



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

OFFICE OF
INSPECTOR GENERAL

January 24, 2013

MEMORANDUM

SUBJECT: New Audit Notification: EPA Biennial User Fees Review
Assignment No. OA-FY13-0103

FROM: Melissa M. Heist *Melissa M. Heist*
Assistant Inspector General for Audit

TO: Barbara J. Bennett
Chief Financial Officer

The EPA Office of Inspector General (OIG) plans to begin a review of EPA's biennial user fee reviews. In recent OIG reviews of fees for the Motor Vehicle and Engine Compliance Program and the Lead-Based Paint Program, we found that EPA was not conducting biennial reviews of user fees for those programs, as required by the Chief Financial Officers Act of 1990 and Office of Management and Budget Circular A-25. Federal agencies assess user fees for government services they provide that convey special benefits to recipients beyond those accruing to the general public. With the Administration's current focus on reducing the federal budget deficit, we want to determine whether EPA is conducting effective reviews of its user fee programs.

Our preliminary research objectives are to determine whether EPA:

1. Conducts biennial reviews of EPA's user fees and royalties programs.
2. Reviews all Agency programs to determine whether fees should be assessed for government services they provide.

We plan to conduct our work at EPA headquarters in Washington, D.C. We will contact your audit coordinator within the next few days to arrange a mutually agreeable time for a kickoff meeting to discuss the assignment. At the meeting, we will answer any questions that you may have about this assignment, the audit process, reporting procedures, methods used to gather and analyze data, and what you should expect during the course of the project.

To expedite our review, we request that you provide us the following information by February 8, 2013:

- Documentation supporting the Office of the Chief Financial Officer's (OCFO's) biennial user fee review of the Motor Vehicle and Engine Compliance Program. Although OCFO revised its target completion date for this user fee review to March 29, 2013, please provide any documentation you have completed.

- OCFO's draft guidance to EPA's user fee programs.
- EPA's two most recent biennial user fee reports to the Office of Management and Budget.
- Documentation of EPA's review of Agency programs to determine which programs should assess user fees.

If you or your staff has any questions, please contact me at (202) 566-0899 or heist.melissa@epa.gov; Paul Curtis at (202) 566-2523 or curtis.paul@epa.gov; or Art Budelier at (312) 353-9529 or budelier.arthur@epa.gov.

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