



At a Glance

Catalyst for Improving the Environment

Why We Did This Review

The U.S. Environmental Protection Agency (EPA) Office of Inspector General conducted reviews of earmarked grants known as Special Appropriation Act Projects issued to local and tribal governments. We selected the Passaic Valley Sewerage Commissioners for one of these reviews.

Background

In 2001, Passaic Valley Sewerage Commissioners received an EPA Special Appropriation Act Project grant, XP98237601. The purpose of the grant was to provide federal assistance of \$4,751,200 for rehabilitating existing final clarifiers, constructing a floating dock and off-loading facilities, and procuring thickening centrifuges at the grantee's location.

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

To view the full report, click on the following link:
www.epa.gov/oig/reports/2008/20080806-08-2-0226.pdf

Passaic Valley Sewerage Commissioners – Unallowable Costs Claimed Under EPA Grant XP98237601

What We Found

The grantee claimed \$2,385,634 for pre-award costs under Grant XP98237601 that were incurred prior to the grant award and thus were unallowable under the grant administrative conditions and Office of Management and Budget Circular A-87. The federal share of the unallowable pre-award costs was \$1,312,099.

What We Recommend

We recommend that the EPA Regional Administrator, Region 2, recover \$1,312,099, the federal share of the unallowable pre-award costs.