

Semiannual Report to Congress

October 1, 1986 - March 31, 1987



Office of
Inspector General

PLEASE RETURN TO: ROOM 13-E
MANAGEMENT OPERATIONS STAFF



United States
Department of
Agriculture

Office of
Inspector
General

Washington,
D.C.
20250

APR 30 1987

Honorable Richard E. Lyng
Secretary of Agriculture
Washington, D.C. 20250

Dear Mr. Secretary:

I respectfully submit the seventeenth Office of Inspector General
Semiannual Report to Congress summarizing the activities of the 6-month
period ending March 31, 1987.

The Office of Inspector General continued to emphasize coverage of
potential or developing problems related to the implementation of the
Food Security Act of 1985 and to other areas vulnerable to fraud, waste,
and mismanagement. Some of our more significant efforts involved farm
program payment limitations, commodity certificates, farm loan
servicing, food assistance programs, food safety, and Forest Service
fund accounting.

I appreciate the strong support you give to the Office of Inspector
General in fulfilling our mission. With your support, I believe we have
made continued progress in promoting economy, efficiency, and
effectiveness in the Department and detecting and preventing fraud and
other program abuses.

Sincerely,

Robert W. Beuley

ROBERT W. BEULEY
Inspector General

Enclosure

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EXECUTIVE SUMMARY

This is the 17th Semiannual Report issued by the Office of Inspector General (OIG), U.S. Department of Agriculture (USDA), pursuant to the provisions of the Inspector General Act of 1978 (P.L. 95-452). This report covers the period October 1, 1986, through March 31, 1987.

USDA is a diverse Department administering complex programs which impact on many facets of many Americans' lives. During the past 6 months, OIG has continued to focus its efforts on programs and changes brought about by the Food Security Act of 1985 (Act). Our objective has been to inform the Department early of actual and potential problems in implementing the new requirements under the Act. We completed reviews of the Dairy Termination Pro-

gram and new requirements for the Farmers Home Administration for prompt loan processing and county committee elections. Early reviews were also made of the Disaster Payment Program enacted by P.L. 99-500.

Ongoing programs also received OIG's attention both from the standpoint of fraud prevention and reporting to the Department where programs are vulnerable to losses and abuses. Areas of emphasis have included farm production adjustment and price support programs, servicing of loan accounts, nutrition programs, management of the National Forests, food safety and inspection activities, and the Department's initiatives to improve its financial and management systems.

Summary of Investigative Activities

Investigative Reports and Cases

Total Reports Issued	607
Cases Open	629
Cases Closed	608
Cases Referred for Prosecution	354

Impact of Investigations

Indictments	306
Convictions	229
Pre-trial diversions	23
Total Dollar Impact (millions)	<u>\$24.9</u>
Recoveries/Collections	\$15.3
Restitutions	\$5.0
Fines	\$1.3
Claims Established	\$1.8
Cost Avoidance	\$1.5

Summary of Audit Activities

Audit Reports Issued

Total Reports Issued	465
Internal and Special Purpose Reports	225
Audits Performed Under the Single Audit Act and Other Organizationwide Audits	36
Audits Under Contract	204

Audit Reports Resolved/Closed

Reports Closed and/or Resolved	385
Internal Audit Recommendations Resolved	1,851
Total Dollar Impact (millions)	<u>\$148.8</u>
Management Commitments to Seek Recoveries	\$26.9 ^{a b}
Management Commitments to More Efficiently Use Funds	\$13.7 ^a
Improper Agency Actions	\$108.2 ^c
(Not Intended for Collection)	

^aThese were the amounts agreed to by the auditee at the time of resolution.

^bThe recoveries actually realized could change as the auditees implement the agreed-upon corrective action plans and seek recovery of amounts recorded as debts due the Department.

^cImproper agency action are monetary amounts identified by the audit as having been expended erroneously or improperly due to agency action and for which recovery is not possible. This also would include amounts incurred or earned in good faith by others, because they relied on incorrect or improper guidance, interpretations, or directions by agency personnel or instructions. If statistical projections are used in determining the values, the mid-point estimate is used.

Prevention Activities

Implementation of the Food Security Act of 1985

OIG has continued its evaluation of new programs and changes required by the Food Security Act of 1985 (Act). The objective was to provide early assistance to the Department in establishing and strengthening internal controls as regulations were developed and programs became operational. The Dairy Termination Program (DTP), Conservation Reserve Program, and certain aspects of the production adjustment programs were identified as priorities. Work in the DTP was completed, and final reports on Conservation Reserve and production adjustment will be issued soon. The Act also contains new provisions for the Farmers Home Administration including promptness standards for loan approval and appeal actions and county committee elections.

Improved Controls Needed in Some Areas of the Dairy Termination Program (DTP)

03632-3-CH

Under the DTP, the Agricultural Stabilization and Conservation Service (ASCS) anticipates making over \$1.8 billion in payments to almost 14,000 contracting entities over a 5-year period which began April 1986. Producers will reduce domestic milk production by approximately 12.3 billion pounds over an 18-month period by exporting and slaughtering dairy cows and taking milk production facilities out of use.

OIG advised ASCS where controls should be implemented or improved, and ASCS acted positively to address these issues. Current export and import restrictions are sufficient to prevent or detect the reentry of dairy cattle exported under the DTP. However, we identified the following areas needing improvement:

- County offices improperly computed milk production averages, preliminary milk bases or preliminary milk base adjustments for 33 contracts out of 272 contracts that we reviewed, resulting in a net overstatement of \$2 million for the 54 counties audited.
- For 31 of 147 producers who leased their milk production facilities, ASCS did not have proper guarantees that the facilities will remain idle during the 5-year contracted nonproduction period.

DTP payments of over \$4 million were scheduled to be paid these 31 DTP participants.

- ASCS did not identify 61 DTP participants in our sample who were in financial difficulty to assure that they would be able to retain control over their cattle and production facilities for the 5-year contract period. These 61 participants were scheduled to receive DTP payments totaling over \$23 million.
- County offices accepted 302 participant certifications of dairy cattle disposals that were improperly completed or that had no supporting records.
- Spot checks to ensure participant compliance with branding, herd composition and disposal requirements were not sufficient or were not initiated on 30 contracts with anticipated payments of \$304 million.

ASCS is in the process of implementing corrective action. We continue to work with the agency to resolve two issues. ASCS officials believe that limited reviews of contract base calculations and leased facilities will be sufficient to correct the procedural errors and ensure contract compliance in the areas raised by our audit. We believe that it is feasible for ASCS to review all contracts, each at the time of the producer's annual payment, and that it is necessary for ASCS to review all leased facilities because of the potential for contract violations. ASCS officials also believe current compliance certifications should alert county offices to producers in financial trouble. We believe additional specific financial certifications are needed, as well as extra-agency contacts to identify producers who have resumed production. We are working with ASCS to resolve these issues.

04667-01-CH

We also reviewed 233 contracts totaling more than \$57 million where participants had outstanding Farmers Home Administration (FmHA) loans. These participants had about 650 FmHA loans totaling \$33 million, of which \$2.1 million was delinquent. We estimate that among DTP participants nationwide there are 2,100 FmHA borrowers with loans totaling about \$300 million, who are delinquent about \$18 million.

- FmHA had not revised the 5-year Farm and Home Plans for 67 percent of the borrowers reviewed and had not obtained new security agreements, which included DTP payments, for 69 percent of the borrowers. The Farm and Home Plans would have provided FmHA the means of determining the borrowers' repayment ability without dairy operations. The security agreements, which would have included DTP payments, would have provided additional security to protect the Government's interest.
- Assignments had not been requested from 117 (50 percent) of the 233 borrowers participating in the DTP. These 117 borrowers had outstanding loans totaling \$16.4 million and were to receive \$28.8 million in DTP payments. Where assignments were requested from 116 borrowers, only 67 agreed to the assignments. Those borrowers that did not provide assignments owed FmHA \$7.5 million and were to receive DTP payments totaling \$15.2 million.

FmHA agreed to seek legislation to permit offsets for all delinquent FmHA accounts. It did not agree to requiring an updated 5-year Farm and Home Plan for DTP participants and obtaining liens and assignments on DTP payments. It cited ASCS procedures which hinder FmHA's ability to secure ASCS payments. We continue to work with ASCS and FmHA to resolve these issues.

Controls Do Not Ensure Prompt Loan Processing *04099-235-AT*

The Act required that: (1) applicants be notified of incomplete applications within 20 days after receipt of such applications; (2) farm loans be approved or disapproved and applicants notified not later than 60 days after receipt of complete applications; and (3) loan funds, if available, be provided not later than 15 days after loan approvals. Applicants are to be notified of adverse decisions not later than 10 days after such decisions are made.

FmHA's controls did not ensure prompt processing of application and appeal actions. The additional processing requirements established by the Act had not been incorporated into the application or appeal tracking systems nor had county office personnel adequately documented processing actions in the records.

District and county office personnel had not provided written notice of eligibility to applicants within 30 days of receipt of the completed application in 73 of 500 cases reviewed. In 35 of the cases, no notice had been sent as of our review even though the 30

days had expired. Twenty-six notices were sent 1 to 10 days after the deadline; 4 cases, 11 to 20 days; and 8 cases, 20 to 60 days. We also noted other instances of noncompliance including delays in loan approval, adverse actions, informal meeting results, appeal decisions, scheduling of hearings, and delays in providing loan funds.

OIG recommended revisions to FmHA's control systems to incorporate the new time requirements. FmHA concurred and plans interim manual revisions until its control systems are automated.

County Committee Elections Requirements Could be Better Enforced

04099-243-AT

The Act required that two members of the FmHA county and/or area committee be elected and one member be appointed. All county and/or area committee members were previously appointed by the State director. The Act provides that the two elected committee members and the farmers who elect them derive the principal part of their income from farming and *reside within* the county or area. FmHA instructions require that the elected committee members and electorate *have their principal farming operation within* the county or area and derive the principal part of their income from farming. Reviews in two States indicated problems in the following areas:

- FmHA changed the voter and candidate residence requirement contained in the Act and did not enforce voter income or residence requirements. The audit reported ineligible voters participated in three of seven county offices reviewed.
- The Act has resulted in the exclusion of interested candidates because of the requirement that the persons' principal income be derived from farming. Former committeemen were excluded in some cases because they no longer had farm income. To illustrate the nationwide problem the 1982 Census of Agriculture showed that 1 million of 2.2 million farmers did not earn their principal income from farming and would thus be ineligible to participate in the election.
- Due to the late publication of regulations, participation for candidates and voters was low. Nationwide, more than 300 FmHA offices had to hold subsequent special elections.
- County supervisors were not adequately trained in election procedures because of the short time between regulation publication and the holding of elections. This resulted in inconsistent and incorrect enforcement of the procedures.

We recommended that FmHA revise its procedures to conform with the Act's residency requirement, verify voter eligibility, or notify Congress of the difficulties enforcing the voter farm income requirement, and request revision of the Act to allow all farmers to participate in the election. FmHA agreed to consider requesting legislation to revise the Act. FmHA has obtained a legal opinion from the Office of General Counsel (OGC) that states the intent of the law is met if the farm operation is primarily in the county, rather than requiring the voter to be domiciled in the county.

Greater Coordination Needed in the ASCS Disaster Payment Program

3639 -1 -AT

The Disaster Payment Program covers the same types of losses on 1986 production that are covered by FmHA emergency loans and crop insurance. However, coordination among the agencies involved was insufficient to ensure that disaster benefits were not duplicated. Although Federal Crop Insurance Corporation (FCIC) payments were to be considered when computing ASCS payments, no arrangements were made for FCIC to provide ASCS with names of policyholders. Producers were to self-certify as to FCIC coverage and indemnities received.

There were no provisions requiring ASCS to allow FmHA access to funds due from producers delinquent on their FmHA loans. For delinquent FmHA borrowers, ASCS could issue commodity certificates jointly or allow FmHA to obtain liens or assignments on such payments.

We also found that various rules, regulations, and laws require loans to be disbursed or payments made before all required information is available. ASCS is required to make payments within 45 days of application, although FCIC information may not be available. FmHA is required to disburse loans within 60 days, although FCIC and ASCS information may not be available.

Needing clarification was how the \$100,000 payment limitation would apply. One option was to apply it to gross payments, the other to apply it to net payments after factoring. No provisions had been made for considering previous Emergency Feed Program payments for the same crop year. Duplicate payments for hay, pasture, and feed crops could result.

After our audit of the Disaster Payment Program, the Department issued a policy not to make lists of FCIC insureds available to ASCS or FmHA and not to provide FmHA access to funds paid to delinquent borrowers. A Department-level task force was formed to coordinate among agencies and an order of settle-

ment of various disaster programs was established. As part of this settlement, FmHA will develop a policy for handling emergency loans to avoid unauthorized loans.

Employee Integrity

The integrity of the Department's programs and employees who administer and regulate them is a priority of OIG. In the first half of the current fiscal year, there were 91 completed investigations involving employees. These resulted in 16 indictments including the indictment of 11 employees.

OIG agrees with Department managers that one case of employee misconduct is one case too many. To emphasize the importance of employee integrity, we recently issued a handbook entitled "How to Keep Out of Trouble," developed by the President's Council on Integrity and Efficiency. The handbook provides a summary of the ethical conduct standards required of Federal employees and was endorsed by the Secretary for issuance to all USDA employees.

OIG Legislative/Regulatory Review Activities

Stricter Controls Sought on Biotechnology Research

The Cooperative State Research Service (CSRS) proposed standards and criteria for achieving reasonable compliance with the Guidelines for Biotechnology Research in Agriculture. OIG believes that the responsibility for safeguarding biotechnology practices in conducting agricultural research should not be limited to USDA or its currently administered research programs. Rather, these standards and the extent of their enforcement should be expanded to the general concern for protection and enhancement of agriculture and forestry in the United States. We proposed that USDA adopt a more strict procedure for suspension and exclusion of research entities that violated these controls, and that discoveries of noncompliance by a research entity be reported to other Federal sponsors of biotechnology research.

The agency is attempting to work out mutually acceptable guidelines with other affected Departments and agencies. These will be incorporated into redrafted rules.

FmHA's Loan Risk Index Needs Testing Before Implementation

OIG provided comments to FmHA on its proposed rule concerning a general revision of farmer program regulations. One area involved the proposed calculation and use of financial ratios to screen loan applicants prior to submission of complete and extensive

application data. Past audits have shown that the financial data shown on initial loan applications is frequently incomplete, inaccurate, and not prepared on a sound accounting basis; and thus would not provide reliable data for use in a preapplication screening. Our analysis of the risk index indicated that 50 percent or more of FmHA's existing borrowers could exhibit an unacceptably high risk rating and thereby be denied further credit. OIG suggested that before implementing the preapplication risk index, FmHA should conduct a broad-based random survey of borrowers to measure financial status and establish the risk index at appropriate levels consistent with FmHA's role as lender of last resort. We

also suggested a variety of clarifications and additional language to strengthen FmHA's farm program lending policies and procedures.

Due to the number of adverse comments FmHA received on this proposed rule, it is reconsidering many of the proposed changes including the loan risk index. FmHA has determined that due to the adverse affect on existing FmHA borrowers, the proposed preapplication risk index will not apply to any existing FmHA borrowers, or to any new beginning farmers. FmHA plans to use the preapplication risk index to evaluate only those applicants who are currently farming and not presently indebted to FmHA.

International Affairs and Commodity Programs

Agricultural Stabilization and Conservation Service (ASCS)

The ASCS administers commodity and related land use programs designed for voluntary production adjustment; resource protection; and price, market, and income stabilization. ASCS also administers the Commodity Credit Corporation (CCC), a corporation which is wholly owned by the Federal Government and which funds most of the programs administered by ASCS.

CCC promotes agricultural exports through sales, payments, guarantees of credit, and other operations. Fiscal Year (FY) 1987 net outlays for ASCS are estimated at \$224.6 million for conservation programs, salaries, and administrative expenses, and for CCC at \$25 billion for production adjustment and price support programs and commodity purchases.

Payment Limitations Exceeded by \$60 Million

3630-1-TE
Under production adjustment program provisions, total program payments for feed grain, rice, upland cotton, and wheat to any one individual or entity are not to exceed \$50,000 per year. For payment limitation purposes an individual or entity is identified as an individual or legal entity that has a separate and distinct interest in the land or crop. Thus, while a large, one-person farming operation is limited to \$50,000 per year, partners in a similar operation could each receive up to \$50,000 a year. State and county committees are responsible for reviewing farm operating units and assuring that maximum payment limitations provisions are not evaded or abused.

In our last Semiannual Report, we reported on current reviews of the \$50,000 payment limitation provisions. Based on a previous audit of the same subject for the 1982 and 1983 years, ASCS improved procedures for reviewing and monitoring county committee person determinations and improved controls for obtaining operating plans. The current audit has been completed, and our conclusion is that further improvements are needed.

For our current effort, we randomly selected 371 groups having 1,059 "person" determinations. The random selection was made from an 8-State universe of 1984 payments where total payments of

AZ, AR, CA, KS, LA, MS, MT, TX

over \$50,000 went to more than one person at a common mailing address and from entities or "persons" that received over \$45,000 for the first time in 1984. The eight States represented about 41 percent of the 1984 payments nationwide.

Farm policies and farm economic conditions in recent years have resulted in more farms reaching the \$50,000 payment limit quicker. This has led to more producers reorganizing their operations to create additional "persons," some of which have not met the specified criteria. The audit reported improper or unjustified payments in excess of the payment limitation to 225 "persons," 21 percent of those sampled, totaling about \$15.7 million in 1981 through 1986 payments. Projecting these results to the 8-State universe, OIG estimates about \$60 million in improper payments have been made or approved.

Although most cases were complex and generally involved a multiplicity of issues, questioned payments of about \$10.2 million to producers involved with 154 "persons" or entities (68 percent of the questioned cases) were primarily the result of improper decisions by ASCS. The "persons" were determined eligible because ASCS did not always obtain farm operating plans when needed, and did not have adequate controls to ensure information needed for determinations was obtained and considered. Nor did ASCS follow up to measure producer compliance with the farm operating plans. Producer noncompliance was primarily the cause of overpayments to 71 "persons" (32 percent of the questioned cases) with about \$5.5 million in questioned payments.

The audit also reported a need to strengthen ASCS monitoring and oversight by assuring consistent application of payment limitation rules by State and county committees; by reemphasizing reviews prior to final payments; by holding producers, employees and committees responsible for their actions; and by implementing a random spot check of compliance with person determination rules. We also made recommendations to redefine a "person" for corporations and partnerships to better preclude evasion of the \$50,000 limit.

As required, the Secretary reported to Congress on laws and regulations that could be changed to better

ensure the fair and reasonable application of payment limitations and eliminate fraud and abuse. This report proposed rule revisions which would treat all farming entities the same including corporations, limited and general partnerships, and trusts. Another proposal would require individuals to make a significant contribution of land, cash or equipment, and management or labor to qualify as a separate person. These and other proposals, as well as planned corrective actions ASCS reported to us, should help to minimize the type of abuses we reported.

Controls Implemented to Better Protect Commodity Certificates from Alteration or Counterfeiting

3530 - 27 - FM

The Food Security Act of 1985 authorized noncash payments for producers earning payments under acreage reduction and land diversion, Conservation Reserve, and Emergency Feed programs. Commodity certificates accomplish this by entitling the holder to exchange CCC-held commodity stocks for the dollar value printed on the certificate. The commodity certificates are designed to be readily transferable. Original holders can redeem the certificates with CCC for cash, redeem them for outstanding commodity loans, or sell or trade them to other producers or commercial institutions. Subsequent holders have the same options except they may not redeem the certificates to CCC for cash and can redeem them for CCC-held stocks. As of March 31, 1987, an estimated \$7.5 billion in commodity certificates had been issued.

