



October 7, 2022



MEMORANDUM FOR: Alan Estevez
Under Secretary of Commerce for Industry and Security
Bureau of Industry and Security

Arthur L. Scott, Jr.

FROM: Arthur L. Scott, Jr.
Assistant Inspector General for Audit and Evaluation

SUBJECT: Audit of BIS's Efforts to Counter China's Military-Civilian Fusion Strategy
(#2023-440)

We are initiating an audit of the Bureau of Industry and Security's (BIS's) efforts to counter China's military-civilian fusion (MCF) strategy. Our objective is to assess the adequacy of the actions taken by BIS to reduce the risk of China's MCF threats.

An entrance conference has been scheduled for October 12, 2022, at which time we will discuss in further detail the specific nature of our audit—including our objective and scope, time frames, and any potential data needs. If you have any questions about this audit, please contact me at (202) 577-9547, or Terry Storms, Division Director for Census and Trade, at (202) 570-6903.

We thank you in advance for your cooperation during this effort.

cc: Kristina Potts, Audit Liaison, BIS
Pamela Moulder, Alternate Audit Liaison, BIS
Jennifer Kuo, Alternate Audit Liaison, BIS
MaryAnn Mausser, Audit Liaison, Office of the Secretary