




UNITED STATES DEPARTMENT OF COMMERCE  
Office of Inspector General  
Washington, D.C. 20230

May 29, 2013

**MEMORANDUM FOR:** Eric L. Hirschhorn  
Under Secretary for Industry and Security

**FROM:** Ron Prevost   
Assistant Inspector General for Economic and Statistical  
Program Assessment

**SUBJECT:** Audit of BIS Export Control Reform Preparedness

During a March 5, 2013, hearing before the House Appropriations Subcommittee on Commerce, Justice, Science, and Related Agencies, Chairman Frank Wolf raised a question about the Bureau of Industry and Security's (BIS') ability to handle the expected increased workload for the licensing and enforcement of former munitions items. As a result, and in conjunction with our Top Management Challenges facing the Department of Commerce, we plan to audit BIS' plans to implement changes to its licensing and enforcement operations resulting from the Export Control Reform Initiative.

Our objectives are to (1) review the adequacy of BIS program plans and budget requests to address the increased workloads for licensing, outreach, and enforcement activities in FYs 2014–2016 and (2) evaluate existing BIS licensing, outreach, and enforcement activities and identify any areas for increased efficiencies.

We will contact your audit liaison to schedule an entrance conference in June 2013. In the interim, we will send a document list and request that you provide us the information requested within 2 weeks. If you have any questions about this audit, please contact Carol Rice, Division Director for Statistical Programs, at (202) 482-6020 or Eleazar Velazquez, Supervisory Program Analyst and audit manager, at (202) 482-0744. We appreciate the cooperation of your staff during this audit.

cc: Daniel O. Hill, Deputy Under Secretary for Industry and Security  
Kevin J. Wolf, Assistant Secretary for Export Administration  
David W. Mills, Assistant Secretary for Export Enforcement  
Gay Shrum, Chief Financial Officer and Director of Administration  
John T. Masterson, Jr., Chief Counsel for Industry and Security  
Mark Crace, Audit liaison