At a Glance

Why We Did This Review

We received a complaint that the Metropolitan Water Reclamation District of Greater Chicago may have used noncompetitive practices when procuring bond underwriting contracts and incurred excessive or inappropriate expenses on American Recovery and Reinvestment Act of 2009 (Recovery Act)funded projects.

Background

According to the U.S. **Environmental Protection** Agency (EPA), Region 5, the State of Illinois used a combination of Clean Water State Revolving Fund (CWSRF) and Recovery Act funds to provide \$20 million for four district projects. The Recovery Act provided \$10,000,001 of the total \$20 million. The Recovery Act funding consisted of \$5,000,002 in principal forgiveness and \$4,999,999 in loans. The CWSRF portion was also a loan.

For further information, contact our Office of Congressional and Public Affairs at (202) 566-2391.

The full report is at: <u>www.epa.gov/oig/reports/2012/</u> <u>20111122-12-X-0090.pdf</u>

Close-Out of Complaint on Metropolitan Water Reclamation District of Greater Chicago Incurring Inappropriate Expenses on Recovery Act Projects

What We Found

Our review did not disclose any indication of misuse of funds provided to the district by Illinois' CWSRF loans or Recovery Act funds provided through EPA. The types of costs mentioned in the complaint were not included in the amounts paid to the district by the CWSRF. According to state personnel, most, if not all, of the funding administered through the CWSRF was for construction-related expenses. The CWSRF and Recovery Act funds did not pay for professional services contracts or other administrative costs such as training, travel, entertainment, or conference expenses.

Since we did not find any indication that the district misused CWSRF or Recovery Act funds, we have closed the complaint and plan no further action on this matter.