

## Examples of Wasteful Government Spending Exposed by FOIA

Compiled by the National Security Archive

- **“HAFB has bit role in \$\$ scandal,” *Deseret Morning News* (Salt Lake City, UT), January 14, 2007, by Lee Davidson.** A report based on documents obtained through FOIA shows that a former official at Hill Air Force Base hurried the military into approving contract changes that overpaid Boeing by \$4.5 million. Boeing had given jobs to the official’s daughter and son-in-law, and she herself later left the Air Force for a \$250,000-a-year job with Boeing.
- **“Science slighted in CDC awards; Cash bonuses at troubled health agency frequently go to bureaucrats instead of researchers,” *The Atlanta Journal Constitution*, p. 1A, September 17, 2006, by Alison Young.** Documents obtained by the Atlanta Journal-Constitution under FOIA show that frequently large cash awards and performance bonuses awarded at the CDC went to bureaucrats rather than scientists, leading to low morale and the loss of key scientific leaders at the agency.
- **Washington owed billions of dollars: Fraction of fines actually get paid; Penalties get axed, ignored, forgotten,” *Kansas City Star*, March 19, 2006, Martha Mendoza and Christopher Sullivan (Associated Press).** Records obtained by the AP using FOIA showed that the government is owed billions of dollars in fines and other fines that were paid had been significantly reduced. The unpaid fines include more than \$35 billion owed to DOJ for criminal and civil judgments as well as billions in penalties charged against energy and mining companies for safety and environmental violations. In one case, the government assessed a fine of \$60 million for “commercial fraud” against a large corporation, but only \$15,000 was collected after the company challenged the assessment.
- **“Fake findings used to secure \$16M grant,” *Pittsburgh Tribune Review*, February 22, 2006, by Jennifer Bails.** Documents obtained under FOIA show that a University of Pittsburgh reproductive biologist relied on the now-discredited stem-cell findings of disgraced Korean scientist Hwang Woo-Suk to secure a \$16.1 million federal grant. The five-year grant awarded by the National Institutes of Health is based in part on cloning experiments deliberately falsified by Hwang Woo-Suk.
- **“System Error: The NSA has spent six years and hundreds of millions of dollars trying to kick-start a program, intended to help protect the United States against terrorism, that many experts say was doomed from the start,” *Baltimore Sun*, January 29, 2006, by Siobhan Gorman.** An NSA inspector general report, obtained through a FOIA request by the *Baltimore Sun*, found "inadequate management and oversight" of private contractors and overpayment for work on a classified project launched in 1999 to help the National Security Agency sift through electronic communications data. After more than six years and \$1.2 billion in development costs, the project has resulted in only a few technical and analytical tools and is still not fully functional.
- **“Pentagon accused of ignoring waste allegations; At issue is a program that lets vendors set their own prices; Defense said the program worked,” *Philadelphia Inquirer*, January 24, 2006, by Seth Borenstein.** Documents acquired by Knight Ridder under FOIA show that a retired Army Reserve officer, Paul Fellencer Sr., tried to expose as much as \$200 million in wasteful spending, but Pentagon officials casually dismissed his claim and claims of several

others. As part of a prime vendor program exposed by the whistleblower, DOD bought kitchen equipment from middlemen who set their own prices, including: \$20 each for ice cube trays, \$1000 for toasters and popcorn-makers, and \$5,500 for a deep-fryer (which other government agencies bought for only \$1,919).

- **“Many who got Sept. 11 loans didn’t need them; some loan recipients had no idea their funds came from terror-relief program,”** *Richmond Times Dispatch (Virginia), September 9, 2005, at A-1.* The Associated Press analyzed loan records obtained under FOIA and found that a significant portion of the \$5 billion designated for a post-September 11 recovery program run by the Small Business Administration was used to give low-interest loans to companies that did not need terrorism relief. Only 11 percent of the 19,000 loans were to companies in New York and Washington, and some of the companies that received the awards—including a South Dakota country radio station, a dog boutique in Utah, an Oregon winery, and a number of Dunkin’ Donuts and Subway franchises—did not even know that they were receiving funds supposedly dedicated to terrorism recovery.
- **"NASA Can't Find Millions in Property,"** *The Houston Chronicle, Feb. 27, 2004, at A1, by Patty Reinert.* NASA documents obtained through a FOIA request by a San Antonio television station show that the agency has lost about \$34 million in government property since 1997. The information details the missing items from each of the agency's ten centers. The Goddard Space Flight Center in Greenbelt, MD, had the highest losses at \$16.8 million, while NASA's Washington, D.C., headquarters had the least with \$174,000.
- **"Alabama Tobacco Growers Stand to Benefit from Proposed Federal Buyout,"** *Montgomery Advertiser, June 23, 2004, by Ana Radelat.* The Environmental Working Group obtained documents from the Department of Agriculture through FOIA that detail Alabamians who would receive tobacco buyouts under a current proposal in Congress. The group's study shows that two-thirds of the \$9.6 billion buyout would go to only ten percent of growers, with more than eighty percent of those eligible receiving less than \$1,000 a year over five years.