

Semiannual Report to Congress: April 1–September 30, 2023

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Index of Inspector General Act Semiannual Reporting Requirements

| Requirement | Subject | Addressed in |
|---------------------|--|----------------------------|
| Section 5(a)(1) | Description of significant problems, abuses, and deficiencies relating to programs and operations and associated reports and recommendations for corrective action | Section 2.1 |
| Section 5(a)(2) | Identification of each recommendation made before the reporting period for which corrective action has not been completed and potential cost savings associated with the recommendation | Section 1.3 and Appendix 3 |
| Section 5(a)(3) | Summary of significant investigations closed during the reporting period | Section 2.2 |
| Section 5(a)(4) | Identification of the total number of convictions during the reporting period resulting from investigations | Sections 2.2 and 3.1 |
| Section 5(a)(5) | A list identifying each audit, inspection, or evaluation report issuing during the reporting period; along with the total value of questioned costs (to include unsupported costs); total value of recommendations that funds to put to better use; and whether a management decision had been made by the end of the reporting period | Appendix 1 |
| Section 5(a)(6) | Information regarding any management decision made during the reporting period with respect to an audit, inspection or evaluation report issued during a previous reporting period | Appendix 2 |
| Section 5(a)(7) | Information described under section 804(b) of the Federal Financial Management Improvement Act of 1996 | Section 1.3 |
| Section 5(a)(8–10) | Information with respect to peer reviews conducted | Appendix 5 |
| Section 5(a)(11–12) | Statistics on investigative reports, referrals, prosecutions, and indictments | Section 3.1 |
| Section 5(a)(13) | Information with respect to substantiated investigations involving senior government employees | Section 2.2 and Appendix 4 |
| Section 5(a)(14) | Information with respect to instances of whistleblower retaliation | Section 2.3 |
| Section 5(a)(15) | Detailed description of any establishment attempts to interfere with OIG independence; summary of each report made to the agency head under Inspector General Act section 6(c)(2) | Section 2.3 |
| Section 5(a)(16) | Detailed description of closed audits, inspections, and evaluations; and closed investigations involving senior employees not disclosed to public | Section 2.1 and Appendix 4 |

Source: Inspector General Act of 1978, as amended.

Abbreviations

| | |
|---------|---|
| C.F.R. | Code of Federal Regulations |
| CSB | U.S. Chemical Safety and Hazard Investigation Board |
| EPA | U.S. Environmental Protection Agency |
| FY | Fiscal Year |
| GS | General Schedule |
| IIJA | Infrastructure Investment and Jobs Act |
| OIG | Office of Inspector General |
| Pub. L. | Public Law |
| U.S.C. | United States Code |

Cover Image

From top to bottom: Red Hill site, cargo ship at port, and water treatment infrastructure. (U.S. Navy, EPA OIG, and EPA photos, respectively)

Are you aware of fraud, waste, or abuse in an EPA or CSB program?

EPA Inspector General Hotline

1200 Pennsylvania Avenue, NW (2431T)
Washington, D.C. 20460
(888) 546-8740
OIG.Hotline@epa.gov

Learn more about our [OIG Hotline](#).

EPA Office of Inspector General

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Message to Congress

On behalf of the U.S. Environmental Protection Agency Office of Inspector General, I am pleased to present our *Semiannual Report to Congress*. This report summarizes our work and accomplishments from April 1 through September 30, 2023. Throughout this period, we provided comprehensive, objective oversight of the EPA and the U.S. Chemical Safety and Hazard Investigation Board, and we recommended actions to help the EPA and the CSB fulfill their respective missions more effectively and efficiently. In doing so, we demonstrated a true return on the American taxpayer's investment, uncovering nearly \$4 of fraud, waste, and abuse for every \$1 Congress gave us and identifying areas where the EPA can, in the future, save significantly more.



