1 **DR. MELIUS:** I make a motion that we consider
2 Bethlehem Steel and Mallinckrodt for initial
3 review.
4 **MR. ESPINOSA:** Second.
5 **DR. ZIEMER:** Okay. Motion has been made and
6 seconded to consider Bethlehem Steel and
7 Mallinckrodt for initial review. Discussion?
8 **MR. PRESLEY:** Question. Are you going to put
9 Weldon Springs into the Mallinckrodt -- is that
10 going in there?
11 **DR. ZIEMER:** That's a separate profile, is it
12 not?
13 **MR. ELLIOTT:** That is a separate profile.
14 **DR. ZIEMER:** Thank you. Is the Board ready
15 to vote on this motion? It appears to be so. All
16 in favor of those two, Bethlehem Steel and
17 Mallinckrodt Chemical, for initial audits, say
18 aye.
19 (Affirmative responses)
20 Any opposed?
21 (No responses)
22 Any abstentions?
23 (No responses)
24 Motion carries. Thank you.
25 While we are on the issue of our audit

1 contract, let me ask at this point, do we have any
2 material at this point, information -- I don't
3 know if it would be Martha or someone on the legal
4 staff -- as to those issues that we would need to
5 approve dealing with procedural matters such as
6 invoice approvals and so on? Do we have that
7 information today that -- are there things we
8 could act on?
9 **MS. DIMUZIO:** (Off microphone) Yes,
10 (Inaudible), I spoke with (Inaudible) --
11 **THE COURT REPORTER:** That mike's not on.
12 **MS. DIMUZIO:** I spoke with Flo Black, who's
13 the contracting specialist on the task, this
14 morning and the recommendation that she's made is
15 that the invoices would come in to NIOSH -- well,
16 actually they go to the contracting office first
17 for them to review, and then they come to the
18 project officer, who is Jim, for the project. And
19 what we could do is we could have Jim sign it.
20 Then it goes to our finance office, but the
21 finance office has -- holds it essentially for 30
22 days, so during that time frame we could send it
23 to Dr. Ziemer and ask him if he's okay with it,
24 and if he can approve it in that 30 days, then
25 there's no delay in the contractor being paid. If

1 Dr. Ziemer does have a problem with the invoice,
2 then we could pull it back and there's no payment
3 to the contractor. So that was the recommendation
4 of the contracting office.
5 **MR. ELLIOTT:** Martha, but we would -- if
6 there's a problem with an invoice, in Dr. Ziemer's
7 viewpoint, it would require at that point a full
8 session of the Board in closed session to discuss
9 it. Correct?
10 **MS. DIMUZIO:** That's correct, yes.
11 **DR. ZIEMER:** Are the invoices the only item
12 that we can address on that issue today? I mean
13 are there other sort of mechanical things like
14 invoices that require Board action?
15 **MS. DIMUZIO:** No, I really -- I don't think
16 so. I think that's really -- as far as the
17 administrative aspects of the contract, that's
18 really the only...
19 **DR. ZIEMER:** Thank you. Jim?
20 **DR. MELIUS:** Are there implications -- should
21 the dispute arise over paying a invoice as to
22 whether something's been completed satisfactorily,
23 are there implications from the fact that Jim
24 Neton or whoever the project officer is signed off
25 on it already?

1 **MS. DIMUZIO:** No, and that's what I clarified
2 with -- with Flo, that -- since the finance office
3 hasn't scheduled it for payment, it can be pulled
4 back. We would develop -- with the contracts
5 office we would develop language in a cover letter
6 that would be sent with the invoice -- the copy of
7 an invoice to Dr. Ziemer, sort of explaining the
8 process. The finance office would be aware of the
9 process and we could pull it back. So no, that --
10 that shouldn't be an issue.
11 **DR. MELIUS:** Just my recollection of back
12 when I used to deal with this and these issues was
13 that once the technical person signed off --
14 you're signing off on the technical merits of what
15 was -- had been -- of the deliverable, and then
16 what the finance office dealt with was that it met
17 the contractual. And by Jim signing it, or
18 whoever the project officer -- I mean I just -- I
19 mean my concern was what I said, the implications
20 that somehow we were approving it technically --
21 in our -- I think a lot of -- if we're going to
22 have an issue, I suspect it's going to be as to
23 whether something had been completed
24 satisfactorily in a technical sense, not over, you
25 know, how much somebody was paid or the

