



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

FEB 23 2012

THE INSPECTOR GENERAL

MEMORANDUM

SUBJECT: Close-Out of OIG Report No. 12-1-0073, *Audit of EPA's Fiscal 2011 and 2010 Consolidated Financial Statements*, November 15, 2011

TO: Barbara J. Bennett
Chief Financial Officer

Thank you for your memorandum of February 8, 2012, which addresses the Agency's corrective actions on the findings and recommendations in the subject report. We appreciate your efforts to address the recommendations.

We find your proposed corrective actions adequate to address recommendations 1, 2, 3, 4, 7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20. You indicated that you do not concur with recommendations 5, 6, and 8; however, you proposed corrective actions with target due dates. These corrective actions involve discussions with the Department of Treasury on the concerns we raised in the Significant Deficiency. To ensure that our concerns are fully addressed, we request that you include representatives from the Office of Inspector General in your meeting with the Department of Treasury. We also suggest that you discuss this matter with representatives of the Federal Accounting Standards Advisory Board.

We are closing all recommendations from this report in our tracking system. During our Fiscal 2012 Consolidated Financial Statements Audit, we will follow up to determine your progress in implementing the planned corrective actions on all recommendations and the effectiveness of actions taken to correct the deficiencies we found.

If you have any questions, please contact Melissa Heist, Assistant Inspector General for Audit, at (202) 566-0899; or have your staff contact Paul Curtis, Director, Financial Statement Audits, at (202) 566-2523.

A handwritten signature in blue ink, appearing to read "Arthur A. Elkins, Jr.".

Arthur A. Elkins, Jr.

cc: Maryann Froehlich
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