OIG focused its reviews on agency internal controls to secure and account for the commodity certificates. One of our initial concerns was that the certificates could be easily altered through erasure without leaving obvious signs of alteration. This happened because the data elements were printed by carbon transfer rather than direct key strike. ASCS took action to correct this problem. *TE - 328 - 14*

RONALD & SHEILA GARRETT STILLWATER, OK

In Oklahoma, an ASCS District Director and his wife, an ASCS County Program Assistant, pled guilty to charges that they participated in a scheme to counterfeit and cash commodity certificates issued by USDA. The District Director and his wife, working with a third person, obtained a blank certificate and an ASCS employee identification card which was used by the third person to convince a printer that he was an ASCS official. The printer produced the certificates which were then taken by the District Director, his wife, and another conspirator who drove around Texas, Oklahoma, and Kansas in an attempt to cash the bogus certificates. Elevator employees who redeemed two of the certificates for \$16,790.74 and \$15,055, became suspicious and questioned the

authenticity of the certificates. They notified USDA, and OIG began a joint investigation with the U.S. Secret Service. The investigation led to the arrest of the accomplice, and the indictment and conviction of the USDA employees. The District Director resigned and his wife has been suspended. As a result of the arrest, certificates with a face value of \$961,000 were seized.

3530 - 27 - FM + 3091 - 6 - FM

ASCS has now taken action to address the alteration problem and to further protect certificates from counterfeiting. The certificate paper will be upgraded; the negotiable copy of the certificate package will contain original print; the certificate will be printed using the intaglio process; the certificate will contain a statement on penalties for modification or alteration; and a safety ink coating will be used to assist in easily identifying alterations.

3530 - 27 - FM (5)

The following issues regarding weaknesses in custody, control, and accounting for unissued and redeemed certificates have also been reported along with appropriate recommendations:

- Redeemed certificates were not always marked "paid."
- Critical accounting system master files were not backed up and stored off site.
- Redeemed commodity certificates were not reconciled with issuance data, and nonreconciled items were not promptly followed up on.
- The control register over the distribution of unissued certificates was not adequate and was not properly maintained.
- Accounting controls over certificates to be destroyed were weak.
- Unissued certificates were not properly secured or inventoried at county offices, and State offices had not performed required reconciliations.

ASCS has taken steps to remedy these weaknesses, as recommended in our reports.

Indictments Issued for Selling Contaminated Feed to Dairies

TE - 118 - 1
VALLEY FEEDS VAN BUREN, AR

In Arkansas, four persons associated with a gasohol manufacturing and feed operation were indicted on charges of racketeering, mail fraud, wire fraud, violations of the Federal Food, Drug, and Cosmetic Act, water pollution violations, and making false statements.

The alleged scheme, which was jointly investigated by OIG, FBI, FDA and State authorities, involved the purchase of treated seeds and salvage grains, including those contaminated with aflatoxin, to use in the manufacture of alcohol at a gasahol plant. The grains contaminated with various chemicals, including dieldrin, chlordane, and heptachlor, used in the manufacturing process were dyed to warn that they were contaminated. To conceal the dyes, the conspirators mixed the contaminated grains, which ended up as a mash byproduct, with untreated grains and soybean meal, then sold the mash as feed to dairy farmers. As a result of the contaminated feed, 137 dairy herds in Arkansas, Oklahoma, and Missouri were quarantined because of heptachlor contamination, and Congress appropriated about \$9.1 million for dairy indemnities in the heptachlor emergency. ASCS paid \$3,059,570 in payments to dairy product producers and paid \$4,621,869 to milk producers affected by the contamination.

Improper Tobacco Sales Result in Penalties for 18 Dealers

3097-107-AT

Congress developed the Flue-Cured Tobacco price support program to control production and stabilize prices. To be eligible for price support, tobacco producers must plant within their allotments and sell within tobacco quotas established for their farms. Tobacco dealers who purchase tobacco from processors, producers, and other dealers are considered to have marketed excess tobacco at any time their resales exceed their purchases. Also, producers purchasing "Not-In-Form" (NIF) tobacco (processed green tobacco) are required to report plans for disposal to ASCS so that the actual disposition or blending of such tobacco can be witnessed.

Administrative controls over the marketing of flue-cured tobacco in one State did not detect some excess tobacco resales because tobacco dealer reports of purchases and resales were reconciled on a yearly basis rather than daily. Examination of 14 tobacco dealer purchases and resales disclosed that six dealers sold more than 98,000 pounds of excess tobacco during 1985. These dealers owe the Government more than \$134,000 in penalties.

Four dealers did not report to ASCS all planned sales of NIF tobacco and sold 416,199 pounds of such tobacco without ASCS inspection. These dealers owe a penalty of \$566,031. Additionally, some tobacco dealers may have illegally substituted NIF tobacco for good quality tobacco. ASCS inspections of the disposition and blending of NIF tobacco were not sufficient to prevent or detect the substitutions. Our analysis indicated that dealers could receive large profits from such practices.

Based on our report, ASCS is revising regulations to address the problems.

Better Coordination Needed on Sale of Red Meat *50099-43-Hy*

The Food Security Act of 1985 requires the Secretary to purchase 400 million pounds of red meat to minimize the adverse effect of the Dairy Termination Program on American beef, pork, and lamb producers. One-half of the purchases were to be provided the Department of Defense or sold to foreign countries. These purchases were also required to be in addition to the red meat quantities USDA normally purchased. Departmental coordination was required among the agencies involved: CCC, the Agricultural Marketing Service, and the Foreign Agricultural Service.

USDA sold about 198 million pounds (about 90,000 metric tons) to Brazil. The Secretary requested OIG to review problems that occurred Stateside in getting the beef to port and onboard ship. Our review found that overall planning, coordination, and control of the purchase and movement of the beef was not adequate to protect USDA's interests. USDA incurred excessive costs for such items as handling, storage, and demurrage. For example, CCC incurred storage costs of \$404,000 for 4,612 metric tons at one port because Brazil had not scheduled vessels. Beef was damaged because packaging material split and because handling practices at the ports were excessive and improper. At one port, 1,200 metric tons was not loaded because of damage and an additional 2,100 metric tons was onboard ship even though it also was damaged. In both cases reprocessing was necessary before title could pass to Brazil.

The Department acted to establish specifications for packaging and packaging materials and to increase inspections at critical points in the handling process. Our followup visits found that conditions had improved to an acceptable level and there was a low product rejection rate. Additional storage costs remain a problem since Brazil continues to lag in providing vessels.

Commodity Loan Investigations Focus on Mortgaged Grain

OIG continues to investigate allegations involving the commodity loan program. Two common abuses of the program involve producers who illegally sell, or "convert," grain mortgaged to CCC, and producers who make false statements to obtain loans.

CH - 371-89

- In Illinois, the manager of a commercial grain warehouse was convicted of charges that he

*CHAMPAIGN Co. GRAIN ASSC.
ST. JOSEPH, IL*

made material false statements to a warehouse examiner. A warehouse examination by the Illinois Department of Agriculture disclosed shortages of 450,039 bushels of corn and 136,043 bushels of soybeans. The shortages represent approximately \$2 million worth of grain. The warehouse manager certified to the examiner that the missing grain had been moved to terminal elevators for storage when in fact he knew the grain was sold to the terminals. The manager admitted to OIG agents the shortages were due to unsuccessful speculation in the commodity futures market. He was sentenced to 5 years in prison, which was suspended, placed on 5 years probation, and fined \$1,000.

CH-332-103 + CH-332-179

- Two Indiana borrowers pled guilty to charges they converted security for their ASCS loans. The losses totaled over \$1.6 million. As part of his plea agreement, one borrower has agreed to pay restitution of \$860,000 plus interest.

DANIEL ORTMAN / HERBERT ELDRIDGE
GREENSBURG, IN
Foreign Agricultural Service

The Foreign Agricultural Service (FAS) is primarily responsible for the expansion and maintenance of foreign export markets for U.S. agricultural products. FAS is also responsible for foreign market intelligence and access, development of foreign markets for U.S. agricultural products, and representation of U.S. agricultural interests abroad.

Loss Claims Could Offset Delinquent Loans

50010-2-Hy

Purchasing countries currently retain any monies received from shipping companies for loss or damage to commodities purchased from the United States. CCC does not participate in these loss and

damage claims even though it provides financing for between 90 to 100 percent of the commodity cost in the form of low interest, long-term loans.

We found that 22 of the 32 countries that received financing under the Title I Program in FY 1985 were delinquent on previous CCC loans by \$85.5 million. CCC could reduce the delinquencies by about \$10 million annually if it participated in loss and damage claims and applied them to the countries' delinquencies.

Penalties on Illegal Sugar Reach \$20 Million

TE-799-2 OPERATION BITTERSWEET

The 2-year, multi-region, joint OIG-U.S. Customs Service investigation, called, "Operation Bittersweet," is in its final stages of completion. To date this investigative effort has resulted in the indictment of 46 individuals and companies in connection with the illegal diversion of approximately 400 million pounds of foreign sugar into the U.S. market. Of those indicted, 22 of the companies have been convicted. Seventeen of these have been fined and ordered to pay restitution totaling \$4,170,000. Twenty-two of the individuals have been found guilty, received sentences ranging from probation to 72 months in prison, fined a total of \$70,000, and ordered to pay restitution totaling \$3,288,232. Legal action is pending against three individuals who are fugitives.

Under the rules of the sugar re-export program, the licensed refiner is responsible for exporting the refined sugar within 90 days of import. One sugar refiner has agreed to pay \$12.88 million to settle civil claims made against it by the U.S. Government. Civil actions against two other refiners are pending.

SMALL COMMUNITY AND RURAL DEVELOPMENT

Farmers Home Administration (FmHA)

FmHA is the Department's credit agency for rural development and agriculture. As of June 30, 1986, FmHA had about 1.3 million active borrowers and a loan portfolio of about \$70.1 billion, including \$3.6 billion in guaranteed loans.

Implementation of Revised Servicing Procedures for Farm Loans Need Improvement

04658-2-AT GA, IN, IO, TX

We conducted an audit to evaluate FmHA's revised servicing procedures issued in response to *Coleman vs. Block*. Our review in four States found that loan servicing activity reports were incorrect and that large backlogs of borrower default cases were developing at the county level. FmHA continued to provide operating loans and other servicing actions to borrowers without developing realistic Farm and Home Plans to show that a positive cash flow existed. Farm and Home Plans were not realistic because of obvious errors or omissions in income, expense, or debt repayment data. Similar issues have been reported previously, but only limited corrective action has been accomplished by FmHA.

Although FmHA established a reporting system, the Servicing and Guaranteed Activity Report, to track and monitor progress in servicing loan accounts that were in monetary or nonmonetary default, much of the reported data were incorrect. After our early notification of FmHA that borrowers without a positive cash flow were being provided operating loans and other loan servicing benefits, FmHA conducted an internal review in 17 States that identified similar problems and confirmed our interim audit findings. All States were then reminded of the cash flow requirements; however, we found that county office personnel continued to process servicing actions and loans for borrowers with a negative cash flow in about 40 percent of the cases we reviewed.

In the four States reviewed, we found approximately \$10 million in loan servicing actions (rescheduling, reamortization, and deferrals) and \$3 million in 1986 operating loans for borrowers without a positive cash flow. For the 108 cases we reviewed where FmHA's servicing actions cured loan defaults, we found that:

- Production yields were not realistic in 47 cases;

- Prices used in 40 cases deviated from prices furnished by State or district offices and were not supported by borrowers' records;
- One or more expenses (social security or income taxes, real estate taxes, harvesting expenses, marketing assessments, interest expense, chemical costs, and quota lease costs) were omitted in 75 cases;
- Some debts were not considered in the cash flow analyses in 17 cases;
- Family living expenses were unreasonably low in 19 cases based on the family's size;
- Mathematical errors occurred in 34 cases; and
- Nonfarm income of \$5,000 or more used in cash flow calculations was not verified in 41 of 76 applicable cases.

In a response to our interim report, FmHA informed us that edit checks and system changes were planned to help alleviate the reporting and accuracy problems in the activity reports. FmHA acknowledged the backlog of unresolved loan default cases and instructed State directors to promptly accelerate cases where the borrowers failed to respond to FmHA's notice of intent to take adverse action. FmHA also reconfirmed that its prior loan continuation policy had been terminated and that a positive cash flow was required, but the only corrective actions mentioned were evaluations of field offices to determine compliance.

We concluded that the national office's monitoring of the revised loan servicing procedures was incomplete, was not timely performed, and was ineffective in reducing the granting of 1986 operating loans to borrowers without a positive cash flow. The State offices either made no reviews or the reviews made were not effective. We are continuing our monitoring efforts on FmHA's revised servicing procedures, including an assessment of the actions taken to cure loan defaults.

FmHA Acts Against Federal Employee Borrowers Who are Delinquent or Can Graduate

04661-1-AT AL, FL, GA, MS, NC

The previous Semiannual Report included the results of audits conducted in five States to determine the

status of FmHA loans to Federal employees. One of our objectives was to evaluate the potential effectiveness of computer matching to identify Federal employees with FmHA loans who were either delinquent and possibly subject to salary offset or who could be graduated to other credit sources. Using computer matching techniques, we identified over 600 loans delinquent by approximately \$11.5 million which should have been considered for collection by FmHA through salary offset. We also identified about \$9.8 million in outstanding loans to Federal employees who we believed should have graduated to commercial lending sources.

We made no recommendations in the individual State reports regarding the delinquent loans since a systematic review process by the national office was needed. However, we did recommend that graduation reviews be conducted on those borrowers who appeared to be eligible for commercial refinancing. We received positive responses from FmHA for all of the five States. To date, in one of the five States, FmHA has taken action on \$994,857 (or 65 percent) of the loans reviewed, by either accelerating the payments, collecting the outstanding loans, or requesting the borrower to refinance with commercial credit sources.

At the national level, we recommended that the Administrator of FmHA: (1) develop procedures for biennial computer matches with Federal income sources to identify loans to Federal employees; (2) give priority to implementing salary offsets; (3) arrange to obtain current income information from State employment security commissions; and (4) monitor compliance by the county offices performing graduation reviews.

In the response to the national audit report, FmHA outlined a number of actions either completed, underway, or planned. FmHA anticipated issuing its operating procedures for salary offset by May 1987. FmHA will perform computer matching and has proposed agreements to be executed with Federal personnel control sources to identify Federal employee borrowers. In addition, FmHA indicated that it would determine what arrangements could be made with the States for wage matching in conjunction with the graduation review process, and will continue to monitor compliance by their county offices.

Investigations Thwart Conspiracies to Defraud or Abuse FmHA Programs *Te - 401-209*

GENE McBRIDE FmHA CS FLATROCK, AR
Agency programs routinely include internal controls designed to prevent program abuses and fraud. Normal internal controls, however, can be circumvented when two or more parties conspire against the Government.

- An FmHA county supervisor in Arkansas was charged in a 20-count indictment with conspiracy, bank fraud, false statements, conversion of Government property, and misuse of Government property. The FmHA employee, whose cattle were mortgaged to FmHA, sold 221 head in the names of other parties and converted the proceeds of the sales to his own use. In addition, the employee facilitated the making of FmHA loans to third parties to allow those borrowers to purchase his cattle, and thereby facilitate the repayment of debts he owed to FmHA borrowers. The loss to the Government was approximately \$65,000.

*AT-401-354
ROGER McDONALD FmHA CS MARIANNA, FL*

- In Florida, three persons were indicted and charged in a scheme to obtain a fraudulent FmHA loan. One of those indicted was an FmHA county supervisor who improperly approved a \$173,700 loan to his brother for a nonexistent cattle operation. Nonexistent farm equipment was pledged as collateral for the loan. A second FmHA county employee cooperated in the scheme. The FmHA funds were used to purchase beachfront property and a 70-acre tract of land.

Te - 417-9-J BILLY HARTNESS MONTICELLO, AR

- A homebuilder and a real estate broker in Arkansas were indicted by a Federal Grand Jury on charges of conspiracy and making false statements. The 10-count indictment charged the two individuals with preparing false documents and counseling loan applicants to conceal information in connection with applications for FmHA rural housing loans. Eight FmHA loan applicants have already pled guilty to filing false applications in connection with this and with similar schemes. Twenty-eight other loan applicants have been placed in a pretrial diversion program.

*AT-499-120 BRADY McSWAIN et al
BROWNWOOD, GA OPERATION SPRING CLEANUP*

- Five FmHA loan borrowers in Georgia participated in a scheme to defraud FmHA by setting up a fictitious farm supply company and submitting bogus invoices to induce FmHA to release loan funds from supervised bank accounts. One person has been convicted of false statements, three persons have been indicted on conspiracy and other charges, and one other person was not charged due to his advanced age and his limited participation in the scheme. Approximately \$150,000 was wrongfully disbursed by this ruse.

SF-421-39 FRANKLIN RUFFING GOODING CITY, AZ

- A Washington dairyman was indicated on 17 counts of making false statements to FmHA, conversion of property mortgaged to FmHA, concealment of assets in a bankruptcy proceeding, and conspiracy. Two individuals who assisted the dairyman in his schemes to convert and conceal FmHA security were also included in the conspiracy charges. The dairyman submitted false

records in order to obtain \$56,860 from the FmHA supervised bank account, converted 66 head of livestock for \$21,401 using the names of others to hide the sales, and concealed 32 dairy cows from FmHA and a subsequent bankruptcy proceeding.

Guilty Pleas in Embezzlement Cases SF-421-39
PAT GOMEZ d/b/a APACHE CITY SELF-HELP HOUSING SPRINGVILLE, AZ

The former coordinator of a self-help organization in Arizona was sentenced to serve 3 years in prison after she pled guilty to charges of submitting false documents to FmHA and evasion of Federal income tax. The plea agreement was the result of our investigation in 1983, which determined that she had embezzled approximately \$174,000 from supervised bank accounts of 83 FmHA borrowers who had obtained FmHA rural housing loans through her self-help organization. *WA-422-6*

COAL RIVER PUBLIC SERVICE DISTRICT RACINE, WV
The former manager of a public service district in West Virginia and his secretary pled guilty to embezzling approximately \$50,000 in FmHA funds from the district. A private subcontractor who assisted the pair by endorsing and turning over checks for work he had not done also pled guilty to the conversion of Government property.

Five Indicted for Business and Industrial (B&I) Loan Fraud

Joint audits and investigations of three B&I loans involving FmHA guarantees totaling over \$13 million dollars have resulted in indictments.

Te-461-14 MORRIS CRANMER JR. Ph.D. d/b/a INTOX LABS LITTLE ROCK, AR

- In Arkansas, a borrower who obtained two FmHA B&I loans totaling \$10 million to build and equip a toxicology testing laboratory was indicted on charges of making false statements to obtain the loans, and for presenting false invoices to FmHA to draw about \$1.1 million in construction loan funds which he actually diverted to his own use. This was accomplished by the use of "paper" companies to divert the loan funds and to supply the false invoices.

- A California financial institution and its president were indicted on charges of making false statements to FmHA about the disbursements of loan proceeds from a B&I loan. The original borrower

SF-499-41

FRED SHIEMAN, PRES.

CALIFORNIA GROUP SERVICES

WALNUT CREEK, CA

defaulted on the loan, causing FmHA to pay \$724,506 on its guarantee. The indictment charges that hidden profits taken from loan proceeds were deliberately concealed by the lender.

TE-461-20 OWL CONSTRUCTION CO. GREATER, LA

- In Louisiana two construction company officials were indicted on charges of conspiracy and making false statements in connection with an FmHA guaranteed B&I loan of \$3,227,000. The two officials submitted false invoices to obtain loan disbursements based on false, fraudulent, or overstated invoices. The improper disbursements totaled \$856,856.21 as a result of this scheme.

