



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

OFFICE OF  
INSPECTOR GENERAL

October 3, 2017

**MEMORANDUM**

**SUBJECT:** Project Notification:  
Audit of EPA's Water Infrastructure Finance and Innovation Act Program  
Project No. OA-FY18-0023

**FROM:** Kevin Christensen, Assistant Inspector General  
Office of Audit

A handwritten signature in black ink, appearing to read "Kevin L. Christensen".

**TO:** Michael Shapiro, Acting Assistant Administrator  
Office of Water

The Office of Inspector General (OIG) for the U.S. Environmental Protection Agency (EPA) plans to begin preliminary research on the EPA's Water Infrastructure Finance and Innovation Act (WIFIA) program. This audit contributes to agency efforts to ensure clean and safe water, partnering with states and other stakeholders, and operating efficiently and effectively.

The OIG's objective is to determine whether the EPA has established effective internal controls for the WIFIA program. Our review will encompass the Government Accountability Office's five internal control standards: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communications, and (5) monitoring. The OIG plans to conduct its preliminary research at EPA headquarters. Applicable generally accepted government auditing standards will be used in conducting our audit.

We will contact you to arrange a mutually agreeable time to discuss our objectives and the purpose of the preliminary research phase 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 to the Audit Follow-Up Coordinator on a regular monthly basis through emails.

Please provide the following by October 12, 2017:

- Copies of, or website links to, all agency policies and procedures for the WIFIA program.
- Copies of, or website links to, all applicable federal guidance on the WIFIA program.
- Agency point(s)-of-contact for this audit.
- Location of WIFIA project files, and how the OIG can obtain access to those files.

- Current roster of Office of Water staff who work on the WIFIA program.

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 audit will be supervised by Michael Davis, Director. Randy Holthaus will be the Project Manager. Any information related to the audit should be addressed to Michael Davis at (513) 487-2363 or [davis.michaeld@epa.gov](mailto:davis.michaeld@epa.gov), or Randy Holthaus at (214) 665-6620 or [holthaus.randy@epa.gov](mailto:holthaus.randy@epa.gov).

cc: Ryan Jackson, Chief of Staff  
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