1 reimbursement for travel or something like that,
2 which is what usually the finance office deals
3 with.
4 **MS. DIMUZIO:** The -- and that's basically --
5 the contract is a cost reimbursement contract, so
6 basically -- I mean the invoice will be for those
7 costs of travel and -- and labor hours and that
8 type of thing. Acceptance of a technical document
9 that -- that comes in, that is handled a little
10 bit -- that would be separate from the actual
11 invoice because you could have an invoice for the
12 month of February where Sanford Cohen is billing
13 us for travel to this meeting and -- and labor
14 hours and stuff like that, yet there's no
15 technical aspect to be reviewed.
16 **DR. MELIUS:** That I understand, but what if
17 it was, you know, a review of a site profile and a
18 report back to the Board on that, and they billed
19 us for 100 hours and we got a paragraph or what --
20 you know, whatever -- that wasn't satisfactory and
21 -- I think that's more than an issue of -- you
22 know, it's the issue of whether the hours --
23 whether, you know -- not just whether the hours
24 meet the product, but is the product satisfactory
25 from what they were supposed to deliver.

1 **DR. ZIEMER:** A related question jumps into my
2 mind, as well, and that is do we put Jim Neton in
3 a precarious position since, in a sense, we're
4 auditing the work that he is in charge of --
5 **DR. NETON:** I'd like to just --
6 **DR. ZIEMER:** -- and I don't -- obviously we
7 have to have somebody in the Agency that's the
8 point person. At the same time, I'm a little
9 concerned about how that looks, Jim.
10 **DR. NETON:** I appreciate that. I would say I
11 don't think the way the billing works on this is
12 that you will actually receive an invoice that
13 says here are the work hours for this site profile
14 development that I've done. You're just going to
15 receive a monthly invoice for hours expended on
16 the tasks. So you're not really approving the
17 quality of the work at that point. You're just
18 saying do I believe that the work -- that they
19 expended this many hours, is it within the scope
20 of the task. If the Board has a problem with the
21 quality of the deliverables, that's a different
22 issue that would be fed back to us and then we
23 would undergo nego-- you know, discussions with --
24 with the contractor. I don't -- I don't think,
25 you know, we're going to get a bill saying here is

1 X thousand dollars for producing this site
2 profile. That's just not the way this is going to
3 work -- I think. So again, we're just approving
4 do we -- do we agree that the number of hours
5 expended was within the scope of the contract and
6 allocated properly within the task itself.
7 **DR. ZIEMER:** Wanda?
8 **MS. MUNN:** Jim's comment helps me a little,
9 but one of the things that I needed to have
10 clarified is we're talking about approval of all
11 invoices from our contractor. In other words,
12 there is not some cut-off level below which
13 charges would automatically be sent through.
14 There is -- we're talking about all costs from
15 them, that -- thank you.
16 **DR. NETON:** I just had one more thought on
17 this. I mean as John Mauro discussed earlier,
18 they will be providing progress reports as
19 required, and I think that is the -- that is the
20 point at which the Board can review those progress
21 reports and if -- if there is something going awry
22 there, then that's the opportunity to feed back
23 and say we have a problem. But in the invoicing
24 area I really don't think we have much control
25 other than, you know, reviewing work hours against

1 the contract.

2 **MR. ELLIOTT:** Let me speak a little bit to

3 this, as well. You know, the way I see this

4 working is -- Jim right now is assigned as the

5 technical monitor and we may in fact make a change

6 in that and assign somebody else. I think it's

7 appropriate to do so, given his work load and Dr.

