UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
OFFICE OF THE INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS
U.S. EPA
109 T.W. Alexander Drive
RESEARCH TRIANGLE, NC

REFERRED FOR ACTION REPORT OF INVESTIGATION CONCERNING

TOWN OF EASTOVER SC
OI-RTP-2010-CFR-0227

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Distribution:

[redacted]

ASSISTANT REGIONAL ADMINISTRATOR - OFFICE OF POLICY MANAGEMENT

Approvals:

_____
Special Agent

_____
Special Agent in Charge

OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CASE NO.:	OI-RTP-2010-CFR-0227	**DATE OPENED:**	03/08/2010
CASE TITLE:	TOWN OF EASTOVER SC	**CASE AGENT:**	[redacted]
CASE CATEGORY:	ASSISTANCE AGREEMENT FRAUD	**OFFICE:**	OFFICE OF INVESTIGATIONS - ERC RTPEASTERN RESOURCE CENTER
JOINT AGENCIES:	STATE / LOCAL - SOUTH CAROLINA		
JURISDICTION:	SOUTH CAROLINA		

SECTION A - NARRATIVE

Predication

On December 15, 2009, [redacted], South Carolina Department of Health and Environment Control was informed that the Town of Eastover had violated several state drinking and wastewater regulations. Allegedly, the documents needed to prove these violations had been intentionally burned in a fire along with federal grant documentation. Additionally, the town's [redacted], [redacted], was allegedly asked to falsify invoices to be submitted to the government. Eastover received federal EPA grant funds.

Possible violations:

Impact/Dollar Loss

This project was funded with a $216,000 grant, of which, $139,047 involved the grantee submitting false documents.

Synopsis

This investigation revealed that the Town of Eastover misappropriated $139,047 from an EPA grant. The EPA grant, valued at $216,800, was awarded in January 2006. It was for "a new 250,000 gallon

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elevated water storage tank and fire hydrant replacement". However, the new water storage tower was paid in full with a $500,000 U.S. Housing and Urban Development (HUD) Grant awarded in April 2002 through the SC Department of Commerce. Invoices used to support the use of HUD funds for the new water tank were also used to draw down the EPA funds. Eastover lacked a proper accounting system, and had problems producing documents supporting its expenditures and assets for its financial audits. It was unclear if anyone was personally enriched by the misappropriation of EPA grant funds.

Details

Allegation 1: The Town of Eastover, SC Misappropriated EPA Grant Funds.

Allegation 1 Findings: On December 15, 2009, [redacted], South Carolina Department of Health and Environment Control (SCDHEC), met with [redacted], [redacted] and [redacted], SCDHEC Drinking and Wastewater Program, Columbia, SC. [redacted] was informed that the town of Eastover violated several state drinking and wastewater regulations. Allegedly, the documents needed to prove these violations had been burned in a fire, along with federal grant documentation. Additionally, the town's [redacted], [redacted], was allegedly asked to falsify invoices to be submitted to the government. Eastover received federal EPA grant funds. Grant #XP-96418706-1 was a Congressional Earmark for the Town of Eastover for $216,800.

EPA grant #XP-96418706-1 awarded to the Town of Eastover, SC, was for a Water Infrastructure construction project totaling $216,800. The project period was from January 7, 2004 to September 20, 2010. There was a state matching contribution for $499,200. The project was for the construction of a new 250 gallon elevated water storage tank, installation of 215 water meters, 35 fire hydrants, and well and storage improvements. The method of payment was reimbursement. On September 26, 2008, the town requested a time extension due to changes in the town's administration and the change in the wastewater line system. EPA granted this extension on April 9, 2009. (Exhibit 1)

During the course of this investigation, several individuals interviewed alleged there was a fire that destroyed the Federal grant files and other key documents. Review of a Fire Department report, dated July 13, 2009, revealed there was a fire at 629 Henry Street, Eastover, SC, involving a lawn mower in a maintenance building. No documents were involved in this fire (Exhibit 2). No other fires were reported in or near Town Hall during this period.

