



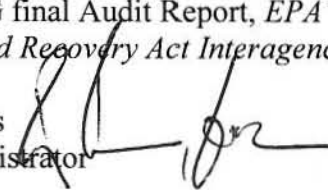
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

DEC 22 2010

OFFICE OF
SOLID WASTE AND
EMERGENCY RESPONSE

MEMORANDUM

SUBJECT: Response to OIG final Audit Report, *EPA's Terms and Conditions as Well as Process to Award Recovery Act Interagency Agreements Need Improvement*

FROM: Mathy Stanislaus
Assistant Administrator 

TO: Arthur A. Elkins, Jr.
Inspector General

Thank you for the opportunity to review and respond to the Office of Inspector General (OIG) final audit report, *EPA's Terms and Conditions as Well as Process to Award Recovery Act Interagency Agreements Need Improvement* dated November 16, 2010.

The comments below represent a response from the Office of Solid Waste and Emergency Response (OSWER) to recommendations 2-1, 3-1 and 3-2. The Office of Water is responding separately.

OIG RECOMMENDATIONS AND OSWER RESPONSE

OIG Recommendation 2-1: Revise standard terms and conditions for future Interagency Agreements with the Corps to include EPA's roles and responsibilities and amend Recovery Act IAs with the Corps as they are modified.

OSWER Corrective Action:

OSWER concurs with the recommendation. OSWER has already revised the standard terms and conditions for IAs with the Corps to include EPA's roles and responsibilities in the three key areas noted in the audit report. The revisions were uploaded to the Agency's interagency agreements database on November 19, 2010. As a result, these standard terms and conditions will be incorporated into both future IAs with the Corps and Recovery Act IAs with the Corps as they are amended.

OIG Recommendation 3-1: Prepare a program evaluation of levels of effort and the cost of the processes associated with procurement, management, and oversight of the construction contract

for projects delivered by the Corps, EPA, or remedial action contractors to support decision making in selecting the method of obtaining construction delivery services.

OSWER Corrective Action:

OSWER concurs with the recommendation. The Office of Superfund Remediation and Technology Innovation (OSRTI) is currently conducting the program evaluation. Regions are participating in the evaluation by providing historical data from several construction projects utilizing various acquisition vehicles. The program evaluation will be completed by June 30, 2011.

OIG Recommendation 3-2: Use this program evaluation to provide transparency and aid in developing a contracting strategy that will allow the EPA regional offices to make informed decisions when determining the best value for delivering Superfund construction projects.

OSWER Corrective Action:

OSWER concurs with the recommendation. After completing the program evaluation, OSRTI will use the findings to develop a contracting strategy by October 31, 2011.

If you have additional questions, please contact Jim Woolford at 703-603-8960 or Johnsie Webster, OSWER Audit Liaison, at 202-566-1912.

cc: Lisa Feldt, OSWER
Barry Breen, OSWER
James Woolford, OSRTI
Renee Wynn, OPM
Robin Richardson, OSRTI
Elizabeth Southerland, OSRTI
Cheryl Upton, OSRTI
David Cooper, OSRTI
John Smith, OSRTI
Barbara McDonough, OSRTI
Gerome Burke, OSRTI
Emily Johnson, OSRTI
Kate Garufi, OSRTI