



**Older Open Basic (Child) Agency Grants
OIG Report 15-21**

May 5, 2015

Older Open Basic (Child) Agency Grants
as of March 31, 2015

OIG Report 15-21
May 5, 2015

Background

This report updates Report 14-42, dated September 30, 2014 with respect to Open Child Agency grants recommended for follow-up. Information available in ARC.Net and latest available Basic Agency Monitoring Reports (BAMR) was used to identify current grant status and grants recommended for continued follow-up and necessary action.

The annual BAMR provides detailed information about the status of construction related grants administered by other Federal agencies for the Appalachian Regional Commission. BAMR information permits more timely follow-up and emphasis was placed on identification of projects without reported activity for a lengthy period.

Recent BAMR reports provided information indicating progress in 32 of 73 grants identified in Report 14-42 including completion in several cases, construction in progress and updated intentions to proceed in other cases and one de-obligation of \$300,000. Continuing follow-up is recommended for grants noted in table A. Table A includes 26 grants approved prior to September 21, 2011 and 15 grants approved prior to September 26, 2012. The 41 grants identified included grants included in prior reports for which projects were not to be implemented, grants for which updated information was not available and projects that required significant action, such as acceptable bids, State or other agency actions in order to be implemented. In some cases the constraints to progress has lasted several years. Table A includes comments on the grant status and the obstacles or needs to permit project implementation. Of particular significance is five grants where information has been provided to ARC that the projects will not be implemented.

GA-17034	\$167,162.00	State to request de-obligation
PA-16627	\$200,000.00	Does not need ARC grant
PA-17255	\$172,555.00	Project Withdrawn
TN-16701	\$500,000.00	Project Withdrawn
WV-15391	<u>\$1,000,000.00</u>	No application to RD
	<u>\$2,039,717.00</u>	

For three grants an updated BAMR was not available and for 34 grants there was no reported construction.

Actions were initiated for 15 of 23 grants identified in table C of Report 14-42 with respect to small balances or significant time since prior payments. This included four de-obligations totaling \$87,368. The open eight grants are included in table B.

Fourteen open HUD administered grants with needed de-obligations of \$423,870 were included in Report 15-16 and are not included in table A.

Follow-up should be initiated on the grants noted in tables A & B, including closings and de-obligations and use of funds for other needed projects. Controls should be established to assure actions are initiated timely based on information from Child Agencies.

Table A

OPEN CHILD AGENCY GRANTS WITH NO DISBURSEMENTS
RECOMMENDED FOR FOLLOW-UP

Grants Included in Table A Report 14-42, dated September 30, 2014

<u>Grant No.</u>	<u>Approved</u>	<u>ARC funds</u>	<u>BAMR Date</u>	<u>Comments</u>	<u>Notes</u>
HUD					
NY-16270	9/9/2009	\$144,918	Not Available		3
PA-16868	3/31/2011	\$100,000	4/15/2014	Estimated completion 4/15/14	1,4
PA-16979	8/1/2011	\$200,000	Not Available		3
PA-15612	9/21/2007	\$145,000	Not Available		3
RD					
GA-17103	9/1/2011	\$300,000	1/5/2015	Need letter of commitment	1
KY-16766	8/25/2010	\$600,000	1/8/2015	Preparing to bid	1
KY-17098	8/22/2011	\$600,000	12/29/2014	None	1,2
KY-16913	1/5/2010	\$300,000	12/31/2014	Need additional inspections	
NC-17013	9/14/2011	\$100,000	1/6/2015	Overbid working on lower cost	1,4
OH-16428	9/24/2010	\$250,000	1/6/2014	None	2
PA-16627	5/17/2010	\$200,000	11/9/2013	Do not need ARC funds	1,4
TN-15242	9/23/2005	\$500,000	2/12/2015	Need State engineer review	1
TN-16038	9/28/2008	\$500,000	2/12/2015	Need VA to complete section of their project	1
TN-16654	9/8/2010	\$500,000	2/12/2015	Waiting on State engineer review	1
TN-16701	9/28/2010	\$500,000	11/8/2013	Project withdrawn	1,4
TN-17166	9/21/2011	\$135,000	2/12/2015	Work will not be done until applicant is satisfied with funding	1
VA-15703	9/21/2010	\$500,000	1/7/2015	Two overbids. Redesign awaiting VA DOT approval	1
VA-16600	9/21/2010	\$500,000	1/7/2015	Stalled due to \$500,000 cost over run	1
VA-16720	9/24/2010	\$100,000	1/7/2015	Two overbids. Redesign awaiting VA DOT approval	1
WV-15391	8/29/2006	\$1,000,000	1/13/2015	No application to RD as of 1/13/15	1