On December 29, 2009, [redacted] and [redacted], SCDHEC, advised that Eastover has had problems providing records for water meter readings to SCDHEC. There were issues in the town concerning the number of billing gallons of water compared to the number of gallons being pumped from the wells. This discrepancy has been ongoing for years. The town does not receive any state revolving funds from the government. The new water storage tower is in place, but there are no gauges to indicate how much water is in the tank. An audit report for the years 2007-2008 stated that there were no records available to provide adequate reporting. The town could not locate its' grant files and proper accounting was not in place. [redacted] was told there was a fire that destroyed the records, but [redacted] has been unable to verify this information. The only way SCDHEC was able to obtain records was through a [redacted], [redacted], who works for the city. (Exhibit 3)

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On December 30, 2009, [redacted], [redacted], Water Systems Inc., West Columbia, SC, was interviewed. [redacted] has been a [redacted] for Eastover since [redacted]. [redacted] was aware of the EPA grant for the purchase of the water tank. His point of contact with Eastover is Mayor Leroy Faber. Mayor Faber told him the Town had an additional $85,000 in grant funds available in the EPA grant, but when [redacted] provided the Mayor with additional items to purchase, the Mayor denied them. Mayor Faber instead asked [redacted] for additional invoices in order to get the rest of the grant funds. [redacted] said he only had about $7,500 worth of invoices. [redacted] said the new tank was purchased and installed, but there were no controls for the water tank, and he did not think there was a security system installed. Additionally, only 25% of the replacement parts for the wells had been completed. Several fire hydrants were installed, as well as several water meters. The town had all of its water meters replaced in 1999, so there was no need for new ones. When asked if he was aware of a fire at town hall that destroyed some documents, [redacted] smiled and said he had heard that but he was unaware of details concerning the fire. He believed the fire was intentionally set to destroy documents, or someone made up the story in order to cover up the lack of documentation in town. [redacted] was the [redacted] for the town. (Exhibit 4)

[redacted] The current mayor is Leroy Faber, and the council is made up of Walter Jones, Odel Wilson, and Deidrick Harris. The mayor has 90% of the power [redacted] knew of the EPA grant and thought that former Mayor Chris Campbell had [redacted] write it. [redacted] was [redacted] available for the Town. [redacted] as a [redacted] for various town matters. [redacted] said the town had a new water tank, additional fire hydrants, and about 40 new water meters installed. [redacted] did not believe the well building was restored, or that there were controls or security systems on the wells or in the tank. [redacted] was always involved with the contracts for the town. According to [redacted], [redacted] would steer the contract towards friends like [redacted] and then [redacted] would get at least 10% of the contract paid [redacted] did not provide any evidence to support this allegation). In February and March, while [redacted] in a section of town for residents that had not paid their bills and then charged them a $50 connection fee. This generated $5,000 in revenue for the town. When [redacted] problems when they had just received a large increase from this water connection fee, [redacted] knew papers were moved from town hall to the old fire department at the corner of Hendricks and Main and burned. This occurred while [redacted] was on trial. [redacted] believed the fire was intentionally set to destroy evidence because the rest of the building was unharmed and the tractor, which sat next to the burned paperwork, was not exposed to the flames. According to [redacted], papers were also shredded and allegedly, three or four shredders were "burned out" because they shredded so much paper at town hall. [redacted] and charged [redacted] somewhere between $1,300-$1,800 in [redacted]. (Exhibit 5)

On January 13, 2010, [redacted], [redacted] was interviewed. [redacted] is a [redacted] for EPA that conducts onsite inspections of grant recipients to ensure the project is completed and all the necessary documentation is provided. [redacted] Eastover project on January 12, 2010. In preparation for this inspection, [redacted] faxed some of the requested information to [redacted] prior to the inspection. Eastover advised that an amendment to the EPA grant was being processed by EPA to extend the deadline and to change

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the federal portion of funds from 30% to 55%. Eastover wanted to include only the water tank in the grant and withdraw all other portions of the project from the grant. [redacted] said the state would pay for the engineering fees. [redacted] told Eastover [redacted] would need specific invoices for the water tank installation and a breakdown of all change orders. The town was advised they could include some of the $15,600 allotted for administration expenses to pay city employees for any work they may have done for the project as long as they had timecards to substantiate the work. When [redacted] with the three invoices previously submitted, one being an audit invoice, [redacted] the $25,000 for the previously submitted audit [redacted]. The grant funds from EPA were strictly for the construction of the water tank, except for the previously stated $15,600 administration expenses. [redacted] surprised to see an invoice by [redacted], when [redacted] for this project. (Exhibit 6)