Rural Electrification Administration

The Rural Electrification Administration (REA) makes or guarantees loans to rural electric and telephone utilities. The Rural Electrification Act authorizes the REA Administrator to make loans to persons or companies that provide electric and telephone service in rural areas. As of September 30, 1986, REA had about 2,100 active telephone and electric borrowers with outstanding revolving fund loans of \$14.6 billion, telephone bank loans of \$1.4 billion, and loan guarantees of \$22.5 billion.

REA Rescinds \$2.3 Billion in Loan Guarantee Commitments

09613-3-CH

In our Semiannual Report covering the period April 1, 1985, through September 30, 1985, we reported that REA did not have adequate controls established to evaluate and rescind loan guarantees on projects which were canceled or delayed for indefinite periods. Our audit report, issued on September 10, 1985, recommended that REA evaluate all projects which had been placed on indefinite hold or extended delay and rescind the loan guarantees on those projects which are no longer needed. REA agreed to implement a systematic review process which would determine if outstanding loan guarantee commitments were still needed or should be rescinded. REA has recently reported that over \$2.3 billion in loan guarantees have been rescinded since October 1, 1985. Of the \$2.3 billion, \$927 million was identified and recommended for cancellation by our audit and \$1.435 billion was identified and canceled by REA through the recommended review process.

Food and Consumer Services

Food and Nutrition Service

The Food and Nutrition Service (FNS) administers thirteen programs including: Child Nutrition; Special Supplemental Food for Women, Infants and Children; Food Stamps; Special Milk, and Food Donations. Estimated spending for FY 1987 is \$18.2 billion of appropriated funds.

Food Stamp Program(FSP)

Underreported Income Results in Excess Food Stamps and Public Assistance of Half-Million-Dollars

2719-57-CH IL + 2719-58-CH IN
We used computer matching techniques in an audit of the FSP in two States emphasizing a major metropolitan area common to both borders. These two States had approximately 569,000 households who received monthly FSP benefits totaling approximately \$79.4 million. The computer matches and subsequent employment verifications identified 181 recipients that received \$563,000 in excess FSP and public assistance benefits with FSP losses totaling \$295,000. Excess benefits were calculated for each month that the 181 recipients participated to the extent that unreported income resulted in an overissuance. Income verifications and benefit calculations extended as far back as January 1984 and up to and including June 1986.

A number of circumstances were identified as contributing to the abuse of the program. Matching the FSP casefile data of each State with the other's State Employment Security Division records, we verified that 74 recipients in the metropolitan area underreported earnings and received improper FSP and public assistance benefits totaling \$155,000 and \$97,000 respectively.

Computer matching also identified 1,300 Federal and Postal Service employees participating in the FSP. Our judgmental sample of 142 found that 86 underreported their earnings and received improper FSP and public assistance benefits totaling \$231,000 about \$95,000 and \$137,000 respectively.

Finally, we verified that 21 recipients simultaneously participated in the FSP in both States and received excessive FSP and public assistance benefits of \$45,000 and \$34,000 respectively.

Based on our review of a judgment sampling of these cases, we conclude the total number of recipients that may be improperly receiving food stamps and other welfare benefits in the metropolitan area may exceed 1,000, and excessive program benefits could total several million dollars.

Wage Matching Improvements Could Save \$8 Million

27017-3-AT DADE Co. FL
27016-83-AT DUVAL Co. FL

OIG audited FSP operations in two project offices within a State that provides over \$31 million in FSP benefits monthly to more than 600,000 people throughout the State. We found from a statistical sample in one project office that an "exception-based" verification system was substantially out of compliance with mandatory wage matching requirements. Because the "exception-based" verification system operated on a monthly basis, eligibility workers did not have the income reports to use in the certification process. The system was also deficient in that it performed no income verification for public assistance households and excluded certain types of non-public assistance households. We projected improper income reporting by 8,881 of the 74,010 households in the project area as of June 1985, and a consequent overissuance of \$6.7 million in FSP benefits over a 30-month history of the households' participation.

We used the same audit approach in a second project area and projected that 3,500 households improperly reported their income, costing the FSP \$1.3 million over a 30-month period ending April 1986.

OIG recommended that the State agency establish claim determinations to recover the overissuances. On January 7, 1987, FNS issued a formal warning to the State of a possible suspension of Federal administrative funds due to failure to comply with the wage matching regulations.

Food Stamp Trafficking Leads to Arrests

OIG investigators, through individual efforts as well as through cooperation with other Government agencies, made arrests and obtained indictments during this 6-month period in food stamp trafficking cases at the food retailer level and among individuals. The following cases show not only the magnitude of

trafficking that can occur in the FSP, but the dispersion of such illegal schemes throughout the United States.

TX - 2748-478 LOMAX GROCERY HITCHCOCK,

In Hitchcock, Texas, two people were indicted for illegally acquiring and redeeming approximately \$500,000 in food coupons. The two men had rented a grocery store so they could become eligible to redeem food coupons. They opened the store for business for about 6 weeks, closed it, but continued to redeem food coupons they had purchased for cash from recipients. *CH - 2748-612*

FRANKLIN GEN. STORE DETROIT, MI

The owner of an authorized retail store in Detroit, Michigan, was sentenced to 18 months in jail for unlawfully redeeming approximately \$50,000 in food coupons. The food coupons were purchased from recipients as they left food coupon issuance sites. This person never actually operated a retail food outlet. *TX - 2744-59-J & AT-2747-402*

POSTAL MGT. FACILITY BRYEN, TX JOE OWENS BLUFF CITY, TN

Two joint investigations conducted by OIG and the U.S. Postal Service resulted in the arrest of two Postal employees for stealing food coupons from the mail in Texas and Tennessee. A search of the subject's residence in the Tennessee case resulted in the recovery of \$27,148 in food coupons. The subject in the Texas case had \$10,417 in food coupons in his possession when OIG agents arrested him.

AT-2740-279 CLARKS GROCERY WILMINGTON, NC

In North Carolina, 25 persons were indicted as the result of an OIG operation against food stamp trafficking by individuals and businesses. The people indicted were charged with purchasing food stamps for cash and in some cases exchanging firearms, drugs, tires, beer, and pornographic material for the food stamps. Of the 25 people indicted, 23 have entered guilty pleas, one was found guilty after a jury trial and the charges against one person were dismissed. The defendants received sentences ranging from 60 days in jail to 8 years in jail and a \$10,000 fine.

NY-2747-243 RAPHAEL MARTINEZ NY, NY

Three people in New York were arrested by OIG and the U.S. Secret Service for conspiracy to counterfeit food coupons. Two of the individuals were on bail awaiting trial for their involvement in a \$2.3 million fraud of the Special Supplemental Food Program for Women, Infants, and Children (WIC).

Unreconciled Food Coupon Deposits Total Over \$202 Million

27019-30-Hy

FNS's management, control, and accountability over the food coupon redemption process needed significant improvement. Known as the Bank Monitoring system, the redemption process monitors redeemed food coupons from the moment they are deposited

into banks by retailers. OIG reviewed this system and found that it did not establish an audit trail capable of effectively identifying food coupon trafficking. For example, the System showed that for the period October 1984 through March 1985 retailers had presented over \$202 million more in coupons for redemption to the banks than were supported by food coupon deposit documents. We visited four banks with large unreconciled differences and found that: (1) banks forwarded food coupons to Federal Reserve Banks but held on to accompanying retailer deposit documents for up to 11 months; (2) deposit documents were not forwarded to the Federal Reserve when retailer deposits did not balance; and (3) retailers deposited food coupons without deposit documents.

Examination of the FNS Bank Monitoring System operations in Minneapolis, Minnesota, disclosed that inaccurate or incomplete information was entered into the system, while vital data about food coupon deposits with an estimated value of over \$244 million that had been received between October 1984 and March 1985 were not entered into the system. Had the information been handled correctly, the system would possibly have shown a much smaller dollar difference than the \$202 million noted.

OIG recommended that appropriate actions be taken to reconcile exceptions and to improve reporting at the local bank level, and that a new agreement be established with the Federal Reserve Banks to include all current operating procedures. We also made specific recommendations for the FNS computer center in Minneapolis.

FNS responded that guidelines are being finalized calling for the FNS regional offices to initiate letters and personal contacts with banks identified on the exception report. FNS also stated that a major redesign of the Bank Monitoring System is necessary to achieve a fully accountable system utilizing current technology. Work on the redesign is underway.

Missing Casefile Documentation Culminates in Unsupported Issuances of \$6.5 Million

27017-3-AT DADE CO., FL
27016-83-AT DUVAL CO., FL

The State agency is responsible for maintaining accountability and control of household casefiles which support the issuance of food stamp benefits. Each casefile must contain (1) a completed FSP application, (2) an eligibility worker's worksheet, and (3) documentation supporting required verifications, such as income, alien status, and social security number.

OIG performed a followup audit in two project offices in a State cited previously as having major problems

in maintaining documentation to support food stamp issuances. The audits of the two project offices again found inadequate controls over casefile documentation, which allowed unsupported issuances to go undetected and made the program vulnerable to fraud and abuse. In one project area, we projected that 3,035 case records, for households participating in September 1985, had unsupported issuances totaling \$4.6 million due to missing casefile documentation. In the other project area, we projected that 4,503 case records for households participating in the 12 months ending April 1986 had unsupported issuances totaling \$1.9 million.

The audits followed guidelines set forth in a Consent Decree signed by the State and USDA in Federal Court on February 27, 1986. The Consent Decree settled a suit by the State against USDA arising from a \$1.2 million claim which was based on a statistical estimate of unsupported issuances in one of the project areas disclosed by the initial OIG audit report issued October 5, 1982. According to the Consent Decree, if the State cannot reconstruct the missing documents for the sampled cases, it becomes liable for all unsupported issuances we estimate in our current two audits.

In addition to the audit of casefile documentation in these two project offices, audits are currently underway examining a nationwide statistical sample of FSP casefiles to determine if more specific program requirements are necessary at the Federal level.

National Network Exhibits No Measurable Impact on Program Abuse

2719-59-CH

FNS developed a National Disqualification Reporting Network System (DRIPS) in 1983 to be used by

State agencies to report and identify FSP recipients who have been disqualified due to intentional program violations. The intent of the DRIPS was to prevent FSP recipients who have been disqualified in one project area from participating in another. We performed an audit of the DRIPS and found that State agencies were not reporting a material number of disqualifications and were not using the system to make disqualification determinations. Our review at only one FNS regional office, showed that while six State agencies which disbursed over \$2.4 billion in FSP benefits indicated that they had over 31,400 fraud cases, only about 5,500 cases were reported on the DRIPS.

We identified 13 State agencies that were not using the DRIPS because they were not aware of the quarterly tapes and printouts available or did not believe they could effectively use the system.

At FNS, we found no system that tracked the benefits or the costs of the DRIPS. FNS had not received any information on the uses made of the DRIPS by 31 State agencies and received only limited information from 9 States. Many of the States that received DRIPS information from FNS were not using it (one merely filed the tape copies it received). Based on the audit, FNS agreed to establish controls to ensure that State agencies use the DRIPS, report all disqualified individuals committing intentional program violations, and impose proper penalties based on prior disqualifications.

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MARKETING AND INSPECTION SERVICES

Food Safety and Inspection Service

The Food Safety and Inspection Service (FSIS) helps ensure that the Nation's commercial supply of meat and poultry is wholesome and correctly labeled through inspections at domestic plants and through a wide variety of monitoring and compliance functions. This includes reviews of foreign inspection systems and inspections of meat imported into the United States.

Administration of the Imported Meat Inspection Process Needs Strengthening

38002-2-HY
Meats imported into the United States must meet the same basic standards as meats produced domestically. USDA relies on foreign meat inspection systems and authorizes FSIS to approve them according to U.S. standards and to monitor them for compliance. Our audit concluded that FSIS's administration of the imported meat inspection process needed strengthening in the following areas:

- In its reviews of exporting countries' meat processing programs, FSIS did not use a risk analysis systems approach it created in 1983. The purpose of this systems approach was to provide a comprehensive assessment of the foreign countries' various controls to ensure that product wholesomeness is equivalent to that of U.S. standards. In the two countries we visited (Australia and New Zealand), we noted that animal drugs not approved for use in the United States were routinely used; monitoring of herds suspected of having residue contamination was not sufficient to prohibit entry of animals from the herds into export markets; residue sampling plans were not designed to ensure that samples taken were a valid representation; and safeguards over health certificates were not sufficient to preclude the use of unauthorized certificates. Consequently, meat products which do not meet U.S. standards could enter the domestic market.
- Imported products were allowed to move through intermediary transportation facilities prior to inspection, and products were transported to inspection locations without proper sealing and supervision. As a result, there was no assurance that all imported meat products were presented for inspection. During our audit, FSIS management began comprehensive corrective action

which, if completed, will resolve these deficiencies.

- FSIS did not maintain control of the principal form used to monitor the movement of meat products prior to inspection. FSIS did not reconcile the preinspection copy of the form and did not use information available from the U.S. Customs Service to identify shipments of imported meat that had not been inspected. Under these procedures, import brokers would be able to import meat products, pay Customs duty on the products, then fail to present these products to the FSIS for inspection. It is U.S. Customs' responsibility to control imported products before they are presented to FSIS for inspection.
- Some establishments operating as approved import inspection facilities had less than adequate plants and equipment because FSIS had not established standards for import inspection facilities. Consequently, import establishments could compromise the import inspection process by not providing the necessary means to effectively and efficiently control and test imported meat products.
- The products which were refused entry into the United States were not adequately marked. Thus, rejected products could return to the United States without detection. During the course of our audit, FSIS implemented procedures which, if properly followed, should resolve this.

Nationwide Audit Leads to Positive Actions on the Domestic Meat and Poultry Inspection Program

38607-1-AT
In response to our September 1986 audit report on nationwide meat and inspection activities, FSIS has taken the following actions concerning the Domestic Residue Monitoring Program, the "risk-based" inspection methods, the tracking and correction of deficiencies identified in meat and poultry plants, and the consistency and accuracy of labeling decisions.

- Domestic Residue Monitoring Program: FSIS has undertaken a major restructuring of its residue control efforts. The audit report detailed our concerns that the Domestic Residue Monitoring Pro-

gram might not effectively detect the incidence of hazardous residues in the meat and poultry supply and that FSIS needed better coordination with other agencies to ensure the collection of adequate evidence to prosecute producers who violate drug and residue laws.

FSIS awarded a contract to develop a system to capture and track information about residue violations. FSIS plans to place more emphasis on additional sampling and control measures when an inspected establishment has a history of violations.

- "Risk-Based" Inspections: Our report recommended that FSIS consider the implementation of "risk-based" inspection in certain types of processing plants where the likelihood of deficiencies affecting product wholesomeness was low. We also recommended that FSIS continue to pursue legislative changes to eliminate the continuous inspection provision of the Federal Meat Inspection Act. On November 10, 1986, the President signed into law FSIS-supported amendments which permit FSIS to vary the intensity of inspection coverage in processing plants. The statute now requires distribution of inspections based on risk factors and will increase the ability of the agency to concentrate inspections where they are most needed.
- Improved Corrective Action on Plant Deficiencies Found During Inspections: During our reviews at 132 meat and poultry plants, we found a number of deficiencies that had been identified and documented previously by FSIS personnel, yet had not been corrected. FSIS has developed a new in-plant review system which includes provisions for improved circuit supervisor reviews and a new format for identifying deficiencies and tracking corrective actions.
- Controls Over Labeling Decisions: FSIS has responsibility for approving many types of labeling for meat and poultry products. Agreeing that improvements were needed, FSIS has established a review group that reviews sketch approvals and evaluates the degree of accuracy and consistency in policy application.

Better Controls Needed to Prevent Products for Export not Meeting U.S. Standards from Entering Domestic Commerce

38099-2-AT

FSIS allows the production of certain "for export only" meat and poultry products that, while meeting the importing country specifications, do not comply with U.S. standards. However, the shipping con-

tainers for these products are presently labeled with the same USDA inspection legend used for domestic products. There are also no record-keeping requirements for plants to maintain proof of export. FSIS will conduct a study to determine the extent of the problem and has agreed to take corrective actions, if needed.

Also, FSIS inspectors may not have had the complete and current residue data when they signed public health certificates for exported products. Residue monitoring results were compiled and maintained by the FSIS national office; however, there was no system to ensure that the information was timely disseminated to field inspectors. FSIS has planned enhancements of its residue monitoring and control programs. These enhancements, as planned, would provide for better information on residue test results, including more timely issuance of summary results, quicker feedback on laboratory samples and expanded use of implant tests.

Unallowable Expenses Result in Indirect Cost Overclaims Totaling \$750,000 *3892-1-CH WI* *3892-2-CH IL 3892-3-CH OH*

In addition to direct Federal inspection, FSIS also provides technical and financial assistance to States which maintain meat and poultry inspection programs equal to that of the Federal inspection program.

Audits of Indirect Cost Negotiation Agreements for three State Departments of Agriculture questioned the inclusion of nearly \$3.6 million in salaries; fringe benefits; nonpersonnel costs; and costs for rent, debt service, maintenance and utilities in the indirect cost pools. This could result in the States overclaiming about \$750,000 for reimbursement from USDA for FYs 1982 through 1985.

Food Tampering Results in Conviction *Te-2418-1* *THEODORE RIOS CLINTON, OK*

In our last Semiannual Report, we reported that an employee of a meat packing plant in Oklahoma admitted to having put ball bearings, glass, pieces of concrete, and metal fragments into meat products on four occasions. The investigation was the first to result in an indictment under the Federal Anti-Tampering Act for tampering with meat or a food product. The former employee pled guilty and has been sentenced to serve 4 years in prison.

Animal and Plant Health Inspection Service

The Animal and Plant Health Inspection Service (APHIS) protects animal and plant resources from disease and pests by several means, including inspection and quarantine of imports at ports of

entry. APHIS also enforces the Animal Welfare Act and ensures that animals intended for use as pets are provided humane care and treatment by licensed dealers and registrants.

Positive Action Taken by APHIS on 1985 GAO Report Concerning Animal Welfare

33099-6-Hy

OIG made a special review of APHIS's administration of the Animal Welfare Program as it relates to the care and treatment of animals intended for use as pets. The focus of this review was to follow up on the issues developed and suggestions made by the General Accounting Office (GAO) in its report entitled "The Department of Agriculture's Animal Welfare Program" (GAO/RCED 85-8, May 16, 1985). In that report, the GAO identified three areas which it believed needed strengthening: (1) instructions and training given to the APHIS inspectors, (2) how APHIS schedules its inspections of licensed dealers and registrants and the frequency of those inspections, and (3) the followup action taken when inspectors find an unsatisfactory condition.

OIG examined the GAO issues and evaluated the actions taken or planned by APHIS. We believe that APHIS has made measurable strides in planning, developing and taking positive actions to remedy the operational issues identified by GAO. Formal training has been provided, and the frequency and scheduling of inspections, as well as reinspections, were being conducted in line with the available resources. During 1987, APHIS plans to implement a ticket warning system to be used when minor violations are found. This will serve the same purpose as the letter of warning presently issued from the headquarters office, and help prevent a backlog of the more serious cases, which the headquarters staff must consider.

Brucellosis Tests and Vaccination Records Falsified

KC- 3399-29-J
T & G CATTLE CO. WEST PLAINS, MO
A partner in a cattle business in Missouri pled guilty to one count of aiding and abetting in making false statements. This was the culmination of a 7-month joint investigation by OIG and APHIS Veterinary Service compliance officers into falsification of brucellosis test records and vaccination records, the falsification of which had contributed to several outbreaks of brucellosis in area dairy herds.

