



ARRA REPORT BY THE
INSPECTOR GENERAL AND STATE BOARD OF ACCOUNTS

2009-12-0268

December 21, 2009

ARRA IDEM WATER QUALITY MANAGEMENT PLANNING SECTION
205(j) PROGRAM

Indiana Inspector General Staff Attorney Kristi Shute and State Examiner Bruce A. Hartman of the Indiana State Board of Accounts report as follows:

This report addresses an evaluation of the Water Quality Management Planning (WQMP) Section 205(j) program¹ within the Indiana Department of Environmental Management (IDEM).²

The WQMP Section 205(j) program provides federal funding to states to determine the nature, extent and causes of point and non-point source pollution problems and to develop plans to resolve those problems.³

On February 17, 2009, the United States Government enacted the American Recovery and Reinvestment Act (ARRA).⁴ The ARRA intends to

¹ 33 USC §1251 *et seq.*

² The Indiana Department of Environmental Management (IDEM) is established in IC 13-13-1-1.

³ See footnote 1, *supra*.

⁴ American Recovery and Reinvestment Act of 2009, P.L. No. 111-5, 123 Stat. 115 (2009).

provide a stimulus to the United States economy by providing \$787 billion in program funding and tax credits.⁵

The purpose of this report is to document a preliminary ARRA compliance review of the WQMP Section 205(j) program by the State Board of Accounts (SBOA) and the Office of the Inspector General (OIG).

I

To date, IDEM has been awarded a total of \$954,000 in ARRA funding to be used to improve water quality for Indiana citizens. The funds must be obligated by February 17, 2010, and liquidated by September 29, 2012.

II

The OIG's enabling statute provides that the OIG "is responsible for addressing fraud, waste, abuse and wrongdoing in agencies." IC 4-2-7-2(b).

The SBOA has similar duties, including the authority to develop and publish "accounting and uniform compliance guidelines manuals" ("Manuals") to provide guidance to public entities, IC 5-11-1-24(a), to perform audits, IC 5-11-1-9, and to make written findings regarding violations of its Manuals or "any law." IC 5-11-5-1(a).

Within these authorities, a preliminary review of the WQMP Section 205(j) program was made. This review included, but was not limited to, reviewing the program objectives, meeting with the program staff, reviewing

⁵ See: <http://www.recovery.gov>.

agency-completed spending plans, reviewing monthly update reports submitted to the Indiana Office of Management and Budget (OMB) and an assessment of the program's risks.

From this preliminary review, we make the following findings and recommendations.

III

We find from our initial review that the program controls outlined in the WQMP spending plan approved by the OMB or other related documentation are adequate to meet the respective federal ARRA and State OMB guidelines and requirements.

Accordingly, we make no recommendation at this time but at a later date may perform additional procedures as deemed necessary to verify compliance requirements.

Dated this 21st day of December, 2009.

APPROVED BY:



David O. Thomas, Inspector General