

APPALACHIAN REGIONAL COMMISSION
Grant Number NC-11074-93-C1-302-0624

SURVEY REPORT

Upper Catawba River Basin Water Quality Program

NORTH CAROLINA
WESTERN PIEDMONT COUNCIL OF GOVERNMENTS
317 First Avenue, NW
Hickory, North Carolina 28601

OIG Report No. 95-26(H)

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PURPOSE AND SCOPE

In connection with our survey of the Revolving Loan Fund during our site visit with the Western Piedmont Council of Governments (WPCOG) on February 13 - 15, 1995, we also surveyed the financial and programmatic records as they relate to Grant Number NC-11074-93-C1-302-0624 (93-90) (Upper Catawba River Basin Water Quality Program) awarded by the Appalachian Regional Commission (ARC) to WPCOG. The period of performance of this grant was September 1, 1993 to August 31, 1994.

The objective of the survey was to determine whether North Carolina WPCOG maintained adequate accountability over program funding and programmatic records as they relate to ARC Grant Number NC 93-90. The scope of our survey was limited to the following:

1. Held an entrance conference with Grantee personnel and discussed the scope of the survey.
2. Obtained and reviewed a copy of the grant agreement and any amendments.
3. Held discussions with the Financial Manager and Grant Program Manager regarding financial records and reporting and programmatic operations.
4. Obtained a copy of the final report prepared by WPCOG and submitted to ARC to determine if there was evidence that the specific objectives (tasks) according to the grant agreement had been performed.
5. Performed survey procedures to determine the Grantee's adherence to the ARC Code, applicable OMB Circulars, and the grant agreement, as related to financial management of the grant.
6. Obtained and reviewed the June 30, 1994 Western Piedmont Council Of Government's OMB Circular A-128 Single Audit Report.
7. Determined that the Federal and local matching contributions have been met and are in accordance with the grant agreement and ARC regulations.
8. Held an exit conference with the Program Manager and the Executive Director to discuss any observations and recommendations.

BACKGROUND

The Western Piedmont Council Of Governments was awarded a grant by the Appalachian Regional Commission on September 1, 1993. The amount of the grant was a sum not to exceed \$145,000 or 46% of the actual, reasonable, and eligible costs of the project, as determined and approved by ARC, whichever is less.

The purpose of the grant was to provide funds for the continuation of a study of the Upper Catawba River. The study will continue to build on the information gathered by assessing current water quality, identifying specific problems, predicting the potential for the Catawba River to handle current and future demands for water and treated wastewater assimilation, and aiding local governments in planning and managing growth around the watershed. The highest priority of this study was the preservation and enhancement of the quality of the Catawba River's water.

The project had three major goals to determine:

1. The water quality of the Catawba River from the headwaters to below Lake Lookout Shoals;
2. The water quality problems which exist, and how they can be corrected; and
3. The assimilative capacity of the Catawba River for future growth.

This project was also funded with local funds from Insight Photographic and funds from the United States Geological Survey.

SUMMARY OF SURVEY RESULTS

1. Based on our limited survey procedures, we observed that the Grantee maintained adequate financial records and controls relating to the grant.
2. Based on the final report prepared by WPCOG and submitted to ARC, Program Manager interviews, and supporting documentation, it appears that the specific tasks according to the grant agreement have been met.
3. There was sufficient supporting documentation that the Federal and local matching funds were provided in accordance with the grant agreement and the ARC Code.

Our survey did not disclose any matters which we believe need to be brought to the attention of the Western Piedmont Council of Governments.