SF-3399-24 CHAL TEEL SPOKAN, WA
A Washington dairyman waived indictment and pled guilty to one felony count of making false statements

to APHIS. He admitted making false representations in regard to nine cattle which he transported from his dairy farm to an auction firm in a neighboring State. The dairyman had placed official brucellosis vaccination eartags on the nine cattle when in fact no vaccinations were ever administered to the animals. He was sentenced to pay a \$9,000 fine.

Illegal Alien Smuggling Operation Terminated

AT-3317-3 IVAN FERGUSON
SAMUEL RAWLINS MIAMI, FL

In Florida, due to the integrity, initiative, and cooperation of an APHIS employee, a scheme to smuggle illegal aliens into the United States from Jamaica was thwarted. The investigation resulted in the arrest of two persons by OIG and the Immigration and Naturalization Service (INS), when the subjects attempted to smuggle four illegal aliens into the United States. The illegal aliens were also arrested and detained.

The subjects offered a bribe to the APHIS employee to assist in the smuggling scheme, which the employee reported over the OIG Hotline. As a result of the employee's efforts, and the investigation by OIG and INS, the attempt to smuggle illegal aliens into the United States ended in the arrest and indictment of the subjects.

Agricultural Marketing Service (AMS)

Limits on Tobacco Sales Exceeded by 14 Auction Warehouses

50099-15-AT

To help maintain the orderly marketing of tobacco, AMS limits the number of pounds that may be auctioned during a week. For flue-cured tobacco that weekly limit is 80 million pounds. There is also an additional limitation placed on the amount of tobacco that can be sold which has been previously purchased from the producers at nonauction (NA) sales. For flue-cured tobacco, the NA sales are limited to .001216 percent of producer sales. Our review in one State disclosed that the 1985 limitation on NA tobacco sold was exceeded by a total of 312,394 pounds at 14 auction warehouses. We notified AMS, and the 14 warehouses were penalized by having sales opportunities reduced for subsequent selling days. In addition AMS reported that plans were made to have discussions with ASCS officials to determine whether information on ASCS records about NA sales can be made available to AMS on a more timely basis.

Natural Resources and Environment

Forest Service

The Forest Service (FS) manages over 191 million acres of National Forest System (NFS) lands, conducts a State and private forestry program, and provides national leadership in forest and range research. In FY 1986, FS expenditures were \$2.078 billion and receipts totalled \$1.321 billion. The NFS is, by far, the largest segment of FS operations and has been the main focus of OIG's work in the FS.

We are continuing to place a substantial part of our effort on timber sales and related areas. The two major audits completed this period were related to reforestation and other work on timber sale areas. One of these was the audit of Knutson-Vandenberg Act funds, which are used for reforestation and other renewable resource work on sale areas. The other was an audit of reforestation accomplishments and related reporting.

Improvements Needed in Accounting for Knutson-Vandenberg Funds

08630-1-AT

The Knutson-Vandenberg (K-V) Act of 1930 authorizes the Secretary of Agriculture to require purchasers of national forest timber to make deposits to cover reforestation and timber stand improvements. The National Forest Management Act of 1976 amends the K-V Act to expand use of the deposits to include protecting and improving the future productivity of the renewable resources of the forest land on sale areas. These deposits are taken from timber sale receipts, and any excessive K-V funds collected are to be transferred to the National Forest Fund.

\$3.3 Million in K-V Funds May Have Been Misspent

In FY 1984, the three FS regions included in our review collected about \$125.8 million from timber sale revenues for K-V activities, and expended about \$77.9 million for K-V related projects, general administration expense, and overhead costs.

Our review of FY 1984 K-V expenditures disclosed over \$1.65 million in K-V charges that appeared to be outside the scope of expenditures authorized by the K-V Act. These charges included such items as range improvements, moving a campground, and building a fence for a research project. We also found another \$1.65 million charged for projects

located more than one-quarter mile outside the cutover areas of the sales, the normally prescribed boundary for use of K-V funds. Some FS units had expanded sale areas to increase the area on which K-V funds could be used. Some of these conditions occurred, in part, because the intent of the 1976 amendment is unclear, and the implementing FS directives are, to some degree, unclear or ambiguous.

We recommended that the FS work with the OGC to clarify the intent of the amendment to the Act, and that FS Manual guidelines be made more definitive and restrictive. The FS agreed with our findings concerning projects outside the normal boundary of cutover areas, but maintains that other questioned costs were consistent with the intent of the K-V Act as amended.

K-V Fund Charges Estimated, Sometimes Lacked Documentation

Due to the manner in which the FS accounting system functioned, a major portion of K-V expenditures were based on estimates which often lacked documented support of benefits to K-V activities. Consequently, we could not ensure the accuracy of the \$77.9 million in reported expenditures in FY 1984 in the three Regions audited. Changes made by the FS in response to a 1985 OIG report will alleviate this problem.

Incorrect K-V Fund Balances Estimated at \$26.6 Million

08630-1-AT

We found at least \$12.1 million in errors and other conditions that affected the accuracy of balances on the National Forests audited. These conditions resulted in incorrectly determined K-V balances for each of the 10 National Forests visited and an estimated excess fund balance of \$26.6 million for the 3 FS regions included in our audit. The Chief asked all National Forests to determine their correct K-V fund balances and informed us that a total of \$81 million in excess K-V Funds had been identified for transfer to the National Forest Fund. The Chief's office will emphasize to the Regions the need for annual reviews of K-V fund balances. The FS also agreed to strengthen procedures for reviewing sale area improvement plans and making necessary adjustments in K-V collections.

Some Errors Noted in Reports of Reforestation Attainments

08632-2-SF

We audited reforestation attainments in response to allegations that FS employees were misrepresenting those attainments. Our objectives were to determine if the FS: (1) fairly represented reforestation attainments for FY 1985; (2) implemented adequate administrative internal controls over reforestation attainments; and (3) reforested timber sale areas within 5 years of harvest, in accordance with the objectives of the National Forest Management Act of 1976.

- We concluded that the FS does not have a significant problem in which field staff intentionally misrepresent reforestation attainments. We did identify two ranger districts which we believe had misrepresented their attainments. The combined misrepresented acres for the two districts was only 234 acres, or about six-tenths of one percent of the total 40,388 acres reviewed. However, any instance of misrepresentation is a serious matter. Weak administrative internal controls reduced the accuracy of attainment reporting and resulted in an additional net overstatement of 2,963 acres, or about 7.3 percent of the total acres reviewed. The FS needs to strengthen controls by: (1) including attainment verification in their management reviews, (2) issuing more definitive instructions on attainment reporting, and (3) requiring verification of claimed attainments by second party reviews. These recommendations are necessary since we noted that 31 of the 39 ranger districts reviewed had minor errors of some sort in attainment reporting.
- The FS was reforesting most of its timber sale areas within 5 years of harvest. Of the 150 cutting units totaling 5,101 acres that were reviewed for timely reforestation, 9 cutting units totaling 273

acres did not have an adequate stand of timber established within 5 years of harvest. Because of the importance of the reforestation effort, we are recommending that the Forest Service National Office stress the need for timely reforestation to field staff.

The FS agreed to the corrective actions recommended.

Investigation Finds Bid Rigging and Bribery in Timber Sales SF-899-58

HOM RIVER TIMBER CO CLALLAM CO., WA

Our reviews of timber sale activity also resulted in investigations into bid rigging and bribery.

In the State of Washington, three timber companies were indicted on charges of bid rigging in connection with an FS timber sale of more than 8 million board feet worth about \$515,000. The indictment charged that the companies violated the Sherman Antitrust Act and made false statements in a conspiracy to rig bids. An official of one of the indicted companies was also charged with perjury as a result of his testimony before the Federal Grand Jury investigating the case. The maximum penalty for a conviction of violating the Sherman Antitrust Act is a fine of up to \$1 million or twice the financial gain derived from the rigged sale. The FS suspended two of the parties under the suspension and debarment procedures for timber sale purchasers.

**AT-817-1
BUDDY VANDERFORD RALEIGH, NC**

In Mississippi, sentences were handed down on two timbermen who pled guilty to charges of paying \$7,600 in bribes to an FS official to ignore their theft of about \$664,000 worth of timber. (We reported the pleas on this case in our last Semiannual Report.) The timbermen were fined \$70,000, ordered to make restitution of \$664,000, and sentenced to 5 years probation. The FS suspended the parties under the suspension and debarment procedures.

Administrative Systems and Processes

Financial Management

Better FmHA Cash Management Practices Could Save \$7.1 Million

04099-8-FM

We reviewed FmHA's loan fund disbursement and cash collection activities to determine: (1) if loan funds were requested by field office personnel in a timely manner, (2) if cash collections were deposited in a timely manner, and (3) if FmHA had effective controls to monitor the loan disbursement and cash collection activities to ensure efficient operations.

In February 1985, FmHA completed implementation of an electronic funds transfer system (EFT) to transmit loan funds in lieu of using Treasury checks. The purpose of this system was to speed loan closures by getting funds to the field offices more expeditiously. Our review of the loan disbursement activities disclosed that for a 6-month period in 1985, FmHA made about 45,000 electronic funds transfers totaling about \$1.5 billion. However, we noted that \$729 million of this total was held in local financial institutions for more than 10 days prior to loan fund disbursements.

In April 1985, FmHA decentralized its loan deposit system to eliminate mail float to the agency's central Finance Office and thus speed deposits into the Federal Reserve. Our review of FmHA's cash collection activities disclosed that for a 6-month period in 1985 about \$666 million of the \$1.4 billion collected by FmHA field offices was not deposited within 1 day of receipt. We estimate that as a result of the premature loan requests and the delays in deposits, FmHA incurred unnecessary interest expense of as much as \$7.1 million in 1985.

In both reviews we found a general unawareness of effective cash management practices by the FmHA field office personnel and an absence of effective controls.

We recommended that FmHA develop and implement automated systems to monitor loan disbursement and cash collection activities. FmHA agreed with our recommendations and will work toward designing these monitoring systems.

FNS Cash and Debt Management Controls Need Strengthening

27645-2-CH

In October 1984, we reported several internal control deficiencies to FNS, including problems with: (a) fiscal year closeouts; (b) letter of credit offsets; (c) State agency drawdowns of cash; (d) State agency program advances to subrecipients; and (e) claims against subrecipients. We also noted that controls over the billing, collection, and charging of interest on amounts due FNS needed improvement.

Our recent followup audit found that while corrective actions had been initiated, internal control weaknesses still existed. Moreover, FNS had not changed its practices of transferring excess State agency cash drawdowns and earned expenditures from one FY to the next without performing analyses necessary to determine cash overdraws to be collected or cash underdraws to be reimbursed. A prior audit disclosed that State agencies had drawn funds in excess of their reimbursable expenditures and that FNS or the State agencies improperly accounted for the funds in 54 of the 64 State-administered FNS programs we reviewed. We noted that FNS transferred \$28 million in excess overdraws from FY 1982 to FY 1983. While FNS had revised its closeout procedures in 1985 to provide for analyses of these overdraws, the requisite review had not been performed. Our followup audit disclosed that one FNS regional office, which had transferred \$10 million in overdraws in FY 1982, transferred \$6.8 million in overdraws and \$8.2 million in underdraws in FY 1985. FNS has issued, or will issue, new procedures to clarify and strengthen the review process including yearend close out practices and mandate collections of all overdraws.

The Federal Crop Insurance Corporation (FCIC) Could Make More Efficient Use of Electronic Funds Transfers (EFT)

50664-2-FM

We examined FCIC's cash management practices to evaluate its use of EFT. We found that FCIC has used EFT to disburse funds to reinsurance companies since 1983. It has not, however, required reinsurance companies to remit reimbursement funds to FCIC using EFT, but instead uses the mails. We estimated that for the 1-year period ended June 30, 1986, FCIC could have saved about \$155,000 in

interest costs by requiring reinsurance companies to transmit payments to FCIC through EFT processes.

FCIC agreed that mail float costs would be reduced through the use of EFT methods and is currently studying the costs and procedural effects of an EFT receipts system..

CPA Audits Need to be More Effective

We performed an audit of FmHA's and REA's oversight of non-Federal auditors, mostly Certified Public Accountants (CPAs), who were used to audit the operations of borrowers receiving financial assistance. Our audit objectives were to determine if FmHA's and REA's audit requirements were appropriate and if their procedures for tracking audits, ensuring audit quality, and following up on the information presented in the reports were effective and complete. The results of our audit disclosed that both agencies need to improve their oversight and review procedures.

Specifically, we found that:

50659-4 -CH

- FmHA requires that audits be performed in accordance with standards prescribed by the American Institute of Certified Public Accountants (AICPA), but not in accordance with the Comptroller General's Standards for Audits of Governmental Organizations, Programs, Activities, and Functions. These latter standards include requirements in the areas of audit planning, working paper documentation, and reporting requirements in addition to those prescribed by the AICPA.
- FmHA does not require Rural Rental Housing (RRH) borrowers with less than 25 housing units or Community Facility borrowers with annual gross income of less than \$100,000 to provide audits of their operations. Therefore, FmHA has little assurance that the financial reports from these borrowers, who hold loans of up to \$680,000, fairly present their operations, and that the borrowers have complied with program requirements.
- Our review of the action taken at 7 State and 12 district offices on 141 reports received from program borrowers disclosed that FmHA did not review or document its review of 50 reports and had obtained evidence of corrective action of borrower deficiencies cited in only 1 of 62 reports which disclosed such deficiencies. Further, our examination of the 141 reports disclosed that 95 reports (67 percent) had AICPA reporting deficiencies, such as not qualifying opinions to recognize material departures from generally

accepted accounting principles, or not exercising due professional care in preparing the audit report.

50659 -3 -CH

- In addition, we noted that of the 1,207 reports required to be submitted in the offices reviewed, 506 reports (42 percent) were not submitted, 458 reports (38 percent) were submitted up to 12 months late, and 157 reports (13 percent) were submitted in unaudited form.
- REA required audits to be performed only in accordance with AICPA standards, not in accordance with the Comptroller General's Standards. Although REA had imposed additional program requirements which partially addressed some of the Comptroller General's Standards, including those relating to internal controls and working paper documentation, an area not addressed was the standards relating to compliance with applicable laws and regulations. In addition, REA uses a staff of approximately 40 field auditors at an annual cost of about \$1.5 million to ensure compliance which would not be needed if the CPA audits were performed in accordance with the Comptroller General's Standards. REA's reply pointed out that the additional audit requirements will increase the time it takes for CFAs to perform the work and ultimately the cost of the audit will be born by the borrower.
- Although REA has implemented procedures to require borrowers to take corrective action on deficiencies noted during audits of their operations, REA did not always follow up to verify that the deficiencies were corrected in accordance with existing regulations.
- REA could further improve existing controls over the quality of CPA audits of borrower operations by pursuing current plans to reinstate annual quality reviews which were discontinued in 1984, by requiring CPA firms to correct any deficient audit work, and by requiring evidence of the corrective actions taken within specified timeframes.

FmHA generally agreed with the reported conditions and the need for corrective actions, with clarifications to differentiate between borrowers governed by the Single Audit Act of 1984, and borrowers subject only to FmHA's regulatory audit requirements.

REA agreed to all recommendations except those requiring CPA firms to correct deficient audit work and to provide evidence of corrective actions to REA within specified timeframes. We will work with REA to resolve these issues.

AL
MN
OH
OK
OR
SC
TX

Agency Implementation of FMFIA May Not Meet Timeframes

50099-39-H

During FY 1986, OIG continued evaluating the Department's implementation of the Federal Managers' Financial Integrity Act (FMFIA) of 1982. Our review focused on the Department's internal accounting and administrative controls. The Office of Finance and Management (OFM) and the five agencies selected for review were found to be in general compliance with the internal control requirements of the Act, but two of the five agencies did not always adhere to OFM's guidance concerning the completion of vulnerability assessments and reporting procedures for the corrective action tracking and reporting system.

Our evaluation of the progress made by the Department in assessing its conformance with the Act's Accounting Systems Standards suggests that improvements are warranted if the Department is to be in full accord with the policies established by the Office of Management and Budget (OMB) and in a position to issue a statement of conformance.

OFM instructions concerning the timeframe for reviewing the Department's accounting systems are not in agreement with OMB guidelines. OMB allows only 3 years for the review, while OFM allows 5. Based on the agencies' current review rates, none will meet even the 5-year deadline. Some agencies had not assigned sufficient personnel to perform the required reviews, and the reviews were not always performed in an effective manner. In addition, system inventories were not adequate, flowcharts and documentation were not always complete, and system evaluations lacked sufficient depth to support a statement of reasonable assurance.

Agency officials generally concurred with the audit findings and recommendations. They stated that the audit report would be used to provide additional emphasis on the review process and to fine-tune the procedural terminology and documentation requirements currently in use. In addition, OFM agreed to revise the draft manual for review and evaluation of financial management subsystems.

Automated Data Processing

FmHA Should Exercise Greater Control Over Developers of Automated Systems

04530-26-FM

The Automated Program Delivery System (APDS) was to be FmHA's new automated accounting system. Work on APDS was initiated in 1981 and continued until July 1986 when FmHA terminated the APDS development contract. Our comprehensive

reviews during the planning period included evaluations of: (1) the planned system's internal controls and audit trails, (2) compliance with regulatory and user requirements, (3) system efficiencies, and (4) FmHA's management of the APDS Development and Implementation Project.

FmHA needed to strengthen controls over internal design reviews. Subsystem designs were being formally accepted prior to user approval, resulting in inadequate controls in certain processing areas, discrepancies and inconsistencies in subsystem designs, and the absence of user requirements. Subsequent reviews by the contractor and FmHA user groups identified over 800 potential design problems. Nevertheless, FmHA allowed the contractor to proceed with system development using an incomplete detail design blueprint. We concluded that to proceed with development without a stable and workable design created a difficult, if not unmanageable, situation.

We also found that managers responsible for contractor performance and system development were not informed about contract requirements and their specific responsibilities. Administrative and project management controls over the APDS contractor did not prevent: (1) ineffective use of contractor fee withholdings, (2) incurrence of unnecessary contract expenses, (3) giving license agreements to the contractor for software purchased for FmHA, and (4) participation by contractor personnel in projects unrelated to the APDS contract.

FmHA officials did not agree with our conclusions that the cited weaknesses contributed to the demise of APDS. In addition, FmHA stated that its efforts were encumbered, in some instances, by extraordinary circumstances and that it acted to rectify the problems encountered during the course of the contract. In our opinion, however, adequate internal controls should have been in place at the outset of the contract to provide reasonable assurance that the work would be performed in a timely, effective, and economical manner.

Automated Controls in the Dairy Termination Program Not Timely Implemented

03530-21-FM

As part of our review of ASCS's implementation of the Dairy Termination Program (DTP), we evaluated its development of the automated DTP payment system. Our audit objectives were to determine: (1) if effective internal controls were designed into the system; (2) if the development activities were performed in a timely manner; and (3) if the system was devel-

oped in accordance with applicable system development standards.

We found that ASCS did not have system validations in place at the start of the DTP to ensure that payments were promptly recorded in internal accounting systems and reconciled to participant contract amounts. Also, we found that producer identification numbers were not validated during entry of contract data into the system. As a result, the effectiveness of controls over applications and reconciliation of payments to DTP participants have been reduced.

In response to our report, ASCS has applied resources to complete DTP activities and test remaining systems programs. Also, ASCS has initiated actions to obtain and validate producer identification numbers so that program payments can be reconciled with the supporting contract data.