On January 28, 2010, SA [redacted], HUD-OIG, reviewed documents received from the South Carolina Department of Commerce (SC DoC). The documents were the state's files regarding Community Development Block Grant (CDB Grant) #4-02-L-01 awarded to the Town of Eastover. The documents show that Eastover applied for a $500,000 CDB Grant to replace the town's aging water towers and install new fire hydrants. The application was received by the state on April 5, 2002. [redacted], Central Midlands Council of Governments (COG) was identified as the contact person. COG was the administering agency for the CDB Grant. COG assists local governments in the administration of grant money provided by the Federal or state government. On July 1, 2002, the SC DoC awarded $500,000 to the Town of Eastover. From July 1, 2002 to the grant closing in October 2006, the Town of Eastover drew down $491,521. General Administration accounted for $27,979, Water Facilities accounted for $424,542, and Engineer/Architects accounted for $39,000. SC DoC periodically conducted monitoring reviews and identified several issues, one being problems associated with securing matching grant funds from the EPA. According to multiple monitoring reviews, unavailability of funds from the EPA grant caused delays in the fire hydrant contract. In [redacted], [redacted], who listed [redacted] as the [redacted] for the Town of Eastover, requested copies of documents from COG for submission to EPA. COG sent the requested documents but advised [redacted] not to seek reimbursement from EPA using the documents. There was concern that invoices already paid for using CDB Grant funds might be submitted to EPA for dual-reimbursement. This concern is documented by [redacted] of the SC DoC in a memo dated January 17, 2006. (Exhibit 7)

On February 23, 2010, the following employees of COG were interviewed: [redacted]. The interviewees were aware of Eastover's interest in obtaining additional funding from EPA. They were not sure what the EPA component would pay for. They later discovered the EPA grant was obtained through an earmark with the help of Congressman Clyburn. COG recalled Eastover wanting to bill twice for the water tower. COG specifically told Eastover they could not. According to [redacted], [redacted] told COG representative, [redacted], that Eastover was going to "do it anyway". On January 8, 2010, [redacted] picked up the COG files in order to copy them. [redacted] believed Eastover might have also previously received a grant from the US Department of Agriculture (USDA). (Exhibit 8)

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On February 24, 2010, [redacted], [redacted], US Department of Commerce, Economic Development Administration, Columbia, SC, advised [redacted] worked at the COG as a [redacted] from [redacted] until [redacted]. [redacted] worked on the Eastover CDB Grant involving the water tower. The mayor at the time was Chris Campbell. In order to reinforce what the town was told by the SC DoC, [redacted] reiterated to Eastover that the EPA grant was not to be used for the water tank since it was completely paid for by the CDB Grant. Communications between Eastover and the COG involved Mayor Campbell, [redacted], a [redacted], and occasionally [redacted] acting as a [redacted]. During a phone call, [redacted] gave [redacted] the impression that he was going to submit invoices to EPA connected to the water tank. The COG provided tank construction invoices and documents to Eastover on numerous occasions, and they frequently requested duplicates of these documents. [redacted] they were looking for documentation to submit to EPA for reimbursement for their grant. (Exhibit 9)

On February 24, 2010, [redacted], [redacted], [redacted] Columbia, SC, was interviewed. [redacted] worked at the COG as a [redacted] from [redacted] until [redacted]. [redacted] Eastover CDB Grant involving the water tower in the town. The CDB Grant was to pay for the water tower entirely. [redacted] was a [redacted] to Eastover. [redacted] with [redacted] and Campbell. Mayor Campbell was very active with the water tower project. (Exhibit 10)

On February 26, 2010, [redacted], [redacted], [redacted] SC, was interviewed. [redacted] at the SC DoC as the [redacted] from [redacted] until [redacted]. [redacted], COG, was the administrator of Eastover's grant. [redacted] worked on the Eastover project prior to [redacted]. [redacted] frequently worked with [redacted] throughout the grant. [redacted] Mayor Campbell with the grant. [redacted] understood [redacted] to have a background in Federal grants. [redacted] Mayor Campbell and [redacted] concerning Eastover's desire to use EPA funds for the water tank project. [redacted] understood Eastover was attempting to receive EPA funds to somehow work in conjunction with the CDB Grant funds. [redacted] and [redacted] that the CDB Grant paid for the water tank [redacted] could not use the water tank invoices to submit to EPA for reimbursement. (Exhibit 11)

On April 20, 2010, [redacted], who was the [redacted] from [redacted] through [redacted], was interviewed. [redacted] had various duties, to include handling billing for water, permits, typing, and answering the office telephone. [redacted] believes [redacted] was a grant writer for Eastover. He was paid as a consultant from the town's general fund. The grants [redacted] worked on included a budget for administrative fees. [redacted] left Eastover due to concerns with how the mayor, Christopher Campbell, was mishandling things. Campbell was convicted for election fraud and was sentenced to prison. Regarding town funds, [redacted] believes there were three major funds: general fund, water fund, and police fund. Both the water and police funds were "like a grant". [redacted] kept deposits for all grant funds separate. All checks drawn on the funds were backed up with documentation such as invoices. [redacted] conducted audits for the town. (Exhibit 12)