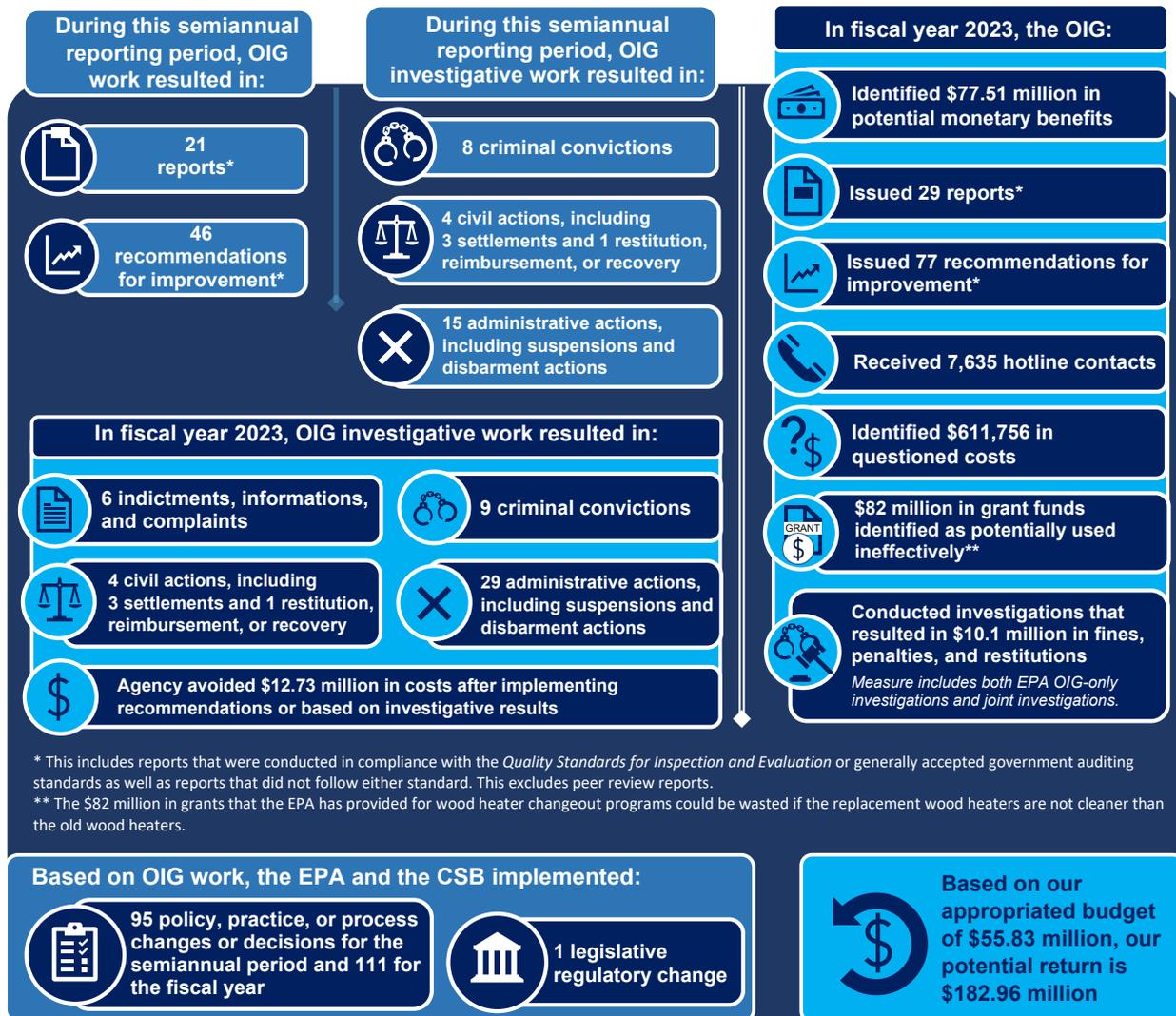
Sean W. O'Donnell

Providing IIJA and Inflation Reduction Act Oversight. During this semiannual period, we transitioned from laying the groundwork for Infrastructure Investment and Jobs Act oversight to implementing our [IIJA Oversight Plan](#). As of September 30, we had approximately 30 planned or ongoing IIJA oversight projects, as outlined on our [IIJA webpage](#). These include audits and evaluations of the EPA's Clean School Bus Program and the EPA's guidance to state revolving fund programs for implementing Build America, Buy America Act requirements. We also saw the first results of our early planning efforts with the issuance of Report No. [23-N-0036](#), *Status of Unliquidated Obligations for Programs Receiving Funding from the Infrastructure Investment and Jobs Act*, which concluded that, in fiscal years 2022 and 2023, the EPA had approximately \$429 million in unliquidated obligations from IIJA appropriations that could be put to better use to benefit human health and the environment. Further, we issued a [report](#) on air pollution at maritime ports, our first related to the EPA's use of Inflation Reduction Act funds. We remain concerned that without any dedicated funding from Congress to the OIG for this purpose, we are unable to conduct robust oversight of the EPA's spending of \$41.5 billion appropriated under the Inflation Reduction Act. Rather, we must make tough decisions on how to deploy our limited resources.

