



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

OFFICE OF  
INSPECTOR GENERAL

July 14, 2016

**MEMORANDUM**

**SUBJECT:** Project Notification:  
Fiscal Year 2016 Risk Assessment of EPA's Purchase Card and  
Convenience Check Program  
Project No. OA-FY16-0229

**FROM:** Michael Petscavage, Director *Michael Petscavage*  
Contract and Assistance Agreement Audits

**TO:** Donna Vizian, Acting Assistant Administrator  
Office of Administration and Resources Management

The Office of Inspector General (OIG) for the U.S. Environmental Protection Agency (EPA) plans to begin a risk assessment of the EPA's purchase card and convenience check program with the Office of Acquisition Management (OAM) within the Office of Administration and Resources Management (OARM). This project is included in our fiscal year 2016 annual plan. According to requirements outlined in the Government Purchase Card Abuse Prevention Act of 2012, the Inspector General is to conduct periodic assessments<sup>1</sup> of agency purchase card and convenience check programs to identify and analyze risks of illegal, improper or erroneous purchases and payments.

The OIG's objective is to assess the risk of illegal, improper and erroneous purchases made through the agency's purchase card and convenience check program and determine the nature, timing and extent of testing necessary.

We will conduct our work within OAM. We plan to interview EPA personnel about internal controls and implementation of prior audit recommendations; and review purchase card and convenience check policies, procedures and guidance documents. Applicable generally accepted government auditing standards will be used in conducting our risk assessment. The anticipated benefits of this project are to determine effectiveness of oversight and management of the purchase card and convenience check program.

We will contact your audit coordinator to arrange a mutually agreeable time to discuss our objectives and the purpose of our risk assessment. We would also be particularly interested in any areas of concern that you may have. We will answer any of your questions about the risk assessment process, reporting

---

<sup>1</sup> Office of Management and Budget Memorandum M-13-21 determined periodic risk assessments to be on an annual basis at a minimum.

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 regular updates on our progress.

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

1. Access to PaymentNet for the OIG audit team.
2. An Excel file of purchase card and convenience check transactions for the first three quarters of fiscal year 2016.
3. List of blocked MCC codes.
4. A current list of authorized purchasers and convenience check writers, including applicable single and monthly limits as well as dates.
5. A current list of approving officials.
6. The latest EPA quarterly report to the Office of Management and Budget on purchase card transactions and convenience checks.
7. The latest semiannual report to the Office of Management and Budget on purchase card violations.

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 Madeline Mullen. Any information related to the audit should be addressed to Michael Petscavage at [petscavage.michael@epa.gov](mailto:petscavage.michael@epa.gov) or (202) 566-0897, or Madeline Mullen at [mullen.madeline@epa.gov](mailto:mullen.madeline@epa.gov) or (206) 553-4032.

cc: John Showman III, Acting Principal Deputy Assistant Administrator, OARM  
Brandon McDowell, Audit Follow-Up Coordinator, OARM  
Nic Grzegozewski, Agency Follow-Up Coordinator  
Denise Polk, Acting Director, OAM, OARM  
Lisa Maass, Audit Follow-Up Coordinator, OAM, OARM  
John E. Oliver, Acting Director, OAM Policy, Training, and Oversight Division, OARM  
Frank Benenati, Associate Administrator for Public Affairs  
Melissa Harrison, Press Secretary, Office of Public Affairs  
Arthur A. Elkins Jr., Inspector General  
Charles Sheehan, Deputy Inspector General  
Alan Larsen, Counsel to the Inspector General  
Kevin Christensen, Assistant Inspector General for Audit  
Carolyn Copper, Assistant Inspector General for Program Evaluation  
Patrick Sullivan, Assistant Inspector General for Investigations  
Edward Shields, Acting Assistant Inspector General for Management  
Richard Eyermann, Deputy Assistant Inspector General for of Audit  
Jennifer Kaplan, Deputy Assistant Inspector General for Congressional and Public Affairs  
Jeffrey Lagda, Congressional and Media Liaison, OIG  
Regional Audit Follow-Up Coordinators, Regions 1–10