



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

Office of the General Counsel

B-228788

February 9, 1988

The Honorable Daniel J. Evans
United States Senator
3206 Jackson Federal Building
915 Second Avenue
Seattle, Washington 98174

Attention: Ms. Leslie Hay

Dear Senator Evans:

This responds to your letter dated October 2, 1987, in which you requested that payment of back wages to Mr. _____ be expedited. Despite Mr. _____ judgment in the amount of \$25,919.13 against Hydro Systems, Inc., only \$8,486.38 was available here for payment to him. He has received these funds from us, less the \$606.78 Social Security tax withholding. A more detailed explanation has been provided in the enclosed letter of today's date to Mr. _____ attorney.

You also asked whether the adjudicated and approved claims against Hydro Systems, Inc., will exhaust the funds withheld from contract payments and, if not, will the residual amount be returned to Hydro Systems, Inc.? The claims exhaust the funds withheld from contract payments. No residual amount is available to be returned to Hydro Systems, Inc.

We trust that this is fully responsive to your letter. If you have further questions, please write to Mr. _____ of my staff at the above address or call him on _____ or _____.

Sincerely yours,

Henry R. Wray
Associate General Counsel

Enclosure