



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

OFFICE OF
INSPECTOR GENERAL

March 11, 2019

MEMORANDUM

SUBJECT: Project Notification:
Risk Assessment of EPA's Purchase Cards and Convenience Checks
Project No. OA&E-FY19-0130

FROM: Michael Petscavage, Director *Madeline Mullen for*
Contracts and Assistance Agreements Directorate
Office of Audit and Evaluation

TO: Donna Vizian, Principal Deputy Assistant Administrator
Office of Mission Support

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. This project is included in our *Fiscal Year 2019 Annual Plan*.

The OIG's objective is to determine whether the EPA has been able to implement corrective actions to reduce the potential for illegal, improper or erroneous use of purchase cards and convenience checks. The OIG plans to conduct work with the Office of Acquisition Solutions within the Office of Mission Support. The OIG plans to conduct its work remotely and does not plan any site visits. Applicable generally accepted government auditing standards will be used in conducting our project. The anticipated benefit of this project is to determine the risk level in the EPA's purchase card and convenience check program.

We will contact your Audit Liaison to arrange a mutually agreeable time to meet with your staff to discuss our objective and the purpose of our project. We would also be particularly interested in any areas of concern that you may have. We will answer any of your questions 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 meetings and emails.

Please provide the following information electronically to OIG Project Manager Madeline Mullen to the extent possible before or at the kickoff meeting, and use an attachment if the number of items requested requires more than half a page:

1. Copies of any new or revised policies/procedures for the use of the purchase card.
2. Any new guidance regarding penalties for noncompliance or the process for suspending cardholder privileges.

3. Access to data systems or databases used for purchase card and convenience check transactions.
4. The latest EPA quarterly report to the Office of Management and Budget on purchase card violations.
5. A current list of approving officials.
6. A current list of authorized cardholders and convenience check writers, including monthly limits and dates.
7. A current list of blocked Merchant Category Codes.
8. An Excel file of purchase card and convenience check transactions for the first quarter of fiscal year 2019.

We respectfully note that the OIG is authorized by the Inspector General Act of 1978, as amended, to have timely access to personnel and all materials necessary to complete its objectives. We will request that you resolve the situation 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 project should be addressed to me at (202) 566-0897 or petscavage.michael@epa.gov, or Madeline Mullen at (206) 553-4032 or mullen.madeline@epa.gov.

cc: Henry Darwin, Chief of Operations
Ryan Jackson, Chief of Staff
Michael Molina, Deputy Chief of Staff
Kimberly Patrick, Director, Office of Acquisition Solutions, Office of Mission Support
Pam Legare, Deputy Director, Office of Acquisition Solutions, Office of Mission Support
Lorena Cedano-Zambrano, Audit Follow-Up Coordinator, Office of Mission Support
Celia Vaughn, Audit Follow-Up Coordinator, Office of Acquisition Solutions,
Office of Mission Support
Donna Blanding, Acting Director, Policy Training, and Oversight Division, Office of Acquisition
Solutions, Office of Mission Support
Bob Trent, Agency Follow-Up Coordinator
Regional Audit Follow-Up Coordinators, Regions 1–10
Charles Sheehan, Acting Inspector General
Edward Shields, Acting Deputy Inspector General
Eric Hanger, Acting Counsel to the Inspector General
Kevin Christensen, Assistant Inspector General for Audit and Evaluation
Craig Ulmer, Acting Assistant Inspector General for Investigations
James Nussbaumer, Acting Assistant Inspector General for Management
Richard Eyer mann, Deputy Assistant Inspector General for Audit and Evaluation
Christine El-Zoghbi, Deputy Assistant Inspector General for Audit and Evaluation
Jennifer Kaplan, Deputy Assistant Inspector General for Congressional and Public Affairs
Jeffrey Lagda, Congressional and Media Liaison, Office of Inspector General
Tia Elbaum, Congressional and Media Liaison, Office of Inspector General