<u>TVA</u>								
GA-16793	9/8/2010	\$245,000	1/27/2015	Waiting on Georgia over moving power lines	1			
GA-17033	9/1/2011	\$39,100	2/1/2015	Waiting for GA DOT to approve bidding	1			
GA-17034	9/1/2011	\$167,162	2/1/2015	Project not going forward	1			
NC-16314	2/16/2011	\$300,000	2/5/2015	None	1, 2			
TN-15205	9/16/2005	\$400,000	2/8/2015	Seeking more funds				
TN-16657	9/23/2010	\$500,000	7/7/2015	None	1, 2			
		<u>\$8,826,180</u>						

Grants Included in Table B, Report 14-42, dated September 30, 2014

<u>RD</u>						
AL-17228	9/7/2012	\$200,000	1/28/2015	In bid process	1	
GA-17266	9/26/2012	\$300,000	1/5/2015	Being designed	1	
GA-17270	9/27/2012	\$300,000	1/6/2015	LOC information outstanding	1	
KY-17404	9/6/2012	\$400,000	12/29/2014	Anticipate award & Notice to proceed by 2/15	1	
MD-17383	8/28/2012	\$275,000	1/6/2015	RD application received 7/7/14 ER not yet approved	1	
NY-17290	6/22/2012	\$150,000	1/6/2015	Waiting for full RD application to proceed	1	
PA-17255	8/28/2012	\$200,000	11/19/2013	Project never funded has been withdrawn	1, 4	
PA-17268	8/31/2012	\$75,000	12/30/2014	Funds to be available by 2015. Intend to proceed	1	
TN-17319	7/17/2012	\$500,000	2/12/2015	Will not move forward until more water users under contract	1	
TN-17332	7/23/2012	\$500,000	2/9/2015	Overbid and borrower pursuing additional funds	1	
TN-17379	9/6/2012	\$404,500	2/12/2015	Not willing to move forward until land needed for project obtained	1	
TN-17399	9/18/2012	\$1,000,000	1/13/2015	None	1, 3	

<u>TVA</u>					
AL-17227	7/23/2012	\$69,264	1/14/2015	None	1, 3
GA-17305	9/24/2012	\$300,000	2/1/2015	None	1, 3
TN-17378	9/6/2012	\$500,000	2/9/2015	Can go out to bid when environmental assessment completed	1
		<u>\$5,173,764</u>			

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Notes:

- 1/ Construction not started
- 2/ No additional comments on BAMR
- 3/ BAMR not available
- 4/ Current BAMR not available

TABLE B

RD AND TVA GRANTS WITH BALANCES FOR FOLLOW-UP

<u>Grant No.</u>	<u>Approved</u>	<u>ARC Funds</u>	<u>Balance</u>	<u>Last Payment</u>
<u>RD</u>				
GA-16421	9/30/2009	\$300,000	\$7,268	7/31/2012
KY-16405	9/9/2009	\$500,000	\$81,620	7/31/2012
NC-16682	9/29/2010	\$525,927	\$47,436	8/31/2013
TN-16704	9/8/2010	\$200,000	\$26,407	1/31/2014
TN-17320	7/17/2012	\$499,899	\$4,863	5/31/2014
WV-16442	9/9/2009	\$1,000,000	\$113	7/31/2012
<u>TVA</u>				
SC-15685	9/21/2007	\$475,000	\$8,091	4/30/2014
SC-16351	9/25/2009	\$500,000	<u>\$232,500</u>	7/31/2013
			<u>\$408,298</u>	