



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

OFFICE OF
INSPECTOR GENERAL

February 21, 2013

Alice Stebbins
Chief, Administrative Services
California Air Resources Board
1001 I Street
PO Box 2815
Sacramento, California 95812

Dear Ms. Stebbins:

The Office of the Inspector of General for the U.S. Environmental Protection Agency is initiating an examination of Cooperative Agreement 2A-00T13801, which was awarded to the California Air Resources Board. Our objectives are to determine whether the costs reported under the CA are reasonable, allowable, and allocable in accordance with the applicable laws, regulations and agreement terms and conditions, and whether the objectives of the CA were met.

We would like to meet with you in your office on March 11, 2013, at 10 am to hold an entrance conference and to begin our fieldwork. We anticipate the initial fieldwork will be conducted by two auditors the week of March 11, 2013. We request that you have work space available for us. In order for us to complete our work as expeditiously as possible, we also ask for your cooperation in making staff and records available to us. Please have the following information related to the CA readily available for review during our visit:

- Final progress report, final financial status reports, payment requests/Automated Clearing House draw downs, and supporting data.
- Copies of the workplans.
- Listing of all contractors and vendors used under the CA and the related procurement documentation, including but not limited to copies of the contracts and change orders, request for proposals, bid documentation, and award decision documentation.
- Internal procurement policies and procedures.
- Organizational chart and chart of accounts.
- An electronic version of accounting records for the projects funded by the CA.

During the review, we will provide updates on this examination on a regular basis by email and/or

during meetings. If you or your staff have any questions, please contact Lela Wong, project manager, at (415) 947-4531 or wong.lela@epa.gov; or Robert Adachi, product line director, at (415) 947-4537 or adachi.robert@epamail.epa.gov.

Sincerely,



Melissa Heist
Assistant Inspector General for Audit

cc: Jared Blumenfeld, Region 9 Regional Administrator
Magdalen Mak, Region 9 Audit Follow-Up Coordinator
Howard Corcoran, Director, Office of Grants and Debarment
Joe Lucia, Audit Follow-Up Coordinator/Grants Specialist, Office of Grants and Debarment
Gina McCarthy, Assistant Administrator, Office of Air and Radiation
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