

Status of Resolution of Audit Findings

December 2011

Department of Ecology (ECY)

Agency: 461

Audit Report: 2010 F

Finding Number: 014

Finding: The Department of Ecology does not have adequate internal controls to ensure it complies with suspension and debarment requirements.

Resolution: The Department respectfully disagrees with the finding that the Department does not have adequate internal controls to ensure it complies with suspension and debarment requirements. The Department agrees that it could update and enhance the suspension and debarment language in contract, grant, and loan documents.

Department contract, grant, and loan language requires subrecipients and vendors to certify they have not been suspended, debarred, or otherwise excluded from receiving federal funds. Department contract, grant, and loan agreements also require subrecipients and vendors to ensure all their subgrantees and subcontractors comply with the terms and conditions of the agreements. The Department believes this language is sufficient in communicating requirements to subrecipients. This is supported by the fact that there have been no substantiated violations in payments to suspended or debarred vendors.

That said, the Department has:

- Included current federal suspension and debarment language in all new contracts, grants, and loans effective April 1, 2011, or later.
- Updated all current agreements with end dates beyond June 30, 2011, to include current federal suspension and debarment language.
- Updated all active agreements funded by the American Recovery and Reinvestment Act to include current federal suspension and debarment language.

Agency Contact: Lisa Darnell
Department of Ecology
PO Box 47615
Olympia WA 98504-7615
(360) 407-6386
ldar461@ecy.wa.gov