Providing Oversight Related to Environmental Emergencies. In addition to our planned work, we provide oversight of the EPA's response to environmental emergencies. This work is reactive, tailored specifically to the EPA's response to the emergency, and must be timely. During this semiannual period, we issued an audit [report](#) related to the drinking-water lead contamination in Benton Harbor, Michigan, and an evaluation [report](#) on the Red Hill fuel leak that contaminated drinking water at Joint Base Pearl Harbor-Hickam in Hawaii. We also completed an [inquiry](#) into the EPA's response to the train derailment in East Palestine, Ohio; continued our oversight related to the potential contamination of the [Elm Point Wellfield](#) drinking-water source in St. Charles, Missouri; and worked on an [audit](#) and an [evaluation](#) related to the drinking-water crisis in Jackson, Mississippi.

Keeping Government Accountable and Honest. My office is laser-focused on proactive oversight. We have rooted out fraud, waste, abuse, and mismanagement and helped the EPA and the CSB mitigate challenges that might impede their missions. For example, in this semiannual period, we issued recommendations and offered suggestions that delve into information technology improvements for Renewable Identification Numbers used to demonstrate compliance with renewable fuel standards, meaningful tribal consultations, and pollution-reduction for the Chesapeake Bay. Additionally, we issued three management implication reports designed to help the Agency stop would-be fraudsters at the outset of the grant process by identifying critical issues related to [foreign support](#) for grants, [conflicts of interest](#), and [data](#) related to small business innovation research. We investigated

grant and contract fraud, identified fraud that undermined EPA programs and defrauded customers, and addressed fraud that damaged the basis for EPA decision-making, regulatory compliance, and enforcement actions. As an example of the impact of this work, one of our investigations led to a company agreeing to pay \$2.35 million to resolve allegations of false statements relating to the EPA’s Energy Star Program. This semiannual period, we identified \$30.7 million that the EPA could put to better use by implementing our recommendations. This figure doesn’t include the roughly \$99.1 million in potential cost savings the Agency could realize by implementing prior OIG recommendations. Meanwhile, one of our administrative investigations identified nearly \$100,000 in misspent funds, promoting accountability and ethical conduct among CSB employees.



Continuing Impacts. Our work has a lasting impact and contributes to a cleaner and healthier America. While it often takes time to see the broad implications of our work, during this semiannual period we observed how work we completed in prior semiannual periods continues to have an impact. For example, ten state attorneys general cited our residential wood heaters [report](#) in their efforts to encourage tighter emissions standards. The report was also cited during a Senate Appropriations Committee hearing and referenced in Senate report language. Similarly, the Minnesota Supreme Court referenced findings from our [report](#) on state-issued permits in an opinion requiring the Minnesota Pollution Control Agency to allow the EPA to provide written comments on a mining

project permit issued in 2018. In addition, the EPA's regulatory partners cited our defeat devices [report](#) in the media to urge the EPA to retain its enforcement initiative, which the EPA did not do. Further, we continue to work with the Agency to protect scientific integrity, which we highlighted in a [report](#) related to a perfluorobutane sulfonic acid toxicity assessment.

Supporting and Protecting Whistleblowers. Our oversight would be even more challenging without brave whistleblowers who are willing to step forward and shine a light on waste, fraud, and abuse. To help pave the way for would-be whistleblowers, we established the [Cash Awards Program](#), which can financially reward EPA and CSB employees whose disclosures result in a cost savings to the government. In addition, to enhance our OIG Hotline operations and referral process, we moved the hotline from our Office of Congressional and Public Affairs to our Administrative Investigations Directorate, which investigates allegations of misconduct by senior Agency employees and complaints of whistleblower reprisal by Agency employees and others. Further, we hosted our third annual National Whistleblower Appreciation Day presentation to emphasize the importance of whistleblowers and their contributions to keeping our government honest, efficient, and accountable. This presentation drew an astounding turnout, with almost 1,200 attendees.

