



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

OFFICE OF
INSPECTOR GENERAL

January 8, 2018

MEMORANDUM

SUBJECT: Project Notification:
Audit of Salary Overpayment and Debt Forgiveness Waiver Process
Project No. OA-FY18-0084

A handwritten signature in blue ink, appearing to read "John McTighe", is written over a light blue rectangular background.

FROM: John Trefry, Director, Forensic Directorate
Office of Audit and Evaluation

TO: David Bloom, Acting Chief Financial Officer

The Office of Inspector General (OIG) for the U.S. Environmental Protection Agency (EPA) plans to begin preliminary research on the agency's process for waiving salary overpayment claims. This project is the result of issues noted during our audit of the Office of Air and Radiation timekeeping policies and procedures.

Our objective is to determine whether the agency is properly collecting salary overpayments from its employees. Specifically, we will determine whether the agency is properly forgiving debts owed by its employees through its waiver or compromise process. We plan to conduct our work at the Office of the Chief Financial Officer, as well as at other offices that are involved in this process. Applicable generally accepted government auditing standards will be used in conducting our project. The anticipated benefit of this project is the strengthening of agency policies and procedures, resulting in funds that could potentially be collected and made available for better use.

We will contact you to arrange a mutually agreeable time to discuss our objective 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, the reporting procedures, the 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 on a regular basis through monthly meetings or via email, phone or video conference.

To expedite our review, we request that you please provide us with the following information, if available, before or at the kickoff meeting:

1. List of contact points from the Office of the Chief Financial Officer and any other offices involved in the salary overpayment and debt forgiveness waiver process.
2. Policies, procedures or guidance used for the assessment and determination of the employee debt waiver or write-off process.

3. List of all salary overpayment waiver claims received and processed during calendar year 2017 (January 1, 2017, through December 31, 2017). This list should include the final decisions and the amounts waived or compromised for each claim.

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 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 project will be supervised by John Trefry, Director, Forensic Directorate, and the Project Manager will be Jean Bloom. Any information related to the project should be addressed to John Trefry at (202) 566-2474 or trefry.john@epa.gov or to Jean Bloom at (617) 918-1475 or bloom.jean@epa.gov.

cc: Ryan Jackson, Chief of Staff
Henry Darwin, Chief of Staff for Operations
Kevin Chmielewski, Deputy Chief of Staff for Operations
Kevin Minoli, Acting General Counsel, Office of General Counsel
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