



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

JAN 12 2011

The Honorable Jacob J. Lew
Director, Office of Management and Budget
Executive Office of the President
725 17th Street, NW
Washington, D.C. 20503

THE INSPECTOR GENERAL

Dear Mr. Lew:

In the Fall of 2008, Congress amended The Inspector General Act 1978, 5 U.S.C. app3, to provide Inspectors General with the opportunity to comment if we believe the budget request for our operations would not be sufficient to perform the duties of the Office of Inspector General (OIG). Specifically, § 6(f)(3)(E) provides that:

The President shall include in each budget of the United States Government submitted to Congress—any comments of the affected Inspector General with respect to the proposal if the Inspector General concludes that the budget submitted by the President would substantially inhibit the Inspector General from performing the duties of the office.

Based on the funding level for Fiscal Year (FY) 2012 that is being proposed for the Environmental Protection Agency's (EPA) OIG, I am providing the following comments for inclusion in the President's FY 2012 Budget.

First, I would like to express my gratitude to the EPA leadership, as well as those in the Office of Management and Budget (OMB) who have afforded the OIG the opportunity to provide additional information in support of the investment we are requesting for our cyber investigations and homeland security oversight activities. We believe this is a critical new investment that requires sufficient funding to ensure adequate oversight by the OIG.

I recognize the seriousness of our country's economic challenges and I support the President's commitment to conserve and maximize scarce Federal resources. I believe the investment that the OIG is requesting meets those goals. With future resources being reduced, and existing resources stretched further, there is an even greater urgency for the investment in oversight to promote efficiency and address the heightened risks of fraud, waste and abuse in EPA programs. For FY 2012, the OIG requested an increase of \$7.4 million above the President's FY 2011 request. As a result of further discussions with OMB, our proposed budget for FY 2012 has been increased, but is still more than \$5 million below our request.

The Obama Administration and Congress have expressed concerns about the increasing vulnerability of the Federal IT infrastructure to potential cyber security threats. As the Inspector General, I regard EPA's cyber vulnerability a significant management challenge that will extend to and beyond FY 2012. Addressing these risks requires highly specialized detection, prevention, and enforcement skills and tools.

While we have been funding our limited cyber activities through a reallocation of existing resources, we cannot continue to do so without creating accountability and risk vulnerability gaps in our oversight of other Agency programs and operations.

As the Inspector General, I feel an obligation under the law to communicate my concern that such a reduction to our request would result in the OIG not being able to fund its cyber security initiative to the level we believe necessary to address current and future risks.

Sincerely,



Arthur A. Elkins, Jr.

cc: The Honorable Robert Perciasepe
The Honorable Jeffrey Zients
The Honorable Phyllis Fong