



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

OFFICE OF
INSPECTOR GENERAL

May 4, 2012

MEMORANDUM

SUBJECT: Preliminary Research of EPA Working Capital Fund Contracts (OA-FY12-0494)

FROM: Richard J. Eyermann *Richard J. Eyermann*
Deputy Assistant Inspector General for Audit

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

Malcolm Jackson
Assistant Administrator and Chief Information Officer
Office of Environmental Information

The Office of Inspector General plans to begin preliminary research for an audit of EPA's Working Capital Fund (WCF) contracts. During preliminary research, we will focus our work on the Office of Environmental Information's (OEI's) administered data processing service/activity contracts since the majority of the WCF's services are in data processing. Our preliminary research objective is to determine whether EPA is effectively managing WCF contracts for data processing.

We plan to conduct research at OEI Office of Technology Operations and Planning and OARM Office of Acquisition Management. At the end of the preliminary research phase, we will decide whether additional work is warranted and if the objective needs to be modified. In order for us to complete our work as expeditiously as possible and with minimal disruption of your staff, we ask that you send us, by May 14, 2012, the following documents (electronic media preferred):

- (1) The 2011 and 2012 WCF fund budgets and justifications that detail the costs associated with each data processing service/activity.
- (2) A listing of all open OEI WCF contracts as of April 30, 2012, along with periods of performance, obligated amounts, and expenditures.
- (3) Copies of the five open OEI data processing service/activity WCF contracts with the highest amount of obligated funds and the five with the highest expenditures.

- (a) Please include the statement of work, and the interagency agreement, if applicable)
- (b) For the selected contracts, please also provide documentation for monitoring contractor performance, such as progress reports or contractor performance evaluations.
- (c) Finally, please provide copies of or access to the applicable documentation required for contract administration on the selected contracts in accordance with FAR 4.803 b and c.

The Project Manager for this audit is Teren Crawford. We will contact the appropriate personnel to arrange a mutually agreeable time during the week of May 14, 2012, to discuss the objective and the purpose of the project. We are 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.

If you or your staff have any questions, please do not hesitate to contact me by phone or e-mail at (202) 566-0565 (eyermann.richard@epa.gov), or Teren Crawford at (202) 566-2724 (crawford.teren@epa.gov).

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