Agreements for Computer Maintenance Were Not Always Cost Beneficial

50555-1-HY
Because of the proliferation of micro and minicomputer equipment in USDA, the Department is now spending more on computer maintenance. In FY 1985, the Department entered into approximately \$17.8 million worth of computer maintenance agreements. The objective of our review was to determine the extent of guidance provided by the Department for determining the need for and cost effectiveness of maintenance agreements.

Our review of 30 maintenance agreements found that 16 were not cost beneficial and may have resulted in unnecessary expenditures of about \$331,000. Departmental procedures did not provide sufficient guidance for agency managers to follow when determining the feasibility of maintenance agreements.

The Office of Information Resources Management (OIRM) has not fully agreed with the recommended actions presented in our report, specifically those which would place OIRM in a monitoring or enforcement posture over agencies. We are continuing to work with OIRM to achieve resolution.

Computer Security Reviews Need Strengthening

50655-1-FM
We completed our audit of the security and management of Departmental computer operations at the USDA Centers in Kansas City; Washington, D.C.; Fort Collins; and New Orleans. We informed Department and agency officials that their data and sys-

tems were not adequately secured against unauthorized access. Some of the vulnerable systems and data included direct payment generation, loan check issuance, and personnel information. The Department informed us that they could not formulate their response to our recommendations within the normal timeframes and requested that the audit report be released without their written comments. We will work with the Department during the audit resolution process to ensure that corrective actions are taken.

Audits of Contracts

OIG contract auditing is performed to assist USDA procurement offices in the negotiation, administration, and settlement of USDA contracts and subcontracts. OIG performed or arranged for audits of 17 pricing proposals, cost reimbursement contracts, or contractor claims. These audits resulted in questioned costs or potential savings of more than \$3.3 million. Also, during this period, 20 contract audits were resolved or closed, resulting in savings of about \$5.8 million.

10545-3-CH
Our audit of the indirect cost rates of a major Metropolitan Sanitary District (MSD) disclosed that the municipality had included all indirect costs in their rates instead of limiting the indirect costs to those specified for Soil Conservation Service (SCS) contracts. As a result, the MSD had overcharged SCS over \$1.6 million during the period 1976 through 1982. Agency officials agreed with our audit results and initiated action to recover nearly all of the overcharges.

10545-24-HY
OIG audited a construction contractor's claim and cost data for additional expenses totaling \$535,000 which purportedly resulted from differing site conditions at an SCS rural abandoned mine project. We questioned over \$466,000 of the contractor's claim for additional equipment, labor, and overhead costs. SCS officials agreed with our audit results and the case is currently pending before the Appeals Board.

23545-1-SF
We reviewed an equipment contractor's claim for additional costs totaling \$172,000 in relation to the termination of a Departmental contract for leasing computer hardware and software. Based upon our analysis of the contractor's financial records, we concluded that the additional costs were not allowable under the terms of the contract and that the contractor should not be reimbursed for the additional amount claimed. Agency officials agreed with our findings and the case is currently pending before the Appeals Board.

Resolution and Statistical Data

Audit Reports Resolved

OIG closed and/or resolved 385 reports during the period covered by this report. The monetary values associated with the findings of these audits were as follows:

	(Millions)	(Millions)
Questioned Costs Recommended for Collection	\$ 48.4	
Questioned Loans Recommended for Collection	\$ 11.0	
Total Costs and Loans Questioned at Issuance		\$ 59.4
Less: Post Audit Justification Accepted by OIG	\$ 32.5 ^a	
Management Commitment to Seek Recoveries		\$ 26.9 ^{b c}
Other Monetary Impacts Agreed to:		
Management Commitments to More Efficiently Use Funds	\$ 13.7 ^b	
Improper Agency Action		\$108.2 ^d
Total Other		\$121.9
Total Dollar Impact		\$148.8

^aIn the category "post audit justifications accepted by OIG" are reported only those amounts in which the auditee, subsequent to the issuance of the audit report, has provided additional documentation, justification, and/or support material to reconcile the monetary exception taken by OIG. Normally, this information is not available during the audit, and once received, is analyzed and evaluated by OIG and appropriate adjustments to the reported amounts are made. The dollar amount displayed is the net of the post audit justification accepted by OIG and the increase in collections above questioned costs and questioned loans recommended for collection.

^bThese were the amounts agreed to by the auditee at the time of resolution.

^cThe recoveries actually realized could change as the auditees implement the agreed-to-corrective action plans and seek recovery of amounts recorded as debts due the Department.

^dImproper agency actions are monetary amounts identified by the audit as having been expended erroneously or improperly due to the agency action and for which recovery is not possible. This also would include amounts incurred or earned in good faith by others, because they relied on incorrect or improper guidance, interpretations, or directions by agency personnel or instructions. If statistical projections are used in determining the values, the mid-point estimate is used.

Audit Resolution and Followup

The following audits remain unresolved beyond the 6-month limit imposed by Congress.

Unresolved Audits Pending Agency Action

Agency	Date Issued	Title of Report	Dollar Value Unresolved
ASCS	3/26/86	1. Livestock Trader's Participation in the Wool and Mohair Payment Program, Edwards County, Rocksprings, Texas (03099-79-Te) ¹	\$ 614,171

Unresolved Audits Pending OGC Action or Opinion

Agency	Date Issued	Title of Report	Dollar Value Unresolved
FmHA	7/7/86	2. Guaranteed Loan to Oil Well Labor Crews and Services, Inc. (04099-121-Te)	\$1,809,039
	7/22/86	3. Guaranteed Loan to Owl Construction Co., Inc., (04099-122-Te)	\$2,476,361
	4/15/86	4. Guaranteed Loans to Nicolosi Enterprises, Inc., and Cencentric Pipe Rentals, Inc. (04099-113-Te)	\$ -0-
	7/28/86	5. Guaranteed Loan to Sanders Equipment Co., Inc. (04099-115-Te)	\$5,108,196

Unresolved Audit Pending Action Outside the Department

Agency	Date Issued	Title of Report	Dollar Value Unresolved
FmHA	3/19/86	6. FmHA Guaranteed Loan to Louisiana Marine Protein, Inc. (04099-104-Te) ¹	\$5,108,109

¹Reported in last Semiannual Report.

1. Livestock Trader's Participation in the Wool and Mohair Payment Program, Edwards County, Rocksprings, Texas, issued March 26, 1986

The audit questioned incentive payments totaling \$614,171 because the livestock trader did not maintain records to show compliance with the 30-day ownership requirements of the Wool and Mohair Programs.

2. Guaranteed Loan to Oil Well Labor Crews and Services, Inc., issued July 7, 1986

As recommended, FmHA referred the case to the OGC to determine the extent of enforcing the

loan guarantee since the lender violated its agreement. Once the OGC review is completed, FmHA may seek recovery of losses not enforceable under the guarantee.

3. Guaranteed Loan to Owl Construction Co., Inc., issued July 22, 1986

The audit recommended referring the violations of the lender's agreement to OGC to determine how much of the guarantee may be enforced. FmHA would then recover losses not covered by the guarantee. The case is awaiting OGC's review and also the outcome of an OIG investigation.

4. *Guaranteed Loans to Nicolosi Enterprises, Inc., and Centric Pipe Rentals, Inc., issued April 15, 1986*

We recommended that our findings of noncompliance with terms of the conditional commitment of guarantee and the lender's agreement be referred to OGC to determine whether FmHA has recourse against the lender or its receiver and liquidator, the Federal Deposit Insurance Corporation (FDIC). FDIC provided a legal opinion showing FDIC is only an insurer and cannot be held responsible for the lender's liabilities. OGC is reviewing this position.

5. *Guaranteed Loan to Sanders Equipment Co., Inc., issued July 28, 1986*

We recommended that our findings of noncompliance with the terms of the conditional commitment of guarantee and the lender's agreement be referred to OGC to determine whether FmHA has recourse against the lender or its receiver and liquidator, FDIC. FDIC provided a similar opinion as indicated in number 3. OGC is now reviewing that position.

6. *FmHA Guaranteed Loan to Louisiana Marine Protein, Inc., issued March 19, 1986*

The audit recommended that violations of the lender's agreement be referred to OGC to determine the extent of enforcing the loan guarantee. We also recommended recovery of losses to the extent the guarantee was not enforceable and the improperly expended loan funds be disallowed from the loss claim.

FmHA submitted the case to OGC to seek recovery of \$2.6 million in loan funds plus accrued interest estimated at \$1 million minimum. OGC referred the case to the United States Attorney and resolution is pending action by the Attorney.

Debts Arising From OIG Activities

Agencies of the Department of Agriculture established 46 new claims during this reporting period arising from OIG audits and investigations. This amounted to more than \$162,000, with over \$519,000 collected against these and other prior claims; and \$381,000 waived, compromised or reduced because of post resolution justification.

Audits Performed Under the Single Audit Act and Other Organization-wide Audits

Currently, OIG has the responsibility, through USDA cognizant agency assignment under OMB Circular

A-128, for 31 State agencies and larger local governments. Also, USDA was designated the lead cognizant agency for single audits of Georgia, Minnesota, and Pennsylvania. Several requests for changes in cognizant assignments have been made. If acted on, OIG would be cognizant for 32 larger State agencies and local governments and serve as the lead cognizant agency for single audits of Minnesota and Pennsylvania. The State of Georgia will not be conducting a Statewide single audit.

During this reporting period, OIG issued 36 Single Audit reports as cognizant agency. OIG also received and distributed reports furnished it by other Federal cognizant agencies.

Audit Quality

OIG works very closely with independent auditors both where it has been assigned cognizance for single audits of State and local governments and with CPAs under contract with OIG. To assure that the work performed by non-Federal auditors meets the requirements of OMB Circular A-128, audits of State and local governments and the standards established by the Comptroller General, OIG conducts either quality control reviews or desk reviews of all audit reports processed.

Our reviews have identified some missing elements regarding internal controls and compliance steps. In one case, a Federal program was missing from the schedule of Federal assistance. In several cases, the audit period for the first report was for more than 1 year, contrary to the requirements of the OMB Circular. In each case, we have been assured that an annual audit will be performed, except for those entities permitted to submit biennial audits. Reports have also been returned for modification for the following reasons: typographical, clerical and spelling errors; differences between the report and the working papers requiring clarification; computation errors; and inconsistencies.

Indictments and Convictions

Between October 1, 1986, and March 31, 1987, we completed 607 investigations, 504 of which involved possible criminal/civil violations. We referred 351 cases to the Department of Justice.

During the reporting period, our investigations led to 306 indictments, 229 convictions, and 23 pre-trial diversions. Fines, recoveries/collections, and restitution resulting from our investigations totaled about \$21,547,000. Claims were established for approximately \$1.8 million and costs of about \$1.5 million were avoided.

The following is a breakdown by agency of indictments and convictions for the reporting period.

Agency	Indictments	Convictions	Pre-Trial Diversions
Agricultural Marketing Service	4	2	0
Animal and Plant Health Inspection Service	5	9	0
Agricultural Research Service	2	4	0
Agricultural Stabilization and Conservation Service	38	20	6
Foreign Agricultural Service	1	6	0
Farmers Home Administration	80	45	4
Federal Crop Insurance Corporation	2	0	0
Food and Nutrition Service	164	133	3
Food Safety and Inspection Service	6	9	0
Office of Operations	1	1	0
Soil Conservation Service	1	0	0
Multiple Agencies	2	0	0
Totals	306	229	23

Note: Since the period of time to get court action on indictments varies widely, the convictions are not necessarily related directly to the indictments.

Whistleblower Complaints

The USDA/OIG Hotline serves as a national receiving point for reporting of suspected incidents of fraud, waste, and abuse in USDA programs and operations from Departmental employees and the general public. The Inspector General Act of 1978 provides that employees may report such incidents with the assurance of anonymity and protection from reprisal.

During this reporting period, the OIG Hotline received and analyzed 717 complaints, and processed 636 from Departmental employees and the general public (including Congressional and other agency referrals). Eleven percent of these complaints were referred to OIG Audit or Investigations.

The 24-hour toll-free telephone number continues to be the major source for receipt of complaints. The majority of complaints are allegations of program violations. Following is a breakdown of the various types of allegations received:

Program Violations	306
Fraud, Waste, Mismanagement, Abuse	308
Misconduct	55
Personnel Irregularities	15
Health/Safety	2
Opinion/Information	31

Freedom of Information and Privacy Act Activities

OIG processed 261 requests under the Freedom of Information Act (FOIA), compared to 188 for the previous 6 months. The following schedule outlines FOIA data over the past two reporting periods:

	Last Period	This Period
Number of Requests	188	261
Number of Favorable Responses	110	156
Number of Unfavorable Responses	78	105
Unfavorable Responses Due to:		
No Records Available	23	28
Requests Denied in Full	5	16
Requests Denied in Part	50	61
	78	105
Other data not directly affected by the number of requests:		
Appeals Granted	1	0
Appeals Denied in Full	2	0
Appeals Denied in Part	0	0
Number of OIG Reports Released in Response to Requests	359	398

Note: A request can require more than one report in response.

Debts Owed to the Department of Agriculture

In accordance with a request in the Senate Committee on Appropriations' report on the supplemental Appropriations and Rescission Bill of 1980, the following chart shows unaudited figures provided by the agencies to the Department's Office of Finance and Management on the amounts of money owed and overdue during this 6-month period.

Agency	As of September 30, 1986		Written Off 9/30/86	As of March 31, 1987		Written Off 3/31/87
	Owed	Overdue		Owed	Overdue	
Farmers Home Administration	73,020,536	7,464,320	(290,589,439)	70,895,473	9,415,554	(154,361)
Rural Electrification Administration	37,911,516	1,388,777	0	38,221,774	1,481,529	(694)
Agricultural Stabilization and Conservation Service/Commodity Credit Corporation	33,707,512	563,359	(277,595,222)	35,155,442	650,469	(228,784)
Forest Service	147,752	106,467	(9,304,007)	177,765	131,688	(1,843)
Federal Crop Insurance Corporation	79,622	29,266	(1,788,078)	42,871	28,417	(849)
Food and Nutrition Service	396,164	395,277	0	442,320	438,707	0
Soil Conservation Service	8,376	2,678	(16,053)	7,718	2,979	0
Federal Grain Inspection Service	2,961	452	(49,564)	3,482	731	0
Office of International Cooperation and Development	55	46	0	25	20	0
Agricultural Marketing Service	15,251	1,810	(446,742)	15,271	2,312	(79)
Food Safety and Health Inspection Service	6,422	1,354	(194,944)	6,267	2,059	(15)
Agricultural Research Service	707	615	0	810	682	0
Cooperative State Research Service	5	5	0	9	5	0
Extension Service	192	134	0	192	156	0
National Agricultural Library	6	6	0	7	6	0
Animal and Plant Health Inspection Service	1,605	921	(11,925)	1,210	701	(3)
Working Capital Fund—Dept'al Admin	101	73	0	76	72	0
Office of Governmental and Public Affairs— Departmental Administration	4	3	0	4	4	0
Office of Secretary—Dept'al Admin	1	1	0	2	2	0
Foreign Agricultural Service	18	15	0	10	7	0
National Agricultural Statistical Service	8	15	0	162	157	0
Economics Research Service	16	16	0	25	19	0
Office of Inspector General	14	9	0	10	3	0
Office of the General Counsel	0	0	0	2	1	0
Office of Transportation	1	1	0	1	1	0
Packers and Stockyards Adminis- tration	1	0	0	1	0	0
World Agricultural Outlook Board	0	0	0	2	0	0
TOTALS	145,298,853	9,955,620	(579,995,974)	144,970,930	12,156,281	(386,628)

Appendix

Listing of Audit Reports Issued October 1, 1986 through March 31, 1987

During the reporting period, the Office of Inspector General issued 465 audit reports, including 204 performed under contract by certified public accountants.

The following is a listing of those audits:

	Agency	Audits Released
AMS	Agricultural Marketing Service	5
APHIS	Animal and Plant Health Inspection Service	2
ARS	Agricultural Research Service	2
ASCS	Agricultural Stabilization and Conservation Service	60
CSRS	Cooperative State Research Service	5
ES	Extension Service	5
FAS	Foreign Agricultural Service	2
FCIC	Federal Crop Insurance Corporation	4
FmHA	Farmers Home Administration	59
FNS	Food and Nutrition Service	235
FS	Forest Service	15
FSIS	Food Safety and Inspection Service	6
NFC	National Finance Center	1
OIRM	Office of Information Resources Management	2
OO	Office of Operations	1
PSA	Packers and Stockyards Administration	1
SCS	Soil Conservation Service	4
SRS	Statistical Reporting Service*	1
MULT	Multi Agency/Division Code	55
Total Completed:		
	Single Agency Audit	410
	Multiagency/Division	55
Total Released Nationwide		465
Total Completed Under Contract**		204
Total Single Audits Issued***		36

* Now called the National Agricultural Statistics Service.

** Indicates audit completed under Certified Public Accountant contracts.

*** Indicates audits completed as single audits (OIG cognizant).

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AUDIT NUMBER	REGION	RELEASE DATE	TITLE
AGENCY—AMS AGRICULTURAL MARKETING SERVICE			
01-001-0002	NER	03-30-87	AUDIT OF THE AMS INVESTMENT PROGRAM
**01-032-0002	WR	12-19-86	AMS-VERIFICATION OF 1985-1986 NAVEL ORANGE SHIPMENTS LA, CA
**01-032-0003	NAR	01-30-87	AMS—FEDERAL MILK MARKETING ORDER NO. 2 NEW YORK
**01-041-0004	NAR	02-20-87	AUDIT OF THE NEW ENGLAND MILK MARKETING ORDER NO. 1
01-530-0001	FMS	02-23-87	REVIEW OF IDMS CONTROL
TOTAL AMS AGRICULTURAL MARKETING SERVICE			— 05
AGENCY—ARS AGRICULTURAL RESEARCH SERVICE			
02-001-0001	WR	03-26-87	ARS-HUMAN NUTRITION RESEARCH CENTER SURVEY-PRESIDO,SF,CA
**02-545-0003	NER	12-15-86	PREAWARD ARROW GENERAL, INC., ALEXANDRIA, VA.
TOTAL ARS AGRICULTURAL RESEARCH SERVICE			— 02
AGENCY—ASCS AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE			
03-002-0046	MWR	03-31-87	ASCS IC OVEP PIK CERTS. AND SIGHT DRAFTS ILL STATE AND COS
03-012-1099	GPR	12-01-86	ASCS MANAGEMENT OF STATE AND COUNTY OPERATIONS—COOPER MO
03-012-1100	GPR	12-01-86	ASCS MANAGEMENT OF STATE AND COUNTY OPERATIONS—HOWARD MO
03-012-1101	GPR	03-30-87	ASCS BURT COUNTY OFFICE TEKAMAH NEBR
03-091-0002	FMS	03-26-87	ASCS/CCC FINANCIAL MANAGEMENT SYSTEM AT THE KCMO
03-091-0326	FMS	11-05-86	EXTENDED STORAGE AGREEMENTS KCCO
03-097-0001	SWR	02-25-87	ASCS WHISTLEBLOWER COMPLAINT MAX PMT LIM ARKANSAS CO ARK
03-097-0001	WR	02-17-87	ASCS MAX PYMT LIMITATION AUDIT IN BAKERSFIELD, CA
03-099-0001	FMS	12-23-86	IDENTIFICATION OF INELIGIBLE COMMODITY LOANS
03-099-0038	NER	10-01-86	WORLD MARKET PRICES FOR COTTON 1985 FARM BILL—ASCS
03-099-0039	NER	12-03-86	CCC LOANS OPEN AFTER MATURITY
03-099-0064	MWR	03-31-87	SANGAMON CO. ASCS OFFICE IL—REQUEST AUDIT
03-099-0092	GPR	02-27-87	ASCS SUGAR PRICE SUPPORT PROGRAM
03-099-0097	SWR	01-22-87	ASCS MAX PMY LIM 1984-85 FG R UC WH DESHA CO ARK
03-099-0098	GPR	10-24-86	ASCS INSPECTION OF PURCHASE AGREEMENTS ND
03-099-0099	SWR	11-24-86	ASCS MAX PMT LIM DET JEFFERSON DAVIS PA LA
03-099-0099	GPR	12-05-86	ASCS PAYMENT LIMITATION CONSERVATION RESERVE PROGRAM BACA CO
03-099-0100	GPR	12-03-86	ASCS KCCO SUGAR PROCESSING SHEPHERD OIL, INC JENNINGS LA
03-099-0107	SER	03-10-87	ASCS REVIEW—SALES OF NOT IN THE FORM TOBACCO
03-099-0108	SWR	01-16-87	ASCS—RICE INVENTORY PMT—FARMS OF TX CO
03-099-0109	SWR	03-31-87	SURVEY OF ASCS COMMODITY CERTIFICATES INT CONTROLS
03-099-0110	SWR	12-22-86	ASCS RICE INVENTORY PMT WINTERMAN & CO TX
03-099-0111	SER	02-17-87	ASCS MCLEAN COUNTY—CALHOUN, KY
03-099-0111	SWR	01-16-87	ASCS 1985-86 RICE INVENTORY PAYMENT & SPECIAL LOAN REVIEW TX
03-099-0114	SWR	03-05-87	ASCS REQ AUDIT DRYLAND GRAIN CO MCALLEN TX
03-530-0021	FMS	03-31-87	CONTROLS OVER DAIRY TERMINATION PROGRAM SYSTEMS AT KCMO
**03-545-0007	NER	03-12-87	PREAWARD SMC INFORMATION SYSTEMS,LANDOVER,MD. NW-239
03-555-0001	FMS	10-20-86	POST IMPLEMENTATION AUDIT OF COTTON INVENTORY SYSTEM

