



At a Glance

Why We Did This Review

The U.S. Environmental Protection Agency (EPA) leases a warehouse in Blue Ash, Ohio, from the General Services Administration. The warehouse is partially occupied by the National Service Center for Environmental Publications (NSCEP). The NSCEP maintains and distributes the EPA's environmental publications in hard copy, CD ROM and other multimedia formats. Inventory ranges from workbooks for schools to technical manuals.

We are conducting an audit to determine the extent to which the EPA's personal property stored in select warehouse space is being used effectively, accounted for, and disposed of by the agency. As a result of our warehouse visits, we are issuing this early warning report on the NSCEP because our concerns required immediate attention.

This report addresses the following EPA theme:

- *Embracing EPA as a high performing organization.*

For further information, contact our public affairs office at (202) 566-2391.

The full report is at:
www.epa.gov/oig/reports/2014/20140311-14-P-0132.pdf

Early Warning Report: National Service Center for Environmental Publications in Blue Ash, Ohio, Spent \$1.5 Million to Store Excess Publications

What We Found

Our initial research of operations at the NSCEP warehouse in Blue Ash raised significant concerns about the number of publications stored at the facility versus the number of publications shipped from the facility each year. In particular:

- The NSCEP filled the warehouse with a considerable amount of printed material.
- The NSCEP needs to improve implementation of plans to reduce inventory.

The EPA could put over \$1.5 million to better use by reducing its inventory of excess publications at the NSCEP.

The agency is storing more than 6 years of publications at the warehouse. As of December 6, 2013, the warehouse had an inventory of 18,406,848 publications but averaged only 2,949,643 publications shipped on a yearly basis. Consequently, the EPA is tying up funds by storing and caring for excess stock at an annual cost of up to \$1.2 million. Additional costs include warehouse activities and other direct costs, plus up to \$359,000 in leasing costs.

We had observed another EPA warehouse operating as a long-term storage facility filled with considerable amounts of unusable furniture and other items. This was noted in a prior EPA Office of Inspector General (OIG) report, *Early Warning Report: Main EPA Headquarters Warehouse in Landover, Maryland, Requires Immediate EPA Attention* (Report No. 13-P-0272), issued May 31, 2013. The *Landover* report questioned the effectiveness of EPA oversight.

We believe that the agency should evaluate its publication-storage requirements to determine appropriate adjustments based on average shipments to customers, as well as appropriate adjustments based on providing shipments in a timely manner, to ensure effective storage utilization.

Agency Actions Taken

Following EPA OIG visits to the Blue Ash warehouse and several follow-up discussions with staff, the NSCEP reported that it recycled almost 2 million items, consisting of more than 140 tons of material, between June and October 2013.