



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

OFFICE OF  
INSPECTOR GENERAL

October 14, 2014

Mary D. Nichols, Board Chairman  
California Air Resources Board  
1001 "T" Street  
Sacramento, CA 95814

Dear Ms. Nichols:

The U.S. Environmental Protection Agency (EPA), Office of Inspector General (OIG), conducts audits of grants awarded to states, and plans to begin preliminary research on the California Air Resources Board (ARB) purchase and use of selected equipment and interrelated service contracts with EPA funds, and reviewing allegations that the ARB is reporting misleading air toxics data. This project is the result of a hotline complaint received by our office.

The OIG's objectives are to determine whether the ARB complied with applicable procurement requirements when purchasing the selected equipment and interrelated service contracts, and to determine whether ARB is following applicable requirements for testing and reporting air toxic data. The OIG plans to conduct work at the California ARB offices in Sacramento, California. The anticipated benefits of this project are to ensure EPA funds are being used effectively and to ensure accurate data is reported to the public.

We will contact you within 14 days from the date of this notification to arrange a mutually agreeable time to meet and discuss our objectives, the purpose of the preliminary research phase of our project, and any areas of concern that you may have. We will answer any questions you or your designee(s) may have about the project process, reporting procedures, methods used to gather and analyze data, and what we should expect of each other during the course of the project. We may also request that certain information be readily available for our review while we are on site. Details of such requests, if any, will be communicated to you at the same time we arrange the entrance conference. During this review, we will provide updates on a regular basis by email and/or by holding meetings. Applicable generally accepted government auditing standards will be used in conducting our project.

To ensure the success and timely completion of this project, please provide the following:

- Copies of a Purchase Order and other supporting documentation justifying the purchase of a CETAC LSX-213G2 High Density Laser.
- Copies of service agreements between ARB and vendors providing regularly scheduled maintenance for the aforementioned laser, along with results of the regularly performed maintenance.
- Standard Operating Procedures, testing methodologies and protocols for laboratory methods and data quality for testing and reporting air toxics data.

The Project Manager will be Mary Anne Strasser. Any information related to the project should be addressed to me at (312) 886-3059) or [kasper.janet@epa.gov](mailto:kasper.janet@epa.gov), or Mary Anne Strasser at (303) 312-6972 or [strasser.maryanne@epa.gov](mailto:strasser.maryanne@epa.gov).

Sincerely,

*Janet Kasper*

Janet Kasper

Director

Contracts and Assistance Agreement Audits

cc: Jared Blumenfeld, Region 9 Regional Administrator  
Janet McCabe, Acting Assistant Administrator, Office of Air and Radiation  
Magdalen Mak, Region 9 Audit Follow-Up Coordinator  
Maureen Hingeley, Audit Follow-Up Coordinator, Office of Air and Radiation  
Arthur A. Elkins Jr., Inspector General  
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Carolyn Copper, Assistant Inspector General for Program Evaluation  
Patricia Hill, Assistant Inspector General for Mission Systems  
Patrick Sullivan, Assistant Inspector General for Investigations  
Richard Eyermann, Deputy Assistant Inspector General for Audit  
Jennifer Kaplan, Deputy Assistant Inspector General for Congressional and Public Affairs  
Jeffrey Lagda, Congressional and Media Liaison, Office of Inspector General