



UNITED STATES DEPARTMENT OF COMMERCE
Office of Inspector General
Seattle Regional Office
Federal Building, Room 3062
915 2nd Avenue
Seattle, WA 98174

July 1, 2008

MEMORANDUM FOR: Gary Johnson
Acting Director
Office of Acquisition Management
Commerce Grants Management Division

Dennis Alvord
Director
Economic Development Administration
Legislative and Intergovernmental Affairs

Michael E. Dame
Chief
National Institute of Standards and Technology
Grants and Agreements Management Division

Rimas T. Liogys
Director
National Oceanic and Atmospheric Administration
Grants Management Division

FROM:  for
Judith J. Gordon
Assistant Inspector General for Audit and Evaluation

SUBJECT: Department-wide Oversight of Grants

We are initiating an audit of oversight activities designed to detect and prevent fraud in the various grant programs administered by the Economic Development Administration, the National Institute of Standards and Technology (NIST and NTIA grants), and the National Oceanic and Atmospheric Administration (NOAA, ITA, MBDA, and Office of the Secretary grants). We will also consider the Office of Acquisition Management's role in the grants process, which includes developing, coordinating, and overseeing Commerce's financial assistance policy, and implementing government-wide grants policy directives at the Department.

Our purpose is to identify relevant oversight activities currently in place at the Department's grants management offices and to determine

1. whether those activities are consistent with the Department's grants manual, and
2. how they compare with best practices detailed in the *Guide to Opportunities for Improving Grant Accountability*, published by the Domestic Working Group—a coalition of 19 federal, state, and local audit organizations and led by the

Comptroller General of the United States. (The guide is available at <http://www.epa.gov/oig/dwg/reports/dwg-grants.pdf>.)

As a first step, we will be contacting your respective audit liaison shortly to schedule an entrance conference. We ask that copies of all oversight policies and procedures in place at your office and any other relevant documentation and information that would aid our audit be made available to our audit staff.

Thank you in advance for your cooperation and assistance with our audit. Should you have any questions regarding this work, please contact me at (202) 482-5643, or David Sheppard, deputy assistant inspection general for regional audits, at (206) 220-7970.

cc: Anita Sanders, EDA audit liaison
Leonard Smith, EDA Seattle regional director
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Robert E. Olson, EDA Denver regional director
Stephen Willett, NIST audit liaison
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