



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

OFFICE OF
INSPECTOR GENERAL

May 13, 2016

MEMORANDUM

SUBJECT: Project Notification:
Audit of Northwest Indian Fisheries Commission Puget Sound Protection and
Restoration Implementation Grant Nos. PA00J32201 and PA00J91201
Project No. OA-FY16-0176

FROM: John Trefry, Director, Forensic Audits
Office of Audit

A handwritten signature in black ink, appearing to read "John Trefry", is placed over the "FROM:" line.

TO: Dennis McLerran, Regional Administrator
Region 10

The Office of Inspector General (OIG) of the U.S. Environmental Protection Agency (EPA) plans to begin preliminary research on an audit of the Northwest Indian Fisheries Commission (NWIFC) Puget Sound Protection and Restoration Implementation Grant Nos. PA00J32201 and PA00J91201. This assignment was included in our fiscal year 2016 annual plan. Our overall objective is to determine whether the costs claimed under the grants are reasonable, allowable and allocable in accordance with the applicable laws, regulations, and grant terms and conditions.

For the preliminary research phase of the audit, we will gather information needed to determine whether further audit work is warranted. The OIG plans to conduct its work at Region 10 and at the office of the NWIFC in Olympia, Washington. We will interview grant award and program oversight officials in Region 10, and review grant files. At NWIFC, we will conduct an audit of the costs claimed under the grant award, including compliance with grant terms and conditions. We will be issuing a separate notification letter to NWIFC advising them of the audit. Applicable generally accepted government auditing standards will be used in conducting our work. The anticipated benefits of this audit is to ensure that all activities conducted under this grant award and the costs claimed by NWIFC comply with federal requirements.

This audit will be conducted concurrently with the *Congressionally Requested Audit of Improper Funding of Advocacy Campaign for Northwest Indian Fisheries Commission Puget Sound Protection and Restoration Implementation Grant No. PA00J32201*, Project No. OA-FY16-0178. The United States Senate, Committee on Environment and Public Works and Committee on Agriculture, Nutrition, and Forestry, requested the audit because of concerns over what appears to be EPA improperly funding an advocacy campaign called *What's Upstream*. The request stated that the campaign unfairly targets and demonizes farmers and ranchers.

We anticipate starting our work in mid to late May. We will contact the audit coordinator to arrange a mutually agreeable time to discuss our objectives and the purpose of the preliminary research phase of the assignment. We would also be particularly interested in any areas of concern that you may have. We will answer any questions you 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. Throughout the project, we will provide updates on a regular basis through monthly meeting and via email, phone or video conference.

We respectfully note that the OIG is authorized by the Inspector General Act of 1978 to have timely access to personnel and all materials necessary to complete its objectives. We will request your resolution if an agency employee or contractor refuses to provide requested records to the OIG, or otherwise fails to cooperate with the OIG. We may report unresolved access matters to the Administrator and include the incident in the Semiannual Report to Congress.

The project will be supervised by me, and the Project Manager will be Angela Bennett. Should you or your staff have any questions, please contact me at (202) 566-2474 or trefry.john@epa.gov, or Angela Bennett at (404) 562-9844 or bennett.angela@epa.gov.

cc: Michelle Pirzadeh, Deputy Regional Administrator, Region 10
Edward H. Chu, Assistant Regional Administrator, Region 10
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