrastructure projects. Also included in the STAG account, as separate line items, was \$75,000,000 for the United States-Mexico Border program and \$40,000,000 for the Alaska Rural and Native Villages program.

The specific requirements governing the award of the special projects and programs are contained in the following documents: the Agency's FY 2002 Appropriations Act and accompanying reports; specifically, the Conference Report (H. Rept. No. 107-272), the House Report (H. Rept. No. 107-159), and the Senate Report (S. Rept. No. 107-43). Clarifying provisions were also included in the FY 2002 Supplemental Appropriations Act (P. L. 107-117)

The use of a loan from an SRF to provide part or all of the match for a special project is a State SRF program agency decision. However, the action must be consistent with established State policy, guidelines and procedures governing the use of SRF loans. Projects that receive SRF assistance must also adhere to Federal CWSRF or DWSRF program requirements relating to eligibility and prioritization.

PRE-AWARD COSTS

The Grants Administration Division (GAD) issued a policy memorandum (GPI 00-02) on March 30, 2000, that applies to all grants, including special Appropriations Act projects awarded on or after April 1, 2000. Additionally, a clarification to the policy memorandum was issued by GAD on May 3, 2000. The GAD policy memorandum revised the Agency's interpretation of a provision contained in the general grant regulations at 40 CFR 31.23(a) concerning the approval of pre-award costs.

In essence, the GAD memorandums state that:

- "Recipients may incur pre-award costs [up to] 90 calendar days prior to award provided they include such costs in their application, the costs meet the definition of pre-award costs and are approved by the EPA Project Officer and EPA Award Official."
- The award official can approve pre-award costs incurred more than 90 calendar days prior to grant award, in appropriate circumstances, if the pre-award costs are in conformance with the requirements set forth in OMB Circular A-87 and with applicable Agency regulations, policies and guidelines.

Since 1995, EPA Headquarters (in accordance with established OMB and Agency procedures) have approved pre-award costs for more than 50 special Appropriations Act projects in the following two situations:

1. The pre-award costs were incurred after the start of the fiscal year for which the funds were appropriated but before grant award; and/or,
2. The pre-award costs were for facilities planning or design work associated with the construction portion of the project for which the grant was awarded.

The GAD memorandums state that the award official can approve pre-award costs incurred prior to grant award in appropriate situations if the approval of the pre-award costs is consistent with the intent of the requirements for pre-award costs set forth in OMB Circular A-87 and are in conformance with Agency regulations, policies and guidelines. The above two situations meet these requirements. Accordingly, effective April 1, 2000 (the date of the GAD memorandum) the Regions have the authority to approve pre-award costs for the two situations described above. Any approval, of course, is contingent on the Regional Office determination.

that the pre-award costs in question are in conformance with the applicable Federal laws, regulations and executive orders that govern EPA grant awards and are allowable, reasonable and allocable to the project.

In a few situations, the project description in the Conference Report could require that the scope of work of a grant include pre-award costs in excess of those that could be approved for the two situations described above. The determining factor for approval of such pre-award costs in that case would be a comparison of the specificity of the project description contained in the Conference Report to the amount of future or potential work that could be included in the scope of work of the grant. If there is sufficient future or potential work that is in conformance with the project description contained in the Conference Report, approval of pre-award costs would, with the exception of the two situations described above, be inappropriate.


The Regions should not approve any pre-award costs for special Appropriations Act projects, other than those that involve the two situations discussed above, without written approval from Headquarters. The request, with sufficient supporting documentation, should be submitted to the Director, Office of Wastewater Management, (Mail Code 4201M), USEPA, 1200 Pennsylvania Avenue NW, Washington, D.C. 20460. The Office of Wastewater Management will consult, in appropriate circumstances, with the Grants Administration Division and the Office of General Counsel. If necessary, a deviation from 40 CFR 31.23(a) will be processed and issued.

OPERATING GUIDELINES

Funds appropriated under the STAG account can, if the situation warrants, be used for grants and cooperative agreements to nonprofit organizations. However, grants cannot be awarded to a nonprofit organization classified by the Internal Revenue Service as a §501(c)(4) organization unless that organization certifies that it will not engage in lobbying activities, even with their own funds (see P. L. 104-65 -- Lobbying Disclosure Act of 1995). The rationale for any award to a nonprofit organization should be clearly explained, suitably documented, and included in the project file.

The intended recipient of the grant funds listed in Attachment 1 can, in the appropriate circumstances, refer to any of the following: a governmental or non-profit entity, the geographical area where the project will be located or that will benefit from the project, or the name of the project. For example, if the earmark designation is a County, the funds could, in certain circumstances and with the consent of the County, be awarded to a governmental entity or entities within the County. In any such situation, the intended recipients, and the amount each are to receive, should be confirmed by the sponsoring congressperson or senator.

The authority for awarding grants for the 335 special projects and grants for the United States-Mexico Border program is the Agency's FY 2002 Appropriations Act (P. L. 107-73). The authority for awarding grants for the Alaska Rural and Native Villages program is Section 303 of



**Financial Data Warehouse
Document Review**

Document Summary: General Ledger Entries
Doc Type: GO
Doc No: XP98722201
Order Date: 09/19/02
Effective Date: 09/19/02
Closed Date:
Servicing Finance Office: AP33
Order Amount: \$1,455,000.00
Paid Amount: \$141,654.00
Available Amount: \$1,313,346.00
Vendor: CAMDEN COUNTY COMMISSION

77909.70
63,744.30

Document Details: Expand

| Line# | Line Amt | Paid Amt | Available Amt | BFY | Fund | Org | Program | Job | BOC | CostOrg |
|-------|----------------|--------------|----------------|------|------|---------|---------|-----|------|---------|
| 001 | \$1,455,000.00 | \$141,654.00 | \$1,313,346.00 | 2002 | E4 | 0700QG2 | 20301B | n/a | 4183 | |

Document Activity:

| Date | Ref Amount | Related Document | Direction | Date | Ref Amount | Related Document | Date | Ref |
|----------|----------------|------------------|-----------|------|------------|------------------|------|-----|
| 11/12/02 | \$141,654.00 | GP A3003337319 | Forward | | | | | |
| 09/24/02 | \$1,455,000.00 | RO 0207SX2017 | Back | | | | | |

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 This page coordinated by: Natasha McCann and: Thomas Ngo