Enhancing Communication. As communication is critical to keeping Congress, the EPA, the CSB, and the public informed of the OIG's oversight activities, we bolstered our outreach efforts. The most significant of these was the launch of a new website: epaoig.gov. This website increases our transparency, reinforces our independence from the EPA, and better supports and protects whistleblowers—one of our top priorities. The website also includes the latest version of our IJIA spending [dashboard](#). This semiannual period, we also unveiled a new logo that captures our mission and commitment to vigilant oversight; updated our communications products to incorporate our new logo and improve accessibility for individuals with disabilities; launched an Instagram [presence](#); and released our first quarterly [newsletter](#). Additionally, we conducted extensive outreach to state revolving fund officials and designated state-specific OIG points of contact to monitor issues that are unique to the states. Further, I [testified](#) before the House of Representatives Committee on Science, Space, and Technology on our recent oversight work and [testified](#) before the House Energy and Commerce Committee, Subcommittee on Oversight and Investigations, about our oversight of \$5 billion given to the EPA in IJIA funds for clean and zero-emission school buses.

Looking Ahead. In fiscal year 2024, we will continue to provide comprehensive, objective oversight of EPA and CSB programs and operations. We expect to issue public health-related reports on the Jackson drinking-water crisis and on community concerns in St. Charles, Missouri. We also expect to issue fiscal year 2024 top management challenges reports, as well as oversight and strategic plans. While there are challenges ahead given the substantial need for oversight and limited oversight dollars, we are committed to showing a positive and significant return on investment.



Sean W. O'Donnell
Inspector General

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Section 1: Overview



1.1 About the EPA, the CSB, and the OIG

The U.S. Environmental Protection Agency

The mission of the U.S. Environmental Protection Agency is to protect human health and the environment. To carry out this mission, the EPA develops and enforces regulations, gives grants, studies environmental issues, sponsors partnerships, teaches people about the environment, and publishes information about its activities.

The U.S. Chemical Safety and Hazard Investigation Board

The U.S. Chemical Safety and Hazard Investigation Board is an independent federal agency that investigates chemical incidents to determine the cause or probable cause. The CSB’s mission is “to drive chemical safety excellence through independent investigations to protect communities, workers, and the environment.”

The EPA Office of Inspector General

The Office of Inspector General is an independent office in the EPA that detects and prevents fraud, waste, and abuse to help the Agency protect human health and the environment in a more efficient and cost-effective manner. The office was created pursuant to the Inspector General Act of 1978, as amended, 5 U.S.C. §§ 401–424. Since 2004, Congress has designated the EPA inspector general to also serve as the CSB inspector general. As a result, the EPA OIG has the responsibility to audit, evaluate, inspect, and investigate EPA and CSB programs and operations, as well as to review proposed laws and regulations to determine their potential impact on these programs and operations.

Our People

Our staff consists of auditors, program analysts, investigators, social scientists, and other professionals. We are based in Washington, D.C., and in a dozen other cities across the country. With staff throughout the United States, we can quickly begin oversight in response to environmental emergencies and can ensure continuity of operations.



Our Vision

The vision below is from the strategic plan in effect during this semiannual period. We plan to update our plan in FY 2024.

Be the premier oversight organization trusted to speak the truth, promote good governance, and contribute to improved human health and the environment.

Our Mission

The mission below is from the strategic plan in effect during this semiannual period. We plan to update our plan in FY 2024.

Conduct independent audits, evaluations, and investigations; make evidence-based recommendations to promote economy, efficiency, and effectiveness; and prevent and detect fraud, waste, abuse, mismanagement, and misconduct for the EPA and the CSB.

Our Goals

The goals below are from the strategic plan in effect during this semiannual period. We plan to update our plan in FY 2024.

1. Contribute to improved EPA and CSB programs and operations protecting human health and the environment and enhancing safety.
2. Conduct audits, evaluations, and investigations that enable the EPA and the CSB to improve business practices and accountability.
3. Improve OIG processes, resource allocation, and accountability to meet stakeholder needs.

