



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

OFFICE OF
INSPECTOR GENERAL

June 1, 2012

MEMORANDUM

SUBJECT: Hotline Complaint – Region 7 Compliance with Bid, Payment, and Performance Bond Requirements Outlined in Federal Acquisition Regulation (FAR) Part 28

FROM: Melissa M. Heist *Melissa M. Heist*
Assistant Inspector General for Audit

TO: Karl Brooks
Regional Administrator for Region 7

In response to an anonymous hotline complaint, the Office of Inspector General (OIG) plans to conduct a review of Region 7's compliance with bid, payment, and performance bond requirements outlined in Federal Acquisition Regulation (FAR) Part 28. The objective of our review is to answer the following question:

Is EPA Region 7 complying with FAR Part 28 with regard to bid bonds, payment bonds, and performance bonds on its site-specific contracts?

We will arrange a mutually agreeable time to discuss our objective and planned work, ideally within the next 10 days. We will answer any questions you have about the review process, reporting procedures, methods used to gather and analyze data, and products you should expect. To expedite our review, we request that the following information be made available prior to our meeting:

1. Detailed bid results for solicitation number Sol-R7-12-00002, including any information on bid and performance bonds requested.
2. Name and telephone number of the contracting officer handling Sol-R7-12-00002 and the name and telephone number of that contracting officer's supervisor.
3. Detailed bid results for solicitation number Sol-R7-12-00004, including any information on bid and performance bonds requested.
4. Name and telephone number of the contracting officer handling Sol-R7-12-00004 and the name and telephone number of that contracting officer's supervisor.

If you have any questions, please contact me at (202) 566-0899 or heist.melissa@epa.gov; the product line director, Janet Kasper, at (312) 886-3059 or kasper.janet@epa.gov; or the project manager, Michael Petscavage, at (202) 566-0897 or petscavage.michael@epa.gov.

cc: Mark Hague, Acting Deputy Regional Administrator for Region 7
Mike Brincks, Assistant Regional Administrator for Policy and Management for
Region 7
Carlethia Thomas, Acquisition and Contracts Management Section Chief for Region 7
Kathy Finazzo, Audit Liaison for Region 7
John Bashista, Director of Office of Acquisition Management
Arthur A. Elkins Jr., Inspector General
Charles Sheehan, Deputy Inspector General
Aracely Nuñez-Mattock, Chief of Staff, Office of Inspector General
Eric Hanger, Acting Counsel to the Inspector General
Richard Eyermann, Deputy Assistant Inspector General for Audit
Patrick Sullivan, Assistant Inspector General for Investigations
Carolyn Copper, Acting Assistant Inspector General for Program Evaluation
Eileen McMahon, Assistant Inspector General for Congressional and Public Affairs