



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

APR 28 2011

OFFICE OF
CHIEF FINANCIAL OFFICER

MEMORANDUM

SUBJECT: OCFO's Corrective Action Plan in Response to OIG Audit Report, "Improvements Needed in EPA's Efforts to Replace Its Core Financial System, Report Number 11-P-0019"

FROM: Barbara Bennett
Chief Financial Officer

A handwritten signature in blue ink, appearing to read "Barbara Bennett".

TO: Arthur A. Elkins, Jr.
Inspector General

In response to the Office of Inspector General Memorandum dated March 9, 2011, I am providing additional information on OCFO's corrective actions for this audit.

OCFO is responsible for developing and/or implementing OCFO information technology systems in compliance with the EPA System Life Cycle Management (SLCM) policy and procedure. The EPA SLCM procedure requires that executive management authorize requirements, test plans, and changes to the aforementioned documents prior to moving from the requirements sub-phase of the definition phase into the next phase of the Systems Life Cycle. It also requires that if any changes are necessary to the requirements and/or test plans during subsequent phases or sub-phases of the Systems Life Cycle, that the reasons for the needed changes be documented and the requirements and test plan documents be updated and formally approved by executive management prior to making the changes to the design of the system.

To ensure that OCFO staff is fully aware of their responsibilities to comply with the EPA SLCM policy and procedure, the OCFO Senior Information Official issued the attached memorandum to OCFO Directors, OTS managers, and senior Compass Financials project team members. This memo emphasizes that OCFO managers and staff must ensure that for all system projects: (1) requirements and test plans are formally authorized by executive management (as a part of the definition phase's requirements sub-phase) prior to moving a system into the next phase of the lifecycle, (2) subsequent changes to requirements and/or test plans are formally authorized by executive management prior to making changes to the design of the system, and (3) that all system test plans include pass/fail criteria that are clear, sufficient, and authorized by executive management.

In FY2007, the predecessor organization to OTS within OCFO developed thirteen Project Management Procedures (PMP) that: are consistent with the EPA SCLM policy and procedure and strengthen OCFO's implementation of the EPA SCLM policy and procedure documents. OTS is identifying revisions to improve the current PMPs. OTS will revise the PMPs at the completion of the Compass Financials system project to incorporate lessons learned and address the OIG recommendations. Specifically, OTS will revise the Quality Management PMP-09 to establish management oversight procedures that will ensure compliance with the EPA SCLM policy and procedure, the PMPs, and any additional standards. OTS will complete the PMP corrective action updates by January 31, 2012. The EPA SCLM policy and procedure and the revised PMPs will continue to serve as the OCFO procedures/guidelines for all future projects.

Attachment

cc: Maryann Froehlich
Joshua Baylson
OCFO Office Directors
Martin Poch
Michael L. Roberts
Felicia Croom
Patricia Hill
Rudy Brevard
Chuck Dade