1.2 OIG Strategic Planning

The OIG’s strategic planning documents guide us as we design and execute audits, evaluations, and investigations. When determining which audits and evaluations to undertake, we consider the top management and performance challenges facing the EPA and the CSB. We also consider how our oversight work supports the EPA’s and the CSB’s mission-related efforts. Some of our work is required by law, while we design some projects to follow up on the corrective actions that the EPA and CSB have implemented to verify their responsiveness to prior OIG recommendations. In this semiannual report, we identify which top management challenges our audits and evaluations address, as applicable, next to the following symbol: . We also identify the associated mission-related efforts () and whether the work was statutorily mandated () or a follow-up project (.

Top Management Challenges

EPA FY 2023 [report](#) issued October 28, 2022 | CSB FY 2023 [report](#) issued October 21, 2022 
FY 2024 reports under development

The Reports Consolidation Act of 2000 requires each OIG to prepare an annual report summarizing what the inspector general considers to be the “most serious management and performance challenges facing the agency.” To identify the EPA’s top management challenges, we consider the OIG’s body of work, survey and hold outreach meetings with EPA program offices, and solicit senior EPA leader input. We also consider the work of the U.S. Government Accountability Office and public statements by EPA leaders to the press and Congress. Based on our findings, we identified eight top management challenges facing the EPA in FY 2023. We used audit, evaluation, and other analyses of CSB operations to formulate three top management challenges facing the CSB in FY 2023. During the second half of FY 2023, we began working to identify the top management challenges that the EPA and the CSB will face in FY 2024. We expect to publish our FY 2024 top management challenges reports in the next semiannual reporting period.

EPA FY 2023 Management Challenges

1. Mitigating the causes and adapting to the impacts of climate change.
2. Integrating and leading environmental justice across the Agency and government.
3. Providing for the safe use of chemicals.
4. Safeguarding scientific integrity principles.
5. Ensuring Agency systems and other critical infrastructure are protected against cyberthreats.
6. Managing business operations and resources.
7. Enforcing compliance with environmental laws and regulations.
8. Managing increased investment in infrastructure.

CSB FY 2023 Management Challenges

1. Accomplishment of the CSB’s mission remains impaired until the full board is confirmed.
2. Minimize mission critical staff vacancies and attrition rates.
3. Improve cybersecurity weaknesses.

Fiscal Year 2023 Oversight Plan

[Issued](#) January 9, 2023

The *Oversight Plan* is our guide for the audits, evaluations, and other oversight engagements that we intend to conduct during the fiscal year to fulfill our mission. In developing the *Oversight Plan*, we focused on projects related to the OIG-identified top management challenges. We also considered the findings, recommendations, and observations from previous OIG and Government Accountability Office reports; key strategic documents, such as the *EPA Strategic Plan*; congressional hearings, legislation, and feedback from members of Congress; and projects related to the Infrastructure Investment and Jobs Act, or IIJA. These considerations help ensure that we undertake projects that address the EPA's and the CSB's most pressing challenges. Since our planning efforts are dynamic, the projects included in the plan may be modified as challenges and risks for the EPA and the CSB evolve and emerge. We expect to publish our FY 2024 *Oversight Plan* in the next semiannual reporting period.

Infrastructure Investment and Jobs Act Oversight Plan—Year Two

[Issued](#) April 2023

The IIJA, Pub. L. 117-58, provides the EPA with approximately \$60 billion for infrastructure-related purposes, including geographic programs, state and tribal assistance grants targeting clean-water initiatives, brownfields, Superfund, pollution prevention, and recycling. As of February 28, 2023, the EPA had obligated approximately 12 percent of its IIJA funds; however, less than 1 percent of the \$60 billion in IIJA funds had been expended.