On April 22, 2010, [redacted], City of Columbia, SC, was interviewed. [redacted] began working for the City of Columbia in [redacted]. [redacted] Eastover [redacted] in [redacted] and [redacted] because of [redacted] included reviewing documents related to the town, and interviewing the mayor and other employees. [redacted] experienced a high level of cooperation from Eastover [redacted] but had some difficulty due to the lack of some

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documents (capital assets, leave balances, etc.) and changes in staff. [redacted] recalls monthly printouts for the water system and Eastover receiving a grant from HUD for the water tower and the downtown streetscape project. Eastover also received loan money from the U.S. Department of Agriculture (USDA) to fund repairs to the water system. Eastover originally had separate accounts detailing the funds received from USDA because of bond covenants; however, under Mayor Campbell, several of these accounts were consolidated. [redacted] Campbell about this consolidation of funds. [redacted] was the [redacted] for Eastover in [redacted] and [redacted] due to Mayor Campbell's arrest by the State of South Carolina. Canceled checks and other files were kept in the town hall or in the old school building. [redacted] remembered hearing something about a fire after [redacted] left Eastover, but could provide no further details. [redacted] worked with the [redacted] and worked [redacted] Mayor Campbell. [redacted] based on the [redacted] (Exhibit 13)

On May 11, 2010, [redacted], Army Corps of Engineers was interviewed. [redacted] worked for EPA from [redacted] until [redacted]. He worked in the grants department from [redacted] to [redacted]. [redacted] may have taken the grant over from [redacted] and the water tank project may have been underway prior to the EPA grant application. EPA cost-shared approximately 30% of the total project cost up to the grant amount of $216,000. As long as invoices submitted were part of the total project, EPA released the funds. The payouts were calculated by subtracting previous payments made on eligible costs and multiplying it by approximately 30%. CDB Grants under HUD were typically used to pay 100% of a specific project, or part of a project, versus EPA's cost-share approach of an entire project. The EPA inspection conducted at the end of the project ensured the project was completed and all submitted costs were eligible. It was also common for an entity to increase a project size above the specific project paid by CDB Grant funds in order to access other funds (such as EPA). CDB Grant funds are eligible to be used as "matching funds" for EPA. If the project was entirely paid for with these matching funds, then it is not a "match". [redacted] added [redacted] would not have released the funds if [redacted] had known the tank was already paid in full. [redacted]'s main contact for the water tower project was [redacted], the town [redacted]. [redacted] also spoke with Mayor Campbell. [redacted] recalled speaking with the COG regarding the project, but does not remember anyone in particular associated with the COG. The water tower was the only part of the project [redacted] remembers [redacted] Campbell, or the COG discussing. [redacted] remembers seeing the water tank invoices, but does not remember seeing the invoices submitted for [redacted] or [redacted]. In general, some money could have been allocated for administrative costs, depending on the grant. [redacted] inspection in 2006, where [redacted] did see the constructed water tower. (Exhibit 14)

On October 8, 2010, [redacted], [redacted] EPA-OIG, completed a review of an audit performed for the Town of Eastover for years 2005 and 2006. (Exhibit 15)

On December 16, 2010, [redacted] was re-interviewed. The following financial information derived from [redacted] published financials for Eastover were presented to him: The Town exceeded its budgeted expenditures for the two fiscal years by approximately $607,000 and its budgeted revenue by $663,000. Approximately $580,000 was in grant funds. Approximately $270,000 of the expenditure variance was in line items that might be related to federal grants (Professional Services, Street Scape Project, and Capital Outlays), which left approximately $310,000 in grant funds that appear to have been used for Town operations ? possibly more if those line items included expenditures which were not grant related. [redacted] believed they drew down funds to reimburse the town for expenditures made. [redacted] recalled there was an EPA grant and a HUD grant, and that the HUD grant had its own associated

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bank account. [redacted] that has specific grant related audit requirements). [redacted] had no response when it was pointed out that the grant revenues were significant and [redacted] examined every cancelled check and verified all the expenditures. When asked about [redacted] procedures to identify and [redacted] talked to everyone about fraud [redacted] and when Mayor Campbell was indicted for election fraud [redacted] "kinda" stepped back for a bit. [redacted] could not explain as to why the required steps were not performed or documented in the work papers. When asked if anyone had pressured him or suggested [redacted] stated no one had pressured him or influenced [redacted] (Exhibit 16)

