

## **Contract Terms Changed as a Result of an OIG Investigation**

On April 5, 2005, EPA received approval from the Office of Management and Budget to add a requirement to its contracts for contractors to check the Excluded Parties Listing System (EPLS) as part of its screening process for employee candidates on certain types of EPA contracts.

The EPLS contains the names of parties who have been excluded from Federal procurement and nonprocurement programs, including Federal contracts and certain subcontracts, and from certain types of Federal financial and nonfinancial assistance and benefits. Contractors involved in Emergency Response, Superfund, Information Systems, Facility Services, and Research Support that have security concerns, as determined by the Contracting Officer, are prohibited from using personnel who are included on the EPLS to work on these contracts.

As a result of our investigation, a subcontractor employee was indicted for mail fraud and making false statements in connection with falsifying an environmental laboratory sample analysis. The employee was suspended and her name was added to the EPLS. While under indictment, the employee left the employment of the subcontractor and was hired by an EPA prime contractor to manage its laboratory program for environmental analysis. Although the employee had been suspended, she was still able to work on other Government contracts because there was no requirement to check the EPLS for employee candidates. Prior to the change in contract terms, the EPLS was only required to be checked for the name of excluded contractors prior to contract award.

*The EPA OIG, the EPA Criminal Investigation Division, and the EPA Suspension and Debarment Division pursued this recommended change.*