The EPA OIG has received IIJA funds that will allow us to perform dedicated oversight of the EPA's execution of IIJA programming for over ten years. In this semiannual period, we published our *IIJA Oversight Plan—Year Two*, which builds upon our inaugural [IIJA Oversight Plan](#) to guide our audits, evaluations, and oversight engagements to address the EPA programs receiving or impacted by IIJA funds. In year two, our focus was to continue ongoing and begin new IIJA-focused audits and evaluations, as well as to collect and analyze large data sets to support audits, evaluations, and investigations meant to detect and prevent fraud, waste, abuse, or mismanagement of the EPA's IIJA-funded programs. We will continue to revise our *IIJA Oversight Plan* in response to emerging challenges, crises, and priorities.

The OIG's Fiscal Year 2024–2028 Strategic Plan

Under development

This semiannual period, we continued work on our next *Strategic Plan*. Our current [Strategic Plan](#) covers FY 2019 through FY 2023. The new *Strategic Plan* will document our inspector general's five-year vision and the OIG's mission. We expect to publish this plan in the next semiannual reporting period.

1.3 Analysis of Unimplemented Recommendations

OIG audits and evaluations provide recommendations to improve EPA or CSB programs and operations. The EPA, the CSB, and the public benefit from the implementation of these recommendations, which address a range of human health, environmental, and business issues. This semiannual period, we issued a [compendium](#) that provided an in-depth analysis of all open and unresolved recommendations issued by the OIG to the EPA. The compendium also identified high-priority open and unresolved recommendations. These critical recommendations have a high dollar value, are high visibility or high impact, or have been open and unresolved for a long time and should be addressed immediately.

Before issuing a final report that contains recommendations, the OIG distributes a draft report to the EPA or the CSB, identifying a lead official for each recommendation included in the report. The lead officials can then respond to the draft report findings and recommendations. For the final report, which is posted on the OIG's website, the OIG analyzes the responses received and indicates whether each recommendation is:

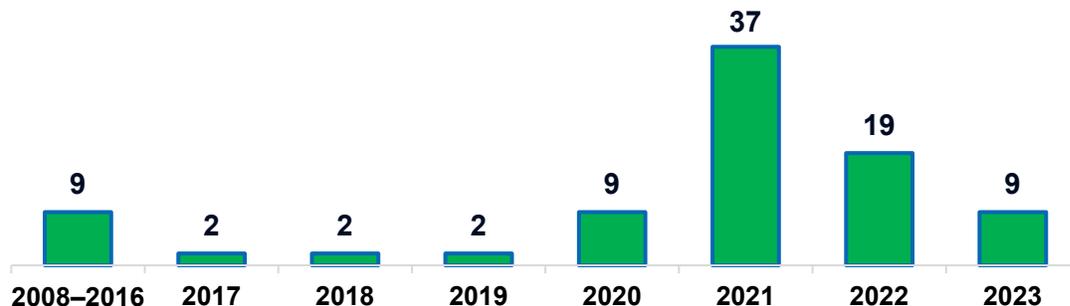
- **Unresolved.** The EPA or the CSB disagrees with the recommendation or did not provide a formal, complete written response to the recommendation, or the OIG disagrees that the Agency's proposed corrective actions are responsive to the recommendation.
- **Resolved.** The EPA or the CSB and the OIG agree upon the recommendation and proposed corrective actions, but the corrective actions have not yet been completed. These recommendations are also called open recommendations and are considered unimplemented, regardless of whether their expected due dates are in the past or the future. [Appendix 3](#) lists the unimplemented recommendations issued prior to this semiannual reporting period.
- **Completed.** The EPA or the CSB and the OIG agree upon the recommendation and proposed corrective actions, and the EPA or the CSB has fully completed them. These recommendations are also called closed recommendations.

Section 5(a)(2) of the Inspector General Act, 5 U.S.C. § 405, as amended by the James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, requires that we identify each recommendation described in previous semiannual reports for which corrective action has not been completed, including the potential cost savings associated with the recommendation.¹ We interpret potential cost savings to be the total of questioned costs plus funds to put to better use. For this semiannual report, we analyzed actions taken by the EPA and the CSB regarding recommendations described in past reports, and we identified those that remained unimplemented as of September 30, 2023: 89 for the EPA and zero for

¹ Effective December 27, 2022, the Inspector General Act of 1978 was reorganized and codified as 5 U.S.C. §§ 401–424; the requirements for the semiannual report to Congress appear in 5 U.S.C. § 405. Section 5273 of the National Defense Authorization Act for Fiscal Year 2023, however, amended the semiannual reporting requirements as they had appeared in section 5 of the Inspector General Act prior to the codification. These revisions are not yet codified in 5 U.S.C. § 405 and instead appear in the statutory notes as amendments not shown in the text. Accordingly, all citations to particular semiannual reporting requirements will reflect the specific subsection of section 5 of the Inspector General Act and a general parallel citation to 5 U.S.C. § 405.

the CSB. Figure 1 shows when these unimplemented recommendations were originally issued to the EPA. As shown in Table 1, the potential cost savings of the 89 recommendations issued to the EPA are approximately \$99 million.

