



February 10, 2014

MEMORANDUM FOR: Matt S. Erskine
Deputy Assistant Secretary for Economic Development

FROM: Andrew Katsaros
Assistant Inspector General for Audit

SUBJECT: Audit of EDA's Revolving Loan Fund Program

We are initiating an audit of EDA's controls and processes associated with the management of its Revolving Loan Fund program. The objective of our audit is to determine the adequacy of controls EDA has in place specifically for the areas of capital utilization, default rates, reporting, and audit oversight.

We have scheduled an entrance conference for February 11, 2014, when we will further discuss our objectives. If you have any questions regarding this review, please contact me at (202) 482-7859 or David Sheppard, Regional Inspector General for Audit, at (206) 220-7970. We thank you in advance for your cooperation during this audit.