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AGENCY—ASCS AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE (Continued)			
03-621-0013	FMS	11-05-86	ASCS , KCMO—SURVEY OF COTTON SETTLEMENT ACTIVITIES
03-630-0001	SWR	03-23-87	ASCS CONTROL OF MAX PAY LIM 1984/1985 FG R UPC & WH PR
03-630-0002	WR	02-04-87	ASCS 1984/85 MAX. PYMT. LIMITATION AUDIT PLACER CO, CA
03-630-0003	WR	03-05-87	ASCS 1984/85 MAX. PYMT. LIMITATION AUDIT SUTTER CO, CA.
03-630-0004	WR	02-11-87	ASCS 1984/85 MAX. PYMT LIMITATION AUDIT IN TULARE CO CA
03-630-0005	WR	03-05-87	ASCS 1984/85 MAX. PYMT. LIMITATION AUDIT IN KERN CO., CA
03-630-0006	WR	02-17-87	ASCS 1984/85 MAX. PYMT. LIMITATION AUDIT IN FRESNO CO., CA
03-630-0007	WR	02-11-87	ASCS 1984/85 MAX. PYMT. LIMITATION AUDIT IN RIVERSIDE CO. CA
03-630-0008	WR	10-30-86	ASCS 1984/85 MAX PYMT LIMITATION AUDIT IN IMPERIAL CO. CA
03-630-0009	WR	10-31-86	ASCS 1984/85 MAX PYMT LIMITATION AUDIT IN ARIZONA-STATE OF
03-630-0016	SWR	01-26-87	ASCS MAX PMT LIM 1984-85 FG R UC WH CHICOT CO
03-630-0017	SWR	01-29-87	ASCS MAX PMT LIM 1984-85 FG R UC WH PRO JEFFERSON CO AR
03-632-0001	NAR	01-23-87	ASCS DAIRY TERMINATION PROGRAM-COMPLIANCE PHASE
03-632-0001	SER	01-29-87	ASCS—DAIRY TERMINATION PROGRAM—GEORGIA
03-632-0002	SER	02-23-87	ASCS DAIRY TERMINATION PROGRAM—FLORIDA
03-632-0002	WR	10-07-86	DAIRY TERMINATION PROGRAM—COMPLIANCE PHASE—ARIZONA
03-632-0003	MWR	03-31-87	AUDIT OF ASCS DAIRY TERMINATION PROGRAM COMPLIANCE PHASE
03-632-0003	WR	01-12-87	DAIRY TERMINATION PROGRAM—COMPLIANCE PHASE—WASHINGTON
03-632-0004	WR	10-20-86	DAIRY TERMINATION PROGRAM—COMPLIANCE PHASE—IDAHO
03-632-0005	MWR	03-13-87	MICHIGAN DAIRY TERMINATION AUDIT-COMPLIANCE PHASE
03-632-0006	MWR	03-11-87	WISCONSIN DAIRY TERMINATION AUDIT COMPLIANCE PHASE
03-632-0007	MWR	03-13-87	MINNESOTA DAIRY TERMINATION AUDIT COMPLIANCE PHASE
03-633-0001	SWR	10-24-86	ASCS 1986 PRODUCTION ADJUSTMENT AND CONSERV RES TEXAS
03-633-0001	GPR	11-03-86	ASCS CONSERVATION RESERVE PROGRAM IN SELECTED STATE AND CO
03-633-0002	SWR	10-27-86	ASCS 1986 PRODUCTION ADJUSTMENT AND CONSERV RES OKLAHOMA
03-633-0003	SWR	10-10-86	ASCS 1986 PRODUCTION ADJUSTMENT AND CONSERV RES LOUISIANA
03-634-0005	GPR	10-01-86	ASCS BASES AND YIELDS AND CONSERVATION RESERVE PROG NO DAK
03-634-0006	GPR	12-16-86	ASCS BASES AND YIELDS AND CONSERVATION RESERVE PROG SO DAK
03-634-0007	GPR	03-30-87	ASCS BASES AND YIELDS AND CONSERVATION RESERVE PROGRAM MONT
03-635-0002	SWR	03-25-87	ASCS 1985 RICE LOANS AND INV PMTS
03-638-0001	MWR	03-12-87	GRAIN FOR FUEL ETHANOL PROGRAM SURVEY-SIA
03-639-0001	SER	03-31-87	ASCS—SURVEY—DISASTER PAYMENT PROGRAM
TOTAL ASCS AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE			— 60

AGENCY—FMHA FARMERS HOME ADMINISTRATION

04-001-0038	MWR	03-31-87	AUDIT OF FMHA STATE OFFICE OPERS IN INDIANA
04-002-0003	NAR	11-03-86	FMHA CONTRACT GREAT ATLANTIC MORTGAGE CORPORATION PR SURVEY
04-011-0411	MWR	10-16-86	AUDIT OF AUBURN FMHA CO OPERS INDIANA

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<i>AGENCY—FMHA FARMERS HOME ADMINISTRATION (Continued)</i>			
04-011-0412	MWR	10-16-86	AUDIT OF DELPHI FMHA CO OPERS INDIANA
04-011-0413	MWR	10-16-86	AUDIT OF MARION FMHA CO OPERS INDIANA
04-011-0414	MWR	10-16-86	AUDIT WINCHESTER FMHA CO OPERS INDIANA
04-011-0415	MWR	10-16-86	AUDIT OF GREENSBURG FMHA CO OPERATIONS INDIANA
04-011-0416	MWR	10-16-86	AUDIT OF JASPER FMHA CO OPERS INDIANA
04-011-0417	MWR	10-16-86	AUDIT OF NORTH VERNON FMHA CO OPERS INDIANA
04-011-0418	MWR	10-16-86	AUDIT OF SULLIVAN FMHA CO OPERS INDIANA
04-091-0002	FMS	03-09-87	REVIEW OF FMHA GRANT DISBURSEMENTS-&-SERVICING
04-091-0003	FMS	02-12-87	FMHA-COLLECTION PROCEDURES
04-091-0004	FMS	03-06-87	FOLLOW UP ON FMHA PROGRESS IN BALANCING ACCOUNTS
04-099-0008	FMS	03-05-87	FMHA-DATA BASE ANALYSIS-EFT CASH MANAGEMENT
04-099-0010	FMS	03-27-87	FMHA-PROTECTION OF ADP COMPUTER PASSWORDS
04-099-0042	WR	12-24-86	FMHA-SURVEY OF THE SELF-HELP HOUSING PROGRAM—CALIFORNIA
04-099-0051	NER	12-22-86	FMHA WAGE MATCH VIRGINIA
04-099-0059	WR	03-04-87	FMHA ACQUIRED PROPERTY AUDIT IN CALIFORNIA
04-099-0060	WR	02-18-87	FMHA ACQUIRED PROPERTY AUDIT IN IDAHO
04-099-0061	NER	12-17-86	FMHA CONTROL OVER CONTRACTING AT STATE AND COUNTY OFFICES
04-099-0061	WR	03-18-87	FMHA AUDIT OF THE LIQUIDATION OF THE B&I LOAN TO SYSTEMS INC
04-099-0062	NER	12-23-86	FMHA FRANKLIN CO OFFICE, PA
04-099-0075	MWR	12-08-86	IMPLEMENTATION OF PROMPTNESS STANDARDS FMHA, COLUMBUS, OH
04-099-0085	GPR	03-30-87	FMHA UNION COUNTY ELK POINT SOUTH DAKOTA
04-099-0125	SWR	11-21-86	FMHA SPECIAL SALE OF SINGLE FAMILY HOUSING INVENTORY PROP
04-099-0126	SWR	01-12-87	FMHA IMPLEMENTATION OF FOOD SECURITY ACT OF 1985 IN OKLAHOMA
04-099-0127	SWR	12-22-86	FMHA REVIEW OF FEDERAL EMPLOYEES DELINQUENT LOANS TEXAS
04-099-0128	SWR	02-13-87	FMHA REVIEW OF LOAN GRADUATION OF FEDERAL EMPLOYEES TEXAS
04-099-0130	SWR	03-03-87	FMHA RURAL RENTAL HOUSING LOANS IN NONMONETARY DEFAULT TX
04-099-0230	SER	11-24-86	SURVEY—FEDERAL EMPLOYEES WITH FMHA LOANS—GRADUATION
04-099-0231	SER	12-22-86	FMHA—UNAUTHORIZED FARM PROGRAM FINANCIAL ASSISTANCE
04-099-0235	SER	03-31-87	FMHA—MONITORING FMHA LOAN APPROVAL AND APPEAL ACTION
04-099-0238	SER	11-06-86	FMHA—LOANS TO FEDERAL EMPLOYEES—GRADUATION—NC
04-099-0240	SER	11-06-86	FMHA FEDERAL EMPLOYEES WITH FMHA LOANS-GRADUATION-GEORGIA
04-099-0243	SER	01-28-87	FMHA-SURVEY OF IMPLEMENTATION OF COUNTY COMMITTEE ELECTIONS
04-099-0245	SER	11-06-86	FMHA—FEDERAL EMPLOYEES WITH FMHA LOANS—GRADUATION—FL
04-099-0247	SER	11-19-86	FMHA AGRIPEN B&I LOAN—WILLIAMSBURG COUNTY, SC
04-099-0254	SER	03-10-87	FMHA—TIME AND ATTENDANCE REPORTING SC STATE OFFICE
04-530-0018	FMS	03-05-87	MONITORING-FMHA'S NPAS-DESIGN STAGE
04-530-0019	FMS	12-09-86	MONITORING—FMHA NPAS DELIVERY SYSTEM
04-530-0021	FMS	11-03-86	MONITORING-FMHA APDS DEVELOPMENT STAGE
04-530-0025	FMS	02-13-87	FMHA-APDS-DEVELOPMENT STAGE CONTRACT CLOSE OUT
04-530-0026	FMS	03-26-87	FMHA-REVIEW OF THE APDS CONTRACT MANAGEMENT
04-555-0001	NER	03-16-87	FMHA MAINTENANCE AGREEMENTS FOR ADP HARDWARE AND SOFTWARE
04-646-0001	NAR	03-20-87	FMHA LIQUIDATION OF GUARANTEED BUSINESS & INDUSTRIAL LOAN
04-656-0001	SWR	12-15-86	FMHA CONFIRMATION OF LOANS TO BORROWERS WITH P O BOX ADDRESS
04-658-0001	MWR	03-16-87	AUDIT OF REVISED FMHA LOAN SERVICING PROCEDURES IN
04-658-0001	SWR	01-30-87	FMHA IMPLEMENTATION OF REVISED LOAN SERVICING PROCEDURES TX
04-658-0003	SER	01-27-87	FMHA IMP OF REVISED LOAN SERVICING PROC FOR FP BOR IN GA

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<i>AGENCY—FMHA FARMERS HOME ADMINISTRATION (Continued)</i>				
04-660-0001	NAR	12-03-86	AUDIT OF THE NEW YORK STATE FMHA COLLECTIONS/BANKING SYSTEM	
04-660-0001	SER	10-28-86	FMHA-COLLECTION ACTVS.-CONCENTRATION BANKING SYSTEM—FL	
04-660-0001	SWR	11-20-86	FMHA COLLECTION ACTIVITIES CONCENTRATION BANKING SYSTEM AR	
04-660-0001	WR	01-28-87	FMHA REVIEW OF CASH COLLECTION ACTIVITIES IN CALIFORNIA	
04-660-0002	SER	12-05-86	FMHA REVIEW OF COLLECTION ACTIVITIES—GEORGIA	
04-660-0002	MWR	03-31-87	FMHA COLL ACTIVITY CONCENTRATION BANKING SYSTEM IL	
04-660-0002	WR	11-05-86	FMHA REVIEW OF CASH COLLECTION ACTIVITIES IN IDAHO	
04-660-0003	MWR	03-31-87	FMHA COLL ACTIVITY CONCENTRATION BANKING SYSTEM OHIO	
04-661-0001	SER	03-25-87	FMHA—GRADUATION OF LOANS TO FEDERAL EMPLOYEES	
04-667-0001	MWR	03-31-87	FMHA BORROWERS PARTICIPATING IN THE ASCS DTP	
TOTAL FMHA FARMERS HOME ADMINISTRATION				— 59
<i>AGENCY—FCIC FEDERAL CROP INSURANCE CORP</i>				
05-099-0019	SWR	02-06-87	FCIC FISHER AND JONES CO TX	
05-607-0002	FMS	11-06-86	FCIC CROP REINSURANCE PROGRAM FUNDS WASHINGTON, D.C.	
05-608-0008	WR	02-06-87	FCIC AUDIT OF LOSS POLICY NO. 4218 FRANKLIN CO—WA	
05-608-0009	WR	02-06-87	FCIC AUDIT OF LOSS POLICY NO. 533 ADAMS CO, WA	
TOTAL FCIC FEDERAL CROP INSURANCE CORP				— 04
<i>AGENCY—ES EXTENSION SERVICE</i>				
06-004-0006	SER	10-15-86	ES LANGSTON UNIVERSITY—LANGSTON, OK	
06-004-0007	SER	03-17-87	ES LINCOLN UNIVERSITY—JEFFERSON CITY, MISSOURI	
06-005-0001	NAR	11-25-86	EXTENSION SERVICE 1862 LGI UNIVERSITY OF PUERTO RICO	
06-005-0002	NAR	11-21-86	EXTENSION SERVICE-GRANT NO. 59-2723-1-6-052-0, UNIVERSITY, PR	
06-099-0002	SER	02-17-87	ES MISSION OF EXTENSION—WASHINGTON, DC	
TOTAL ES EXTENSION SERVICE				— 05
<i>AGENCY—FAS FOREIGN AGRICULTURAL SERVICE</i>				
07-099-0009	NER	02-09-87	PL 480 TITLE 11 PRIVATE VOLUNTARY ORGANIZATION USE OF INCOME	
07-555-0001	NER	03-03-87	FAS MAINTENANCE AGREEMENTS FOR ADP HARDWARE AND SOFTWARE	
TOTAL FAS FOREIGN AGRICULTURAL SERVICE				— 02
<i>AGENCY—FS FOREST SERVICE</i>				
08-099-0022	SER	03-20-87	FS—SURVEY ALLOCATION OF ENGINEERING COSTS TO ROAD CONST.	
08-099-0025	SER	03-23-87	HERBICIDE/PESTICIDE MANAGEMENT IN THE FS—SURVEY	
08-545-0019	NER	11-19-86	INCURRED COST AUDIT-UBCJA, WASHINGTON, DC	
08-545-0028	WR	03-31-87	1987 AIRTANKER CONTRACT AUDIT	

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<i>AGENCY—FS FOREST SERVICE (Continued)</i>				
08-630-0001	SER	03-31-87	PLANNING AND ALLOCATION OF K-V FUNDS—FOREST SERVICE	
08-630-0001	GPR	12-12-86	FS PLANNING AND ALLOCATION OF KV FUNDS-REGION 1	
08-632-0001	SER	02-17-87	FS REFORESTATION ACCOMPLISHMENTS—REGION 8	
08-632-0001	MWR	12-15-86	FS REGION 9 1985 REFORESTATIONS ACCOMPLISHMENTS	
08-632-0001	SWR	12-31-86	FS 1985 REFORESTATION ACCOMPLISHMENTS APACHE-SITGRAVES NF	
08-632-0002	GPR	10-14-86	FS 1985 REFORESTATION ACCOMPLISHMENTS REGION 4 OGDEN UTAH	
08-632-0002	WR	03-31-87	FS REFORESTATION ACCOMPLISHMENTS—NATIONWIDE	
08-632-0003	WR	03-19-87	FS REFORESTATION ACCOMPLISHMENTS IN REGION 6	
08-632-0004	WR	03-19-87	FS REFORESTATION ACCOMPLISHMENTS IN REGION—5	
08-634-0001	WR	10-24-86	ASSESSMENT AND COLLECTION OF CONCESSION AND USER FEES—R6	
08-634-0002	WR	10-09-86	ASSESSMENT AND COLLECTION OF CONCESSION AND USER FEES—R5	
TOTAL FS FOREST SERVICE				— 15
<i>AGENCY—SCS SOIL CONSERVATION SERVICE</i>				
10-097-0003	SER	11-10-86	SCS—SAVANNAH FIELD OFFICE—SAVANNAH, TN	
**10-545-0003	MWR	02-04-87	AUDIT OF CHICAGO METRO SANITARY DISTRICT'S FRINGE BENEFITS	
**10-545-0004	MWR	01-21-87	MINN-KOTA EXCAVATING COST PROPOSAL	
10-545-0024	NER	12-22-86	CONTRACT CLAIM-MELE CONTRUCTION,CO.,INC. DUNMORE,PA.	
TOTAL SCS SOIL CONSERVATION SERVICE				— 04
<i>AGENCY—CSRS COOPERATIVE STATE RESEARCH SERVICE</i>				
13-004-0005	SER	10-15-86	CSRS DELAWARE STATE COLLEGE—DOVER, DE	
13-004-0006	SER	03-17-87	CSRS UM EASTERN SHORE—PRINCESS ANNE, MARYLAND	
13-004-0007	SER	03-31-87	CSRS LINCOLN UNIVERSITY—JEFFERSON CITY, MISSOURI	
13-005-0001	NAR	11-21-86	CSRS 1862 LAND GRANT INSTITUTIONS-UNIVERSITY OF PUERTO RICO	
13-099-0001	SER	11-20-86	CSRS—RESEARCH DIRECTORS—ORANGEBURG, SC	
TOTAL CSRS COOPERATIVE STATE RESEARCH SERVICE				— 05
<i>AGENCY—OO OFFICE OF OPERATIONS</i>				
**23-545-0001	WR	10-23-86	OO-POSTAWARD AUDIT-MASSTOR SYSTEMS CORP-SANTA CLARA, CA	
TOTAL OO OFFICE OF OPERATIONS				— 01
<i>AGENCY—SRS STATISTICAL REPORTING SERVICE</i>				
26-555-0001	NER	01-27-87	SRS MAINTENANCE AGREEMENTS FOR ADP HARDWARE AND SOFTWARE	
TOTAL SRS STATISTICAL REPORTING SERVICE				— 01
<i>AGENCY—FNS FOOD AND NUTRITION SERVICE</i>				
27-005-0079	SWR	01-30-87	KISATCHIE-DELTA NUTRITION PROGRAM AVOYELLES COA	
27-009-0001	NAR	11-05-86	FNS CDP PROCESSING SUPREME OIL CO., ENGLEWOOD, NJ	
27-009-0002	NAR	10-01-86	FNS CDP PROCESSING SUPREME OIL CO., ENGLEWOOD, NJ PA DA	
27-009-0002	WR	11-25-86	AUDIT SURVEY OF FOOD DISTRIBUTORS IN CALIFORNIA	

