

## **EPA Saves \$2 Million as a Result of an Investigation**

As a result of an OIG investigation involving an EPA grantee, the EPA Office of Grants and Debarment estimates that EPA saved \$1,962,925. Since 1989, EPA has awarded more than \$50 million in grants to the grantee. Under these grants, graduate and undergraduate students performed research projects and received training in EPA offices around the country.

An investigation was opened to address allegations that the grantee submitted false and/or fraudulent claims to the Government. The investigation determined that, since at least 1997, the grantee improperly treated its Government agreements as fixed rate rather than cost reimbursable. This resulted in "surplus" funds that the grantee failed to return to the Government. The investigation further determined that the grantee did not track all of its costs as required by Office of Management and Budget circulars and the Code of Federal Regulations.

As a result of the investigation, EPA terminated the program, and notified the grantee that it would not receive any additional EPA grant funds after May 11, 2007. This prevented the future outlay of approximately \$2 million dollars to the grantee, who could not properly account for money.

*This investigation is being conducted jointly with the Offices of Inspector General of the General Services Administration, U.S. Department of Agriculture, and U.S. Department of Commerce.  
(Case Cost: \$127,028)*