8 Ziemer's comment. I don't want any perception

9 that, you know, Jim, who is the scientific --

10 science administrator of the program and, you

11 know, the basis of his work being audited, and is

12 sitting in a position of control of your audit.

13 But the way I see this works, whoever's assigned

14 as the technical monitor is just the first eyes

15 that, after procurement looks at these things --

16 whether it's an invoice or it's a deliverable, the

17 technical monitor is going to be the first set of

18 eyes, besides Martha's, to look at these. And I'm

19 asking that person to see if there's anything that

20 looks untowards there, anything that should be

21 brought to the attention of whoever this body

22 delegates the next authority to. So if that's --

23 if that's your Chair, we need that -- you know, a

24 vote to make that happen, that delegation of

25 authority, so that the technical monitor knows who

1 to turn to and say you need to examine this; I
2 think there's a concern or an issue here. And
3 then it's like raising an issue to your higher
4 level -- whoever gives you direction, and that's
5 this body for us, so that person, on behalf of the
6 Board, needs to make a decision, do I take this to
7 the Board or I provide direct guidance back to the
8 technical monitor and procurement on how to handle
9 whatever the issue may be. Does that help in any
10 way?
11 **DR. MELIUS:** All this helps. I guess I'm
12 also concerned -- would be concerned with whoever
13 it is that that's technical person that -- I don't
14 think they should be turning down a -- if they
15 have a question about the voucher that comes in,
16 rather than sign it and send it on to us, I don't
17 think they should sign it. I think they should
18 bring it to -- to Dr. Ziemer's attention and the
19 Board's attention and have us be the ones that
20 are, you know, reviewing that in a sense, and
21 rather than putting you in the position of
22 reviewing the auditor or --
23 **MR. ELLIOTT:** Absolutely, I'm sorry, I was
24 dwelling on the obverse side of that coin and on
25 the other side, the positive side, they still

shouldn't sign off on it and send it back. It still needs to be brought, whatever it is, even if the message is hey, Dr. Ziemer, here's this next invoice; I see nothing wrong with it, but you should look at it. Hey, Dr. Ziemer, here is the deliverable, the monthly progress report; I would highlight this for your attention. That's what I see going on.

DR. ZIEMER: Thank you. It would be appropriate to have a motion to authorize then, on invoices, the Chair to act on behalf of the Board.

MR. ELLIOTT: Could you -- a suggestion. Could you attend to both deliverables and the invoicing process? In other words, a monthly progress report is a deliverable, a -- the database management piece is a deliverable, the -- you know, a report about site profiles that have been reviewed is a deliverable, and we need somebody delegated -- maybe it's different people, but we need a vote on both of those.

DR. ZIEMER: Before we take the action, let me point out on a deliverable, I think the only thing the Chair would do would be to confirm that it has arrived in a timely fashion and therefore an invoice might be paid. The acceptability of

1 any of the deliverable reports, in my mind, is a
2 Board action. So I would not speak for the Board
3 on the adequacy or quality of a deliverable beyond
4 affirming that it has arrived on time.
5 **DR. MELIUS:** Yeah, I agree with that, and I
6 think that we may want to, at some point, specify
7 actions for specific types of deliverables, some
8 of which may very be appropriate that just the
9 Chair sign off on, others that, you know, it may
10 be a subcommittee, the Board, what-- however we,
11 you know, designate. And I think if we did it
12 specifically, I think it's more helpful for
13 everybody, but -- in the process and that may take
14 us a little bit -- while into the next meeting
15 before we can do that. I think we can certainly
16 do the vouchers today, and if there's other
17 deliverables that are going to need to be signed
18 off on before the conference call or the next
19 meetings, then we ought to cover those, also.
20 **DR. ZIEMER:** Okay. So the Chair would -- oh,
21 Wanda, a comment?
22 **DR. NETON:** I might want to make one comment
23 before the motion is raised. The contract itself
24 calls for simultaneous delivery of the
25 deliverables to both the Board -- Dr. Ziemer --