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AGENCY—FNS FOOD AND NUTRITION SERVICE (Continued)			
27-013-0046	MWR	12-08-86	OHIO WAGE MATCH
27-013-0079	NER	03-31-87	FNS VIRGINIA FOOD STAMP PROGRAM,RICHMOND,VA-NER 26
27-016-0083	SER	03-27-87	FNS FSP CASEFILE DOCUMENTATION, DUVAL CO., JACKSONVILLE, FL
27-017-0003	SER	02-26-87	FNS FOOD STAMP PROGRAM, DADE COUNTY, MIAMI, FL
27-017-0005	MWR	12-03-86	FOOD STAMP PROGRAM OPERS—CUYAHOGA CTY, OHIO
27-019-0030	NER	12-11-86	FEDERAL RESERVE COUPON REDEMPTION PROCESS
27-019-0030	SER	10-22-86	FNS FOOD STAMP ISSUANCE CONTROLS—KENTUCKY
27-019-0033	NER	11-07-86	CONGRESSIONAL INQUIRY ON FOOD STAMP PRINTING PROCUREMENT
27-019-0033	SWR	12-22-86	FNS FSP SPECIAL REQUEST TO REVIEW FOOD COUPON DEP DOC
27-019-0034	SWR	02-12-87	FNS FSP OVER/UNDER ISSUANCES OF COUPONS CAMERON CO TX
27-019-0036	SWR	02-25-87	FNS FSP OVER/UNDER ISSUANCES OF COUPONS EL PASO CO TX
27-019-0057	MWR	03-31-87	FSP PROG-COMPUTER MATCHING STATE OF IL
27-019-0058	MWR	03-31-87	FOOD STAMP PROG-COMPUTER MATCHING OF INDIANA
27-019-0059	MWR	03-26-87	AUDIT OF THE NATIONAL DISQUALIFICATION NETWRK PROCEDURE
27-021-0002	NAR	10-31-86	AUDIT OF THE NEW YORK STATE CCFP—FNSRO ADMINISTERED
27-022-0007	NAR	03-20-87	FNS MASSACHUSETTS DEPT. OF EDUCATION-NSLP, QUINCY, MA
27-023-0007	NAR	10-30-86	FNS CNP ARCHDIOCESE OF NEWARK NJ
27-023-0008	NAR	10-29-86	FNS CNP JERSY CIETY BOARD OF EDUCATION, NJ
27-023-0009	NAR	03-02-87	FNS-CNP PATTERSON BOARD OF EDUCATION, PATTERSON, NJ
27-023-0010	NAR	03-23-87	FNS CNP CITY OF CAMDEN BOARD OF EDUCATION, CAMDEN, NJ
27-023-0011	NAR	03-11-87	FNS CNP VINELAND PUBLIC SCHOOLS VINELAND, NEW JERSEY
27-023-0012	NAR	10-14-86	AUDIT OF KEHILLATH JACOB—SFA—BROOKLYN, NEW YORK
**27-023-0194	SER	02-26-87	FNS CHILD NUTRITION PROGRAMS CITY OF MEMPHIS, TN
27-023-0246	SWR	12-30-86	FNS COMPLIANCE WITH FED PROCUREMENT REGS FT WORTH TX
**27-028-0035	GPR	03-20-87	FNS-SFSP ST LOUIS DEPT OF WELFARE
**27-028-0036	GPR	01-14-87	FNS-SFSP HARRIS TEACHERS COLLEGE ST. LOUIS, MO
**27-028-0037	GPR	03-06-87	FNS SFSP ST LOUIS UNIVERSITY UPWARD PROGRAM-ST LOUIS,MO
**27-028-0038	GPR	11-21-86	FNS-SFSP URBAN AFFAIRS DEPT. KANSAS CITY MO
**27-028-0039	GPR	11-21-86	FNS-SFSP-UMKC NATIONAL YOUTH SPORTS PROG-KANSAS CITY MO
**27-028-0040	GPR	11-21-86	FNS-SFSP-THE SALVATION ARMY SFSP KANSAS CITY MO
**27-029-0119	NER	02-13-87	CHILD & FAMILY SERVICES INC, STAFFORD, VA
**27-029-0121	NER	11-07-86	RICHMOND COMMUNITY ACTION PROGRAM, RICHMOND, VA
**27-029-0126	NER	12-18-86	LEE COUNTY HEADSTART PROJECT, JONESVILLE, VA
**27-029-0127	NER	02-18-87	GILFIELD BAPTIST CHURCH DAYCARE CENTER, PETERSBURG, VA
**27-029-0130	NER	11-07-86	EPHESUS SEVENTH DAY ADVENTIST, RICHMOND, VA
**27-029-0133	NER	11-07-86	VA COUNCIL OF CHURCHES, RICHMOND, VA
**27-029-0135	NER	11-07-86	PEOPLE INC., ABINGDON, VA
**27-029-0136	NER	11-07-86	SOUTHSIDE DAY NURSERY ASSOC., RICHMOND, VA
**27-029-0138	NER	12-02-86	EVANGELICAL FOURSQUARE CHURCH, ROANOKE, VA
**27-029-0139	NER	02-13-87	HEALTH WELFARE RECREATION PLANNING COUNCIL NORFOLK, VA
**27-029-0150	NER	11-25-86	GRACE HOUSE INC. RICHMOND VIRGINIA
**27-029-0151	NER	12-18-86	WILLIAM BYRD COMMUNITY HOUSE RICHMOND
27-029-0319	WR	12-23-86	FNS-CCFP-THE CHILDRENS CENTER HONOLULU, HAWAII

..27-029-0320	WA	03-09-87	FNS-CFFP ALPHABETLAND PRESCHOOL—HAWAII
..27-029-0321	WA	03-06-87	FNS-CFFP KMCOS CHILD CARE CENTER, KANEHOE, HAWAII
..27-029-0322	WA	02-25-87	FNS-CFFP RAINBOW SCHOOL, KAHUKU, HAWAII
..27-029-0323	WA	03-06-87	FNS-CFFP WAIANA COAST DAY CARE CTRS—HAWAII
..27-029-0324	WA	02-26-87	FNS-CFFP KAUAI ECONOMIC OPPORTUNITY DAY CARE CTRS—HAWAII
..27-029-0325	GPR	01-28-87	FNS, CFFP, COMMUNITY DAY CARE LEARNING CTR, INC MOBERLY, MO
..27-029-0325	WA	03-04-87	FNS-CFFP HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL
..27-029-0326	GPR	01-14-87	FNS, CFFP, COX CHILD CARE CTR SPRINGFIELD, MO
..27-029-0326	WA	12-12-86	FNS CFFP UMOHA COMMUNITY ACTION NETWORK, ROSEBURG, OREGON
..27-029-0327	GPR	01-14-87	FNS, CFFP, COUNTY CARE PRESCHOOL, INC. NEOSHO, MO
..27-029-0327	WA	01-22-87	FNS-CFFP-JACKSON COUNTY CHILD DEVELOPMENT CTR, MEDFORD, OR
..27-029-0328	GPR	03-13-87	FNS, CFFP, KCMC CHILD DEV. CORP. REG. CTR. KANSAS CITY, MO
..27-029-0328	WA	03-06-87	FNS-CFFP-CROOK DESCHUTES JEFFERSON CHILD CARE COUNCIL, OR
..27-029-0329	GPR	02-06-87	FNS, CFFP, LEARNING AND FUN PRESCHOOL KANSAS CITY, MO
..27-029-0329	WA	02-19-87	FNS-CFFP-CHILD CARE COORDINATING COUNCIL PORTLAND, OR
..27-029-0330	GPR	12-16-86	FNS, CFFP, GEO WASH CARVER NBRHD CTR. KANSAS CITY MO
..27-029-0330	WA	02-19-87	FNS-CFFP-JACKSON-JOSEPHINE 4-C COUNCIL MEDFORD, OR
..27-029-0331	GPR	12-01-86	FNS-CFFP-OPERATION BREAK-THROUGH, INC. KANSAS CITY, MO
..27-029-0331	WA	03-06-87	FNS-CFFP-MATCHMAKER DAY CARE-LYNWOOD, WASHINGTON
..27-029-0332	GPR	12-01-86	FNS, CFFP, W. CENTRAL MO RURAL DEV. CTR. APPLETON CITY, MO
..27-029-0332	WA	02-05-87	FNS-CFFP-PASCO SCHOOL DISTRICT PASCO, WASHINGTON
..27-029-0333	GPR	12-16-86	FNS, CFFP, COMMUNITY SERVICES INC OF NW MO MARYVILLE, MO
..27-029-0333	WA	01-21-87	FNS CFFP FAMILY DAY CARE ASSOCIATION OF KING CO, SEATTLE, WA
..27-029-0334	GPR	12-17-86	FNS, CFFP, ST. MARKS UICS DCC KANSAS CITY, MO
..27-029-0334	WA	02-23-87	FNS-CFFP-CHELSEA-DOUGLAS COMMUNITY ACTION COUNCIL, WENATCHEE
..27-029-0335	GPR	11-21-86	FNS, CFFP, CREATIVE PLAYHOUSE SEDALIA, MO
..27-029-0335	WA	01-23-87	FNS CFFP FORT LEWIS CHILD CARE CENTER, FORT LEWIS, WA
..27-029-0336	GPR	12-01-86	FNS, CFFP, LITTLE ANGELS DCC KANSAS CITY, MO
..27-029-0336	WA	02-04-87	FNS-CFFP-DHR CITY OF SEATTLE SEATTLE, WASHINGTON
..27-029-0337	GPR	12-01-86	FNS, CFFP, SMITHS DAY CARE CTR KANSAS CITY, MO
..27-029-0338	GPR	12-01-86	FNS, CFFP, GRANDMA'S HOUSE OF AYA AYA, MO
..27-029-0338	WA	02-04-87	FNS-CFFP-UNIVERSITY OF OREGON EUGENE, OREGON
..27-029-0339	GPR	02-06-87	FNS, CFFP, SM. WONDERS CHILD CARE INC. KANSAS CITY, MO
..27-029-0339	WA	01-16-87	FNS CFFP NEIGHBORHOOD HOUSE, INC. SEATTLE, WA
..27-029-0340	GPR	12-01-86	FNS, CFFP, WE CARE PRESCHOOL DCC EL DORADO SPRINGS, MO
..27-029-0340	WA	02-23-87	FNS-CFFP-YOUNGLAND DAY CARE, INC. VANCOUVER, WASHINGTON
..27-029-0341	GPR	03-25-87	FNS, CFFP, EPWORTH WINSOR DCC ST. LOUIS, MO
..27-029-0341	WA	02-06-87	FNS-CFFP-CLATSOP TILLAMOOK CHILD CARE SERVICES, CANNON BEACH
..27-029-0342	GPR	03-06-87	FNS, CFFP, CARR SQUARE TENANT ST. LOUIS, MO
..27-029-0342	WA	01-22-87	FNS CFFP MIGRANT & INDIAN COALITION(HOMES)GLADSTONE, OREGON
..27-029-0343	GPR	03-20-87	FNS, CFFP, SMALL WORLD PRESCHOOL ST. LOUIS, MO
..27-029-0343	WA	02-06-87	FNS CFFP MIGRANT & INDIAN COALITION(CENTERS)GLADSTONE, OREGON
..27-029-0344	GPR	01-14-87	FNS, CFFP Y-M-C-A OF GREATER ST LOUIS MO.
..27-029-0344	WA	03-09-87	FNS-CFFP-FOODCARE DAYCARE SERVICES PORTLAND, OR
..27-029-0345	GPR	02-12-87	FNS, CFFP, EVANGELICAL CHILDRENS HOME DCC ST. LOUIS, MO
..27-029-0345	WA	01-23-87	FNS CFFP COUNCIL FOR CHILDREN, CORVALLIS, OREGON
..27-029-0346	GPR	01-14-87	FNS, CFFP, JEWISH COMMUNITY CTRS. ASSOC. ST. LOUIS, MO
..27-029-0346	WA	01-23-87	FNS-CFFP-NE OREGON 4C COUNCIL, LAGRANDE, OREGON
..27-029-0347	GPR	01-28-87	FNS, CFFP, LUTH FMLY&CHLDS SVES HILLTOP DAY CARE ST. LOUIS, MO
..27-029-0347	WA	01-23-87	FNS CFFP MILLTON-FREEWATER, DAY CARE CTR-MILLTON-FREEWATER, OR
..27-029-0348	GPR	03-06-87	FNS, CFFP, EARLY CHILD CARE DEV. CORP. ST. LOUIS, MO

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..27-029-0348	WR	01-23-87	FNS-CCFP-EDUCATIONAL INSTITUTE OF RURAL FAMILIES
..27-029-0349	GPR	03-25-87	FNS, CCFP, NORTHWEST DAY CARE CTR, WELLSTON, MO
..27-029-0349	WR	01-23-87	FNS-CCFP-COMMUNITY COLLEGES OF SPOKANE, WASHINGTON
..27-029-0350	GPR	03-06-87	FNS, CCFP, LEARNING TREE DAY NURSERY, INC. ST. LOUIS, MO
..27-029-0350	WR	02-26-87	FNS-CCFP-YAKIMA TRIBAL HEAD START TOPPENISH, WA
..27-029-0351	GPR	03-09-87	FNS, CCFP, DOUGLAS COMMUNITY CTR & KINDERGARTEN HANNIBAL MO
..27-029-0351	WR	01-26-87	FNS-CCFP-ENTERPRISE FOR PROGRAMS IN THE COMMUNITY, WASHINGTON
..27-029-0352	GPR	01-14-87	FNS, CCFP, GREATER ST LUKES MB CHCH GSL DAYCARE & KGT, ST LOU
..27-029-0352	WR	02-26-87	FNS-CCFP-GRANT COUNTY COMMUNITY ACTION COUNCIL MOSES LAKE, WA
..27-029-0353	GPR	03-25-87	FNS, CCFP, PLAYCARE CTR AND PRESCHOOL ST. LOUIS, MO
..27-029-0354	GPR	03-11-87	FNS, CCFP, CHILDREN'S ACADEMY ST. LOUIS, MO
..27-029-0355	GPR	01-14-87	FNS, CCFP, CHILDREN'S CORNER OMAHA, NEBRASKA
..27-029-0356	GPR	03-06-87	FNS-CCFP-WEBSTER GROVES-DCC WEBSTER GROVES, MO
..27-029-0609	NAR	11-21-86	FNS CCFP YESHIVA KELILATH YAKOV
..27-029-0789	NAR	02-25-87	FNS-CCFP CITIZENS CARE DCC
..27-029-0790	NAR	02-25-87	FNS-CCFP EAST CALVARY NURSERY, INC
..27-029-0794	NAR	02-25-87	FNS-CCFP MT. CALVARY CHILD CARE CENTER
..27-029-0795	NAR	03-20-87	FNS-CCFP UPPER MANHATTAN DCC & CHILD DEVELOPMENT CTR
..27-029-0797	NAR	03-02-87	FNS-CCFP ADDIE MAE COLLINS COMMUNITY SERVICE HS PROGRAM
..27-029-0799	NAR	02-25-87	FNS-CCFP HAMILTON GRANGE DCC
..27-029-0800	NAR	02-25-87	FNS-CCFP CHURCH ON HILL FAMILY DCC
..27-029-0803	NAR	03-02-87	FNS-CCFP RENA DAY CARE CENTER INC
..27-029-0804	NAR	03-02-87	FNS-CCFP UNITED FED OF BLACK COMM ORGANIZATION
..27-029-0805	NAR	02-25-87	FNS-CCFP WASHINGTON HEIGHTS CHILD CARE CENTER
..27-029-0806	NAR	02-25-87	FNS-CCFP FT. GEORGE COMM ENRICHMENT CTR INC HS
..27-029-0807	NAR	01-21-87	FNS-CCFP NICHOLAS GARDELL DCC
..27-029-0809	NAR	02-25-87	FNS-CCFP DAVIDSON AVE COMM DCC INC
..27-029-0811	NAR	03-02-87	FNS-CCFP AS THE TWIG IS BENT CHILDREN CENTER
..27-029-0814	NAR	02-25-87	FNS-CCFP TWIN PARKS CHILD CARE CENTER
..27-029-0816	NAR	03-02-87	FNS-CCFP MARTIN LUTHER KING JR. CHILD DEV CTR
..27-029-0820	NAR	02-03-87	FNS-CCFP PUERTO RICAN ASSOC FOR COMMUNITY AFFAIRS
..27-029-0826	NAR	03-13-87	FNS-CCFP FRANKLIN PLAZA DCC
..27-029-0829	NAR	02-03-87	FNS-CCFP UNION SETTLEMENT ASSOC DCC
..27-029-0830	NAR	02-03-87	FNS-CCFP PEQUENOS SOULS DCC INC
..27-029-0831	NAR	02-03-87	FNS-CCFP HOPE DAY NURSERY INC
..27-029-0833	NAR	03-16-87	FNS-CCFP EAST SIDE HOUSE SETTLEMENT
..27-029-0834	NAR	02-03-87	FNS-CCFP LUCILLE MURRAY CHILD DEV CENTER
..27-029-0835	NAR	03-13-87	FNS-CCFP SOUTH BRONX HEAD START
..27-029-0837	NAR	03-16-87	FNS-CCFP UNITED BRONX PARENTS INC
..27-029-0838	NAR	02-18-87	FNS-CCFP BETTER EDUCATION STARTS TODAY
..27-029-0839	NAR	02-03-87	FNS-CCFP CLAREMONT NEIGHBORHOOD CENTER
..27-029-0840	NAR	02-20-87	FNS-CCFP MORRISANIA DCC
..27-029-0841	NAR	01-05-87	FNS-CCFP YOUTH VILLAGE CENTER INC
..27-029-0842	NAR	03-16-87	FNS-CCFP BATHGATE DCC
..27-029-0844	NAR	02-18-87	FNS-CCFP FRIENDSHIP COMMUNITY CENTER
..27-029-0845	NAR	03-16-87	FNS-CCFP CONCERNED PARENTS FAMILY DAY CARE CAREERS
..27-029-0846	NAR	03-13-87	FNS-CCFP WESTCHESTER TREMONT DCC
..27-029-0851	NAR	03-25-87	FNS-CCFP PARKCHESTER BRONXDALE DC ASSOC
..27-029-0852	NAR	03-13-87	FNS-CCFP UNITED TALMUDICAL ACADEMY
..27-029-0855	NAR	03-13-87	FNS-CCFP CHINATOWN HS THE CHINESE COMM CONCERNS CO
..27-029-0859	NAR	02-05-87	FNS-CCFP LINCOLN SQUARE NEIGHBORHOOD CENTER
..27-029-0860	NAR	03-17-87	FNS-CCFP ST. MATHEWS & TIMOTHY'S NEIGHBORHOOD CTR INC