On May 24, 2010, Mayor Faber was interviewed. He advised he had no information concerning the Water Tower Project or the grant from EPA. He assumed [redacted] the town's [redacted], wrote the grant. He had no contact information for [redacted] but he believed [redacted] The mayors in office during the Water Tower Project were Odell Weston, Interim Mayor, who started in 2007, and Chris Campbell, whose term in office was 2000 ? 2007. He was aware that there was money left over in the EPA grant fund but he decided to leave it there. He was in town when an audit was conducted but does not know any of the details. (Exhibit 17)

On June 20, 2010, [redacted] was interviewed. [redacted] company, [redacted], was [redacted] to Eastover [redacted] from approximately [redacted] to [redacted]. When he arrived at Eastover, they had several grants in place including a CDB Grant for a new water tank from the SC Department of Commerce (SCDOC). [redacted], COG wrote the CDB Grant, and COG administered the grant. [redacted] said [redacted] did not write grants. Only COG can write and administer grants.

Eastover had four or five federal grants and the same number of state grants. Eastover also received a grant for a new water tank from EPA. It was estimated that a new water tank would cost about $760,000. The EPA grant was to be the match for the CDB Grant. The Mayor at that time was Chris Campbell. Campbell wanted SCDOC to waive the matching payment because they were having problems getting the money from the EPA grant. Eastover was told they could not use the same invoices they used on CDB Grant to be reimbursed by the EPA grant.

Eastover also received a grant from the USDA in 2004 to "hookup" Eastover residents to the Richland County Wastewater Treatment Plant (WWTP). USDA never audited Eastover. They also had a T21grant for Highway Beautification. [redacted] could not understand why grants were awarded to Eastover when they had never been audited, and they had no established accounting system to monitor the grant funds.

Eastover owns the land on which the Richland County WWTP is located. Eastover leased the land to the county. Eastover paid for the flow of sewage coming from the town; however, since April 2004 Eastover has not paid their sewage bills and owes Richland County about $333,000. The County has since stopped making the lease payments to Eastover. The town did pay for a new pump station with a grant and turned it over to Richland County. This is where the flow-measuring devise is located and how the town is billed by the actual flow of sewage.

Eastover was reimbursed only portion of the EPA grant. Both Mayors (Campbell and Leroy Faber) asked if they could give Richland County the remainder of the EPA grant money. In 2005, [redacted] and [redacted], Richland County, agreed to the transfer of the remainder of the EPA

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grant to Richland County to pay for Eastover's outstanding sewer bill. When [redacted] left, [redacted] became the [redacted]. [redacted] suggested reporting agents contact [redacted], [redacted], the [redacted] and [redacted] the [redacted] regarding the EPA Grant. According to [redacted] spoke to [redacted], EPA [redacted] regarding this transfer. This was the only way Richland County would agree to the deal.

[redacted] told Mayor Campbell it was okay to amend the EPA Grant. [redacted] for the amendment to the EPA Grant. Mayor Campbell hand carried it to EPA Region 4 in Atlanta, and met with [redacted] and his [redacted] According to [redacted], who [redacted] as the EPA [redacted], did not have a copy of [redacted] file. [redacted] said it was okay to change the percentages on the grant from 30% to 55%.

Eastover's General Fund subsidized the town's water & sewage system. One idea to solve the debt owed to Richland County was to allow the County to take over the town's water & sewer billings. However, the Eastover Town Council did not want to give up control of their water & sewer billings because they felt it gave Eastover its identity as a town.

[redacted] of the town in 2003, and compiled [redacted] created [redacted] expenditures, and town revenue. All of the town's bills were paid from a First Citizen Bank account. [redacted] clerical type work such as submitting invoices for the town.

[redacted] stated that the Town of Eastover was "a testament of everything that is wrong with our country, especially EPA". No one ever questioned whether Eastover could perform on these grants. [redacted] blames the COG, politicians, the federal government, and [redacted]s like [redacted]

Mayor Campbell was only interested in being a mayor, rather than running the town. He made two or three trips to Africa, and attended several nationwide conferences of the Black Mayor Association at the town's expense.

