



UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

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CIVIL DIVISION

MAY 18 1971



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Dear Dr. Irving:

We have recently completed our review of selected activities of the Plant Protection Division (PPD) of the Agricultural Research Service, Department of Agriculture. Our review--made pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67)--was directed primarily toward evaluating the policies and procedures followed by PPD's Southern Regional Office in enforcing plant quarantines, overseeing the pink bollworm control program, and seeking financial assistance from States for the witchweed eradication program in North and South Carolina. We also reviewed the policies and procedures followed by the Management Services Division for Regulatory and Control Programs in contracting for aerial application of pesticides over pest infested areas.

Our review indicated a need for corrective action relative to (1) the financing of the witchweed eradication program and (2) contracting for aerial spray services. Officials of PPD indicated that corrective action will be taken on both of these matters.

FINANCING OF THE WITCHWEED
ERADICATION PROGRAM

Most PPD plant pest programs are carried out in cooperation with affected States and are jointly planned, financed, and executed under memorandums of understanding with the States. Although there is no legal requirement for cooperative financing, PPD has a long established policy of requiring State and local cooperators to match Federal resources to the greatest extent possible in plant pest programs. In the witchweed eradication program, however, the cooperating States have made only minimal contributions.

PPD has expended about \$29 million for the witchweed eradication program in the States of North and South Carolina since the inception of the program in fiscal year 1957 through fiscal year 1970, while the two States have spent only about \$.7 million. PPD estimated that it would spend \$2 million in fiscal year 1971, and the States would spend only \$54,000.

In March 1970, the PPD Southern Regional Supervisor met with representatives of the States of North and South Carolina and requested increased contributions from the two States for the witchweed program.

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By letter dated May 22, 1970, the Regional Supervisor advised the PPD Director that the States' representatives agreed that the States should put more money into the program and they suggested that a written request from PPD would be more likely to get results. The Regional Supervisor suggested that a letter requesting increased contributions be sent from PPD headquarters. In a letter dated July 16, 1970, the PPD Director replied that it might be better if the subject were discussed first with responsible State officials, with a letter as a follow-up.

In March 1971, the PPD Director told us that no action has been taken since March 1970 to request increased contributions from these States. He advised us, however, that he plans to personally discuss the matter with responsible State officials, but has not yet done so because of other pressing matters. We believe that positive action is now needed.

CONTRACTING FOR AERIAL SPRAY SERVICES

A number of PPD's cooperative pest control programs involve contracts for aerial application of pesticides over infested areas.

Under Federal Procurement Regulations, Subpart 1-1.3, no contract is to be awarded to any person or firm unless the contracting officer first determines, on the basis of sufficient current information, that such person or firm meets six prescribed standards of responsibility. One of the standards is a satisfactory record of integrity, judgement, and past performance.

We noted that the Management Services Division for Regulatory and Control Programs awarded aerial spray contracts on the basis of low bids only, without considering reports on the previous performance of the contractors. The contracting officer had not received performance reports, as required under PPD guidelines, from PPD program supervisors on most completed contracts.

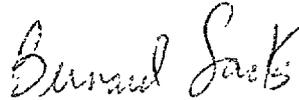
The contracting officer questioned whether the performance reports prepared by PPD program supervisors could be used as a basis for excluding a contractor on a future contract award because standards and criteria for the various items appraised had not been established and made a part of contract provisions. He expressed his opinion that such standards and criteria should be developed and included in contract provisions.

In March 1971 we discussed these matters with officials of PPD headquarters who stated that action will be taken to ensure adherence to the requirement for PPD program supervisors to submit contractor performance reports to the contracting officer. They stated also that a discussion will be held with the contracting officer regarding any additional performance standards that should be developed and incorporated into aerial spray contract provisions.

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We wish to acknowledge the cooperation extended to our representatives during the review. We will appreciate your comments and advice as to the final actions taken or proposed on the matters discussed herein. Copies of this report are being furnished to the Inspector General, Department of Agriculture.

Sincerely yours,



Bernard Sacks
Assistant Director

Dr. George W. Irving
Administrator
Agricultural Research Service