



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

OFFICE OF  
INSPECTOR GENERAL

March 2, 2020

**MEMORANDUM**

**SUBJECT:** Notification of Audit:  
EPA's Compliance with Regulations Concerning Federal Contractors with Tax Debt  
Project No. OA&E-FY20-0112

**FROM:** Michael D. Davis, Director  
Efficiency Directorate  
Office of Audit and Evaluation

A handwritten signature in blue ink that reads "Michael D. Davis".

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

The Office of Inspector General for the U.S. Environmental Protection Agency plans to begin fieldwork on the subject audit. This audit is a discretionary, self-initiated project, and will contribute to the improvement of the EPA's business practices and accountability.

The OIG's objectives are to determine if the EPA is awarding contracts to contractors with tax debt and if the EPA is complying with applicable laws, regulations, policies, and procedures for the awarding and management of contracts to contractors with tax debt.

The OIG plans to conduct work at select program offices at EPA headquarters, including, but not limited to, the Office of Mission Support's Office of Acquisition Solutions and the Suspension and Debarment Division. Applicable generally accepted government auditing standards will be used in conducting our audit. The anticipated benefits of this audit are improved operational efficiency and responsible stewardship of taxpayer dollars.

We will contact you to arrange a mutually agreeable time to discuss our objectives. We would also be particularly interested in any areas of concern that you may have. We will answer any of your questions about the audit process, reporting procedures, methods used to gather and analyze data, and what we should expect of each other during the audit. Throughout the audit, we will provide updates on a regular basis.

To expedite our audit, please provide the following information prior to the entrance conference to Project Manager Heather Layne at [layne.heather@epa.gov](mailto:layne.heather@epa.gov), and Auditor-in-Charge Debra Coffel at [coffel.debra@epa.gov](mailto:coffel.debra@epa.gov):

- Listing of all notifications to the Suspension and Debarment Division from fiscal year 2017 through FY 2019 of contractors who reported qualifying tax debt and the Suspension and Debarment Division outcomes of such notifications. These notifications are required by the Federal Acquisition Regulation at 48 CFR § 52.209-5, *Certification Regarding Responsibility Matters* and 48 CFR § 52.209-11, *Representation by Corporations Regarding Delinquent Tax Liability or a Felony Conviction under any Federal Law*.
- List of contracts awarded to any federal contractor with qualifying tax debt under 48 CFR § 52.209-5 and § 52.209-11 from FY 2017 through FY 2019.
- Designated points of contact from the OAS and the Suspension and Debarment Division.
- All federal laws and regulations, as well as EPA policies, procedures, and guidance, relevant to awarding and administering contracts to federal contractors with tax debt.
- All systems and databases the Agency uses to identify and consider the tax debt of federal contractors before and after awarding a contract.

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 materials 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*.

I will supervise the audit. Any information related to the project should be addressed to me at (513) 487-2363 or [davis.michaeld@epa.gov](mailto:davis.michaeld@epa.gov), or Heather Layne at (617) 918-1486 or [layne.heather@epa.gov](mailto:layne.heather@epa.gov).

cc: Henry Darwin, Assistant Deputy Administrator  
 Doug Benevento, Associate Deputy Administrator  
 Michael Molina, Acting Chief of Staff  
 Kevin DeBell, Acting Deputy Chief of Staff  
 Wesley Carpenter, Deputy Assistant Administrator for Administration and Resources Management  
 Kimberly Patrick, Director, Office of Acquisition Solutions  
 Michael Osinski, Acting Director, Office of Grants and Debarment  
 Lorena Cede-Zambrano, Audit Follow-up Coordinator, Office of Mission Support  
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