Eastover never had money to pay [redacted] and [redacted] was never fully paid. The COG [redacted] 2006. [redacted] shutdown [redacted] in [redacted]. (Exhibit 18)

On June 21, 2011, [redacted], [redacted] Richland County, SC, and [redacted], [redacted], Richland County, SC, were telephonically interviewed. Both [redacted] and [redacted] advised they [redacted] and Mayor Chris Campbell wherein [redacted] and Campbell offered to provide payment of the Town's sewer bill with EPA grant funds. Both [redacted] and [redacted] and Campbell, and then at a later date the current Mayor Leroy Faber, that the EPA grant funds could not be used to pay for the town's sewage bill. Neither individual had heard of the EPA employees [redacted] or [redacted]. [redacted] said [redacted] to [redacted], who is [redacted]'s supervisor, concerning this issue. [redacted] said no one from EPA told [redacted] it was okay for Eastover to use the EPA grant money to pay Eastover's sewage bills. (Exhibit 19)

On June 22, 2011, [redacted], [redacted], [redacted], EPA Region 4, Atlanta, GA, and [redacted] former [redacted] were interviewed. [redacted], [redacted], and [redacted] were asked about an alleged amendment to the grant to increase the percentages and the scope of costs. [redacted], [redacted], and [redacted] some point on this grant to

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Eastover. None of them recalls an amendment to the grant to increase the percentages or the scope of costs submitted by Eastover Mayor Leroy Faber or former Mayor Chris Campbell. An amendment was never processed. (Exhibit 20)

A comparison of the grant documents and invoices for both the HUD and EPA grants showed the Town of Eastover billed both grants using the same invoices for the construction of the water tower. (Exhibit 21)

Disposition

On January 20, 2010, this case was presented to the US Attorney's Office, District of South Carolina. On July 28, 2011, Assistant US Attorney (AUSA) [redacted] decline prosecution of this case citing the [redacted] b5

On October 25, 2011, this case was presented to the US Attorney's Office, District of South Carolina, Civil Division. AUSA [redacted] accepted the case for consideration. On May 11, 2012, AUSA [redacted] advised he agreed that it appears the Town of Eastover misappropriated $139k in EPA grant funds in 2006 & 2007; however, given that the Town [redacted] b5 he believed it would make more sense for the EPA OIG to proceed with an administrative recovery through EPA Region 4.

This case was also referred to the EPA's Suspension and Debarment Division for possible action.

SECTION B - ENTITIES AND INDIVIDUALS

Title & Company: TOWN OF EASTOVER, SOUTH CAROLINA,
Role: Subject
Business Address: , Eastover, SC, 29044
Business Phone: 8033538008
EPA Employee: N

Name of Person: [redacted]
Title & Company: [redacted]
Role: Subject
Business Address: [redacted]
Business Phone: [redacted]
EPA Employee: N

Name of Person: [redacted]

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Title & Company:
Role: Subject
Business Address: [redacted]
Business Phone:
EPA Employee: N

Name of Person: [redacted]
Title & Company: [redacted]
Role: Subject
Business Address: [redacted]
Business Phone: [redacted]
EPA Employee: N

SECTION C - PROSECUTIVE STATUS

ADMIN/CRIMINAL/CIVIL ACTION(S): TOWN OF EASTOVER, SOUTH CAROLINA,
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On October 25, 2011, this case was presented to the US Attorney's Office, District of South Carolina, Civil Division. AUSA [redacted] accepted the case for consideration. On May 11, 2012, AUSA [redacted] advised he agreed that it appears the Town of Eastover misappropriated $139k in EPA grant funds in 2006 & 2007; however, given that [redacted] b5

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This case was also referred to the EPA's Suspension and Debarment Division for possible action.

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EXHIBITS

DESCRIPTION	EXHIBIT
EPA Grant File Review	1
MOA-06/14/2010 -Eastover Fire Report	2
MOI-[redacted] and [redacted]	3
MOI [redacted]	4
MOI [redacted]	5
MOI-[redacted]	6
HUD prepared MOA Grant file	7
MOI-Council of Governments	8
[redacted]	9
MOI-03/08/2010 - [redacted]	10
MOI-[redacted]	11
[redacted]	12
MOI-[redacted]	13
MOI [redacted]	14
MOA-10/12/2010 - Audit Review	15
MOI-12/23/2010 - [redacted] 2nd	16
MOI-06/29/2011-[redacted]	17
MOI-06/20/2011- Intrvw of [redacted]	18
MOI-06/21/2011- MOI [redacted] & [redacted]	19
MOI-06/21/2011- MOI [redacted], [redacted] & [redacted]	20
MOA-12/29/2011- Revw of Eastovers Grant Docs	21

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