



United States
General Accounting Office
Washington, D.C. 20548

Resources, Community, and
Economic Development Division

B-256490

April 18, 1994

Ms. Mollie H. Beattie
Director, U.S. Fish and
Wildlife Service
Department of the Interior

Dear Ms. Beattie:

The Dire Emergency Supplemental Appropriations Act of 1992 provided funding for the repair and replacement of facilities that were damaged by Hurricane Iniki at the national wildlife refuges in Kauai, Hawaii. In response to allegations we received regarding possible improper expenditure of some of these funds by the U.S. Fish and Wildlife Service (FWS), we initiated a review to determine whether funds appropriated under the act were being used for the purposes specified in the act. This letter provides the results of our review.

In summary, expenditures for reconstruction work at two locations, which is either planned or under way, are not authorized under the act. Specifically, as of March 1994, FWS was spending emergency funds for, among other things, enlarging selected buildings at the Hanalei refuge. FWS is also planning to spend emergency funds to enlarge and remodel the visitors' center at the Kilauea Point refuge. The work, in our view, goes beyond the limitations on the use of emergency funds--that is, for the repair and replacement of buildings and facilities to their prehurricane conditions.

BACKGROUND

FWS is responsible for managing the three national wildlife refuges (NWR) on the island of Kauai: Kilauea Point NWR, which houses the Kilauea Point Lighthouse; Hanalei NWR; and Huleia NWR. All three suffered facility and habitat damage from Hurricane Iniki. A few days after the hurricane, a team of FWS engineers visited Kauai and estimated that \$6.01 million was needed for refuge rehabilitation.

B-256490

The Dire Emergency Supplemental Appropriations Act of 1992 (P.L. 102-368) appropriated approximately \$12.8 million in emergency disaster assistance to FWS for construction projects. The act specified that expenditures on the Hawaiian refuges were "to be made only for repair and replacement of existing facilities to approximate conditions current at the time of damage or destruction." Of the amount appropriated, FWS allocated \$6.2 million (hereafter referred to as Iniki funds) for the rehabilitation of the Kauai refuges.

The hurricane damage repair work for the Hawaiian refuges is being coordinated by the Project Leader, Hawaiian and Pacific Islands NWR Complex.

USES OF INIKI FUNDS

Officials at the Kauai refuges are proceeding to reconstruct buildings at Hanalei NWR and are planning to remodel the visitors' center at Kilauea Point NWR as part of the Hurricane Iniki damage repair effort using Iniki funds. In addition, the use of Iniki funds for two other questionable items was planned, but refuge officials stated that these expenditures would not be made.

The Project Leader for the Hawaiian and Pacific Islands NWR Complex is proceeding with plans to reconstruct buildings at Hanalei NWR that were damaged during Hurricane Iniki. The overall cost of this effort is estimated at over \$1 million. According to the Project Leader, the reconstruction involves expanding the size of certain buildings to accommodate additional storage and maintenance activities and is being financed using Iniki funds. Cost estimates for the various components of the reconstruction effort were not readily available.

Concerning the visitors' center, the Project Leader estimated that the cost to repair hurricane damage to the front of the center would have amounted to \$9,900. However, refuge officials are planning to remodel the center at an estimated cost of \$40,000 in lieu of just repairing hurricane damage. The remodeling will add about 110 square feet of new enclosed space to the center and allow refuge management to consolidate additional facilities in the center. According to the Project Leader, the consolidation is expected to result in a more efficient use of space and some savings in salary costs. Also, as part of the remodeling, an entrance walkway is being widened, regraded, and resurfaced in order to comply with

B-256490

the requirements of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.). Finally, a standing area in front of the center is being enlarged. As was the case for the reconstruction of buildings at Hanalei NWR, cost estimates for specific work to be performed were not readily available.

We also found that hurricane damage repair plans at the time of our work included (1) installing windows in the Kilauea Point lighthouse tower even though the windows had been bricked over prior to Hurricane Iniki and (2) relocating a greenhouse from Kilauea Point NWR to Hanalei NWR. After discussing these planned expenditures with refuge officials, we were told that Iniki funds would not be used to install windows in the lighthouse and that the greenhouse would not be relocated.

CONCLUSIONS

The Dire Emergency Supplemental Appropriations Act of 1992 limited the use of funds appropriated under the act for the rehabilitation of the Kauai refuges to the repair and replacement of existing facilities to approximate conditions current at the time of damage or destruction. However, we found two instances in which funds appropriated under the act are being used or are planned for use for reconstruction work that goes beyond the act's limitations on the use of these funds. Specifically, buildings at Hanalei NWR are being enlarged and the visitors' center at Kilauea Point NWR is to be remodeled (including the addition of new enclosed space and an enlargement to a standing area adjacent to the center).

Except for actions to comply with the requirements of the Americans with Disabilities Act, we believe the costs associated with the enlargement of facilities at Hanalei NWR and at Kilauea Point NWR go beyond the act's limitation on the use of funds because this work does not constitute the repair and replacement of facilities to conditions at the time of damage. Therefore, these expenditures are unauthorized uses of Iniki funds.

RECOMMENDATION

We recommend that you take the steps necessary to ensure that funds spent for hurricane damage and rehabilitation work at the Kauai refuges under the Dire Emergency Supplemental Appropriations Act of 1992 comply with the requirements of the act.

B-256490

SCOPE AND METHODOLOGY

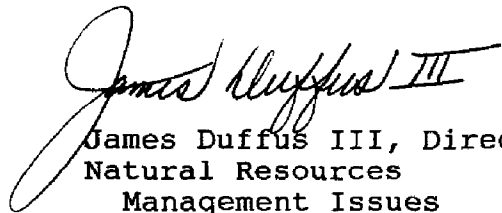
Our review was initiated as a result of information received on the GAO Fraud Hotline, which alleged that FWS was using Iniki funds for purposes other than damage repair on its Kauai refuges. We examined whether FWS' expenditures and planned expenditures met the criteria established in the act. We interviewed FWS officials in Honolulu and at the NWRs on Kauai, as well as officials at FWS' Portland Regional Office. We also visited the Kauai refuges to observe hurricane damage and repair work already completed. We reviewed FWS' documentation on expenditures and examined FWS' plans for future work on the Kauai refuges.

We discussed the results of our work with the Project Leader and Deputy Project Leader of the Hawaiian and Pacific Islands NWR Complex and incorporated their comments where appropriate. We also discussed the results with the Chief, Branch of Technical Services, Division of Refuges, who generally agreed with our findings and conclusions. We performed our work between September 1993 and March 1994 in accordance with generally accepted government auditing standards.

- - - - -

Please contact me at (202) 512-7756 if you or your staff have any questions.

Sincerely yours,


James Duffus III, Director
Natural Resources
Management Issues

(140694)