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..27-029-0861	NAR	03-20-87	FNS-CCFP BLOOMINGDALE FAMILY PROGRAM
..27-029-0862	NAR	02-24-87	FNS-CCFP CDI MULTISERVICE AGENCY
..27-029-0863	NAR	02-24-87	FNS-CCFP EISMAN DAY NURSERY INC
..27-029-0864	NAR	02-24-87	FNS-CCFP MANHATTAN VALLEY DCC
..27-029-0865	NAR	03-17-87	FNS-CCFP OPEN DOOR CHILD CARE CENTER
..27-029-0866	NAR	03-13-87	FNS-CCFP ST. CHRISTOPHER JENNIE CLARKSON FDC
..27-029-0867	NAR	02-18-87	FNS-CCFP UNIDAD UNITY DCC
..27-029-0868	NAR	02-24-87	FNS-CCFP HARTLEY HOUSE INC
..27-029-0869	NAR	02-18-87	FNS-CCFP PEACE INC
..27-029-0870	NAR	02-24-87	FNS-CCFP UPSTATE DCC
..27-029-0871	NAR	02-18-87	FNS-CCFP NEIGHBORHOOD CTR OF UTICA
..27-029-0872	NAR	02-27-87	FNS-CCFP UTICA HS CHILDREN & FAMILIES, INC
..27-029-0873	NAR	02-18-87	FNS-CCFP DELAWARE OPPORTUNITIES INC
..27-029-0874	NAR	03-17-87	FNS-CCFP OPPORTUNITIES FOR CHENANGO INC
..27-029-0875	NAR	02-18-87	FNS-CCFP BSUCO CHILD CTR STATE UNIV COLLEGE AT ONEONTA
..27-029-0876	NAR	02-18-87	FNS-CCFP COORDINATED CHILD DEVELOPMENT
..27-029-0877	NAR	02-18-87	FNS-CCFP YATES DCC
..27-029-0878	NAR	03-20-87	FNS-CCFP BADEN STREET SETTLEMENT
..27-029-0879	NAR	02-27-87	FNS-CCFP JEFFERSON AVE CHILD DEV CTR
..27-029-0880	NAR	02-18-87	FNS-CCFP DOWNTOWN CHURCH DCC
..27-029-0881	NAR	02-18-87	FNS-CCFP IBERO AMER ACTION LEAGUE INC
..27-029-0889	NAR	03-20-87	FNS-CCFP REFRESHING SPRING CCC
..27-029-0890	NAR	03-25-87	FNS-CCFP ULSTER COUNTY COMM ACTION COMMITTEE INC
..27-029-0891	NAR	03-20-87	FNS-CCFP GREENE CITY COMM ACTION
..27-029-0893	NAR	03-20-87	FNS-CCFP POUGHKEEPSIE FAMILY DEVELOPMENT & DCC
..27-029-0899	NAR	03-20-87	FNS-CCFP WARREN CTY DEPT OF SOCIAL SVCS FDC PROGRAM
..27-029-0899	NAR	03-20-87	FNS-CCFP HOLY CROSS HS PROGRAM
..27-029-0900	NAR	03-20-87	FNS-CCFP LONGVIEW NIAGARA DCC PROTESTANT HOME CHILD
..27-029-0903	NAR	03-25-87	FNS-CCFP ST. AUGUSTINE'S CTR AFRIKAN CHILD & FAMILY
..27-029-0908	NAR	03-16-87	FNS-CCFP GRAHAM WINDHEM
..27-029-0909	NAR	03-13-87	FNS-CCFP HAMMILTON MADISON HOUSE DCC
..27-029-0911	NAR	03-13-87	FNS-CCFP QUEENSBURGH DCC
..27-029-0912	NAR	03-13-87	FNS-CCFP WESTERN QUEENS NURSERY SCHOOL
..27-029-0913	NAR	03-13-87	FNS-CCFP HALLET COVE CHILD DEV CTR
..27-029-0914	NAR	02-03-87	FNS-CCFP YORK NORTH QUEENS CHILD DEV CTR
..27-029-0916	NAR	03-25-87	FNS-CCFP BLANCHE COMM PROGRESS DCC
..27-029-0918	NAR	03-13-87	FNS-CCFP FIRST UNITED METHODIST CHURCH HOLLIS COMM SVC
..27-029-0920	NAR	03-13-87	FNS-CCFP AMISTAD CHILD DCC & FAMILY CTR
..27-029-0921	NAR	03-25-87	FNS-CCFP CLIFFORD GLOVER DCC INC STARLIGHT DCC
..27-029-0923	NAR	01-05-87	FNS-CCFP ORIGINALS OF JAMAICA DCC INC
..27-029-0924	NAR	03-13-87	FNS-CCFP ALPHA KAPPA EPSILON PI OMEGA DC
..27-029-0928	NAR	02-26-87	FNS-CCFP HARBOR DCC
..27-029-0930	NAR	03-16-87	FNS-CCFP HEBREW KINDERGARTEN & INFANTS HOME INC
..27-029-0931	NAR	02-03-87	FNS-CCFP ROCKAWAY CCC
..27-029-0932	NAR	03-16-87	FNS-CCFP PENINSULA CHILD DAY CARE ASSN DOLORES S MATTOX
..27-029-0934	NAR	01-29-87	FNS-CCFP MARY MCLEOD BETHUNE DCC INC
..27-029-0935	NAR	01-29-87	FNS-CCFP STRONG PLACE DCC INC
..27-029-0938	NAR	01-29-87	FNS-CCFP MORRIS L EISENSTEIN LEARNING
..27-029-0939	NAR	02-20-87	FNS-CCFP NEW LOTS SCHENCK DCC
..27-029-0942	NAR	02-18-87	FNS-CCFP SYLVIA KLEIN DCC COMM BD
..27-029-0943	NAR	01-29-87	FNS-CCFP COLLEGE COMM CHILD CARE BROOKLYN COLL
..27-029-0948	NAR	02-20-87	FNS-CCFP HISPANO UNIDOS DCC

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**27-029-0949	NAR	01-05-87	FNS-CCFP PARKSLOP COMM CTR FAMILY DCC
**27-029-0951	NAR	01-29-87	FNS-CCFP BETH JACOB DCC
**27-029-0952	NAR	01-29-87	FNS-CCFP BNOS ZION OF BOBOV
**27-029-0953	NAR	01-05-87	FNS-CCFP BAY RIDGE DAY NURSERY INC
**27-029-0956	NAR	01-29-87	FNS-CCFP FLATBUSH ACTION COMM DCC
**27-029-0964	NAR	01-21-87	FNS-CCFP BELMONT COMMUNITY DCC
**27-029-0965	NAR	03-20-87	FNS-CCFP CORNERSTONE DCC
27-031-0018	SER	01-23-87	FNS WIC SURVEY—TENN DEPT OF PUBLIC HEALTH & ENVIRONMENT
**27-032-0003	SWR	10-01-86	FNS INDIRECT COST RATE CHARGED TO WIC PROG DALLAS HEALTH D
**27-032-0004	SWR	10-02-86	FNS INDIRECT COST RATE CHARGED TO WIC AUSTIN TRAVIS CO HD
**27-032-0005	SWR	10-06-86	FNS INDIRECT COST RATE CHARGED TO WIC CHOCTAW NATION
27-099-0038	SWR	03-19-87	FNS SURVEY OF TDHS ADP CHARGES TO FNS PROGRAMS AUSTIN TX
27-099-0075	MWR	11-18-86	ILLINOIS ACCTS RECEIVABLE SYSTEM FOR FSP RECIPIENT CLAIMS
27-541-0003	NER	11-07-86	ELECTRONIC BENEFITS TRANS. DEMO PROJ. PHASE II
27-541-0028	SER	11-06-86	FNS—NORTH CAROLINA FOOD STAMP SYSTEM
**27-545-0006	WR	10-16-86	FNS POSTAWARD COST AUDIT QUALITY PLANNING CORP. OAKLAND, CA
**27-545-0023	NAR	03-04-87	FNS CONTRACT MODIFICATION MATHEMATICA POLICY RESEARCH INC
**27-545-0034	NAR	10-01-86	FNS-PREAWARD AUDIT—AUDITS AND SURVEY INC
**27-545-0035	NAR	03-23-87	FNS CONTRACT PREAWARD AUDIT OF MATHEMATICA RESEARCH, INC
**27-545-0038	NER	12-29-86	INCURRED COST AUDIT-KETRON, INC., WAYNE, PA
**27-545-0048	NER	02-12-87	PREAWARD AUDIT-NATIONAL ANALYSTS, PHILADELPHIA, PA
**27-545-0049	NER	12-18-86	PREAWARD AUDIT-SOCIAL AND SCIENTIFIC SYSTEMS, BETHESDA, MD
27-555-0001	NER	03-20-87	FNS MAINTENANCE AGREEMENTS FOR ADP HARDWARE AND SOFTWARE
27-645-0004	MWR	03-24-87	FOLLOWUP AUDIT OF FNS CASH AND DEBT MANAGEMENT
27-650-0002	NER	10-31-86	FNS, AUDIT OF FSP QC ERROR RATE REDUCTION SYSTEM
27-655-0001	NAR	11-03-86	FNS IMPLEMENTATION OF WAGE MATCHING ALBANY, NY
27-655-0001	NER	11-28-86	FNS FS WAGE MATCHING REQUIREMENTS IN WVA
27-655-0002	NAR	11-07-86	FNS IMPLEMENTATION OF WAGE MATCHING HARTFORD CT
27-655-0002	NER	12-11-86	FNS FS WAGE MATCHING REQUIREMENTS IN PA
27-655-0002	MWR	11-05-86	FOLLOW-UP AUD OF THE IMPLEMENTATION OF WAGE MATCH REQ—FSP
27-655-0002	WR	10-27-86	FNS FOOD STAMP—AUDIT OF CALIFORNIA WAGE MATCH SYSTEM
27-657-0001	WR	02-04-87	AUDIT OF A/RS ADP SYSTEMS FOR FSP CLAIMS—CALIFORNIA
27-657-0002	WR	02-10-87	AUDIT OF A/RS ADP SYSTEMS FOR FSP CLAIMS—IDAHO
TOTAL FNS FOOD AND NUTRITION SERVICE			— 235
AGENCY—PSA PACKERS AND STOCKYARDS ADMINISTRATION			
30-601-0002	MWR	03-20-87	EVAL OF REG FUNCTIONS OF PSA AND ASSESS OF INTERNAL CONTROLS
TOTAL PSA PACKERS AND STOCKYARDS ADMINISTRATION			— 01

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF INSPECTOR GENERAL—AUDITING
AUDIT REPORTS RELEASED
BETWEEN OCTOBER 01, 1986 AND MARCH 31, 1987

AUDIT NUMBER	REGION	RELEASE DATE	TITLE
AGENCY—APHIS ANIMAL AND PLANT HEALTH INSPECTION SERVICE			
33-099-0003	SER	12-08-86	APHIS BRUCELLOSIS PROG COOP AGREEMENTS WITH KY DEPT OF AG
..33-545-0007	NER	12-15-86	PREAWARD-BBL MICROBIOLOGY SYSTEMS, COCKEYSVILLE, MD
TOTAL APHIS ANIMAL AND PLANT HEALTH INSPECTION SERVICE			
02 —			
AGENCY—FSIS FOOD SAFETY AND INSPECTION SERVICE			
38-002-0002	NER	01-14-87	FSIS AUDIT OF IMPORTED MEAT PROCESS
..38-092-0002	MWR	02-11-87	AUD OF INDIR. COST PROP OF IL DEPT OF AG
..38-092-0003	MWR	03-21-87	AUDIT OF INDIRECT COST PROPOSAL OF OHIO DEPT OF AG
..38-092-0020	NER	12-02-86	AUDIT OF WEST VIRGINIA INDIRECT COST
38-097-0001	SER	02-05-87	FSIS—EXPORTING PROCEDURES
38-099-0002	SER	03-31-87	FSIS—CONTROLS OVER EXPORTING PROCEDURES
TOTAL FSIS FOOD SAFETY AND INSPECTION SERVICE			
06 —			
AGENCY—MULTI-AGENCY/DIVISION CODE			
50-010-0002	NER	02-19-87	SURVEY-FAS/ASCS PL 480, TITLE I/III FISCAL ACCOUNTABILITY
50-010-0003	NER	01-15-87	PCIE REVIEW OF USDA POLICIES ON INTEREST RECOGNITION
50-081-0001	FMS	11-03-86	MONITORING-FMH&SCS-TEST& IMPLEMENTATION OF DELIVERY SYSTEM
50-099-0009	FMS	03-19-87	GOVERNMENT TRANSPORTATION REQUESTS NEW ORLEANS LA
50-099-0015	SER	12-11-86	MULTIAGENCY REVIEW OF TOBACCO SALES
50-099-0031	NER	12-19-86	USE OF COOPERATIVE AGREEMENTS
50-099-0037	NER	10-24-86	REQUIREMENTS OF THE ANTI-TAMPERING ACT
50-099-0039	NER	02-12-87	INTERNAL CONTROLS IN USDA-NER 43
50-545-0008	NER	12-31-86	GRAD SCH.-INCURRED COST AUDIT FAA INTERAGENCY AGREEM.
50-550-0009	NER	03-11-87	PROCUREMENT AND TECHNICAL APPROVAL OF ADP EQUIP. IN USDA
50-550-0012	NER	03-24-87	CONTROLS OVER YEAR-END SPENDING—NER 37
50-555-0001	NER	03-23-87	ORM MAINTENANCE AGREEMENTS FOR ADP HARDWARE & SOFTWARE
..50-560-0004	NAR	10-11-86	PUERTO RICO DEPT. OF EDUCATION, SAN JUAN
..50-560-0018	MWR	12-30-86	A-102 AUDIT OF THE CITY OF CAMBRIDGE, MINNESOTA
..50-560-0030	NER	03-03-87	PA A102P DEPT OF HEALTH, 7/1/81-6/30/83
..50-560-0034	NER	10-29-86	PA A102P DEPT OF PUBLIC WELFARE 7/1/81-6/30/83
..50-560-0035	NER	03-23-87	PA A102P PA STATEWIDE REPORT 7/1/81-6/30/83
..50-560-0038	SWR	02-25-87	A-102 ATT P N M DEPT OF NATURAL RESOURCES
..50-560-0039	SWR	01-02-87	A-102 ARK FORESTRY COMMISSION
..50-560-0064	WR	10-20-86	A-102 AUDIT SPECIAL PURPOSE DIST GRANT COUNTY—WASHINGTON
..50-560-0065	WR	12-02-86	A-102 REPORT—KITITAS COUNTY, WASHINGTON—FY END 12/31/84
..50-560-0066	WR	03-11-87	A-102 AUDIT OF THE WA DEPT OF NATURAL RESOURCES
..50-562-0002	SWR	12-04-86	A110 RURAL ENTERPRISES INC DURANT OK
..50-562-0002	WR	12-12-86	CLALLAM-JEFFERSON COUNTY COMMUNITY ACTION COUNCIL-WA CY 85
..50-562-0003	WR	01-28-87	A-110 AUDIT OF THE METROPOLITAN DEVELOPMENT COUNCIL—WA
..50-562-0011	NER	12-22-86	A 110 REPORT ON VA. POLYTECHNIC INSTITUTE & ST UNIV
50-565-0009	NER	03-31-87	A 128 AUDIT OF THE CITY OF NORTON, VIRGINIA

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AUDIT NUMBER	REGION	RELEASE DATE	TITLE
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AGENCY—MULTI-AGENCY/DIVISION CODE (Continued)

55-566-0002	GPR	01-14-87	A-128 NEBRASKA DEPT OF AGRICULTURE (FY 84 & 85)
55-566-0004	SER	12-01-86	A-128 AUDIT OF NORTH CAROLINA DEPT OF AGRICULTURE, RALEIGH
55-567-0001	NER	03-31-87	A-128 AUDIT OF KENT COUNTY MARYLAND

55-567-0002	SER	03-31-87	A-128 AUDIT OF FAYETTE CO., GA—FYE 6-30-86
55-567-0002	GPR	12-23-86	A-128 WET WALNUT CREEK WATERSHED (85) LA CROSSE, KS
55-567-0003	NER	03-31-87	A-128 TOWN OF RIDGELY MD YE 6/30/86
55-567-0003	SER	03-31-87	A-128 AUDIT OF CITY OF NEWBERRY, FLORIDA—FYE 9-30-86
55-567-0004	SER	03-31-87	A-128 AUDIT OF CHESTERFIELD CO., SC—FYE 6-30-86
55-567-0004	MWR	03-10-87	A-128 SINGLE AUDIT OF TOWN OF COLFAX CLINTON COUNTY IN
55-567-0005	SER	03-18-87	A-128 AUDIT OF JEFFERSON CO., GA—FYE 6-30-86
55-567-0006	SER	03-31-87	A-128 AUDIT OF JENKINS CO., GA—FYE 6-30-86
55-567-0006	MWR	03-19-87	A-128 AUDIT OF ROCKCREEK CASS-CARROLL CONSERVANCY DISTRICT
55-567-0006	SER	12-10-86	A-128 SINGLE AUDIT OF DESOTO PARISH POLICE JURY
55-567-0007	SER	03-17-87	A-128 AUDIT OF EFFINGHAM CO., GA—YRS E 8-31-86 & 85
55-567-0007	MWR	03-19-87	A-128 AUDIT OF CITY OF JASONVILLE GREENE COUNTY INDIANA
55-567-0007	SER	12-18-86	A-128 ACADIA PARISH POLICE JURY CROWLEY LA
55-567-0008	MWR	03-19-87	A-128 AUDIT OF BACHELOR RUN CONSERV. DIST CARROLL COUNTY IN
55-567-0008	SWR	12-16-86	A-128 LAFOURCHE PARISH POLICE JURY
55-567-0009	MWR	12-30-86	A-128 AUDIT OF JACKSON PUBLIC SCHOOLS—MICHIGAN
55-567-0009	SWR	12-29-86	A-128 NEW MEXICO LIVESTOCK BOARD
55-567-0010	MWR	12-31-86	A-128 AUDIT OF THE CITY OF SALEM INDIANA
55-570-0003	WR	01-16-87	MONITORING OF CCFP CONTRACT-AUDITS FOR FY 1985-WA,OR,HI
55-555-0001	FMS	02-18-87	AUDIT OF USDA MANAGEMENT AND SECURITY OF COMPUTER CENTERS
55-555-0004	FMS	10-27-86	MANAGEMENT AND SECURITY REVIEW OF THE FCCC AND USER AGENCIES
55-659-0003	MWR	03-31-87	REA OVERSIGHT OF PROG. OPERATIONS THROUGH THE USE OF CPAS
55-659-0004	MWR	03-31-87	FMHA OVERSIGHT OF PROG. OPERATIONS THROUGH THE USE OF CPAS
55-664-0002	FMS	03-05-87	FCIC ELECTRONIC FUND TRANSFERS WASHINGTON, D.C.

TOTAL MULT MULTI-AGENCY/DIVISION CODE

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AGENCY—OIRM OFFICE OF INFORMATION RESOURCES MANAGEMENT

58-099-0005	FMS	03-17-87	REVIEW OF IDMS CONTROLS
58-099-0006	FMS	03-30-87	OMB A-76 REVIEW OF FCCC PROPOSAL FOR FOREST SERVICE AFFIRMS

TOTAL OIRM OFFICE OF INFORMATION RESOURCES MANAGEMENT

— 02

AGENCY—NFC NATIONAL FINANCE CENTER

59-530-0001	FMS	11-03-86	MONITORING OF DESIGN OF FINANCIAL INFORMATION SYSTEM N.O. LA
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TOTAL NFC NATIONAL FINANCE CENTER

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