



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

OFFICE OF
INSPECTOR GENERAL

April 11, 2013

MEMORANDUM

SUBJECT: Purchase Card and Convenience Check Audit
Project No. OA-FY13-0116

FROM: Melissa M. Heist
Office of Audit

Melissa M. Heist

TO: Craig E. Hooks, Assistant Administrator
Office of Administration and Resources Management

The U.S. Environmental Protection Agency, Office of Inspector General, is beginning the fieldwork phase of its audit of the agency's purchase card and convenience check programs. According to requirements outlined in the Government Purchase Card Abuse Prevention Act of 2012, the inspector general is to conduct periodic assessments of the agency purchase card and convenience check programs to identify and analyze risks of illegal, improper or erroneous purchases and payments.

The objectives of the fieldwork phase of the audit are to determine whether EPA:

1. Has sufficient controls to identify potentially illegal, improper and erroneous use of purchase cards.
2. Is analyzing purchase card transactions to identify purchases that could be made by other means to obtain lower prices.

We plan to analyze a random sample of high risk fiscal year 2012 purchase card and convenience check transactions. We will interview Office of Administration and Resources Management staff and staff responsible for two of the 2012 biennial reviews. Cardholders will be contacted to obtain supporting documentation. If needed, we will interview EPA cardholders and approving officials.

The OIG plans to conduct work at the EPA Office of Acquisition Management in headquarters. Purchase card transaction testing will cover multiple program and regional offices. We would like to schedule an entrance conference the week of April 15, 2013. At the meeting, we will discuss the results

of our preliminary research and the additional work we will perform. The audit team will contact the audit liaison to schedule the meeting.

We will regularly update the Office of Acquisition Management on the status of the audit during field work, which we anticipate will end in June 2013. During this project, the OIG plans to produce the following products by the dates specified:

<u>Products</u>	<u>Estimated Dates</u>
Finding Outlines	July 23, 2013
Draft Report	October 2, 2013
Final Report	December 13, 2013

The project will be supervised by Janet Kasper, director of contract and assistance agreement audits; and Madeline Mullen, project manager. If you or your staff have any questions, please do not hesitate to contact me at (202) 566-0899 or heist.melissa@epa.gov, or Janet Kasper at (312) 886-3059 or kasper.janet@epa.gov.

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