Figure 1: Number of unimplemented recommendations by fiscal year issued



Source: OIG analysis of OIG reports issued before the current reporting period. (EPA OIG image)

Table 1: EPA and CSB unimplemented recommendations

| Agency | Number of unimplemented recommendations | Potential cost savings associated with unimplemented recommendations (\$) |
|--------------|---|---|
| EPA | 89 | 99,072,000.00 |
| CSB | 0 | 0.00 |
| Total | 89 | 99,072,000.00 |

Source: OIG analysis of OIG reports issued before the current reporting period. (EPA OIG table)

Table 2 breaks down the 89 unimplemented recommendations issued to the EPA according to their potential health, environmental, and business benefits and their associated potential cost savings if the EPA implements the recommendations. [Appendix 3](#) includes the full text of the unimplemented recommendations, including the potential cost savings for each recommendation.

Table 2: EPA unimplemented recommendations

| Category | Number of unimplemented recommendations | Potential cost savings associated with unimplemented recommendations (\$) |
|--|---|---|
| Administrative and Business Operations | 23 | 71,272,000.00 |
| Human Health and Environmental Issues | 66 | 27,800,000.00 |
| Total | 89 | 99,072,000.00 |

Source: OIG analysis of OIG reports. (EPA OIG table)

Section 5(a)(7) of the Inspector General Act, 5 U.S.C. § 405, requires that we provide information described under section 804(b) of the Federal Financial Management Improvement Act of 1996. In our audit of the Agency’s FYs 2022 and 2021 Consolidated Financial Statements, we determined that the “results of our tests did not disclose any instances of noncompliance with [Federal Financial Management Improvement Act of 1996] requirements, including where the Agency’s financial management systems did not substantially comply with the applicable federal accounting standard.” Accordingly, there is no information or outstanding corrective actions to report with respect to the Federal Financial Management Improvement Act of 1996.

1.4 The EPA Administrator Reaffirms Commitment to Cooperate with the OIG

On May 16, 2023, EPA Administrator Michael S. Regan sent an email to all EPA employees to reaffirm his “commitment to engaging and collaborating with the Office of the Inspector General (OIG) in its reviews of our agency’s programs.” According to the administrator, “[t]he OIG plays a critical role in helping to ensure the EPA fulfills its responsibilities and is a valued partner in our mission to protect public health and the environment.” Also, the administrator outlined the specific whistleblowing responsibilities of EPA employees:

The agency and its employees have a duty to cooperate with OIG. All EPA staff are expected to report possible waste, fraud, and abuse to the OIG, including theft of EPA funds, misuse of contract or grant funds, misuse of EPA equipment or assets for personal gain, falsification of EPA reports or records, or serious employee misconduct. This is an important responsibility and one of the key means the OIG has for identifying and stopping wrongdoing.

The administrator further indicated that OIG support was critical given the historic amounts of funding given to the EPA pursuant to the IIJA and the Inflation Reduction Act. He said, “As EPA works to effectively manage the historic levels of supplemental funding ... we will continue engagement with the OIG to offer fraud awareness training to leverage the OIG’s expertise.”

Finally, the administrator underscored the goal of OIG oversight. He explained that by conducting independent audits, evaluations, reviews, and investigations, the OIG promotes accountability, helps ensure the integrity of the Agency’s work, and ultimately shows “the public, which we all serve, that the agency is a proper steward—guarding both public resources and public trust.”

1.5 The OIG Hotline

The Inspector General Act, 5 U.S.C. § 420, requires each OIG to maintain a direct link on the homepage of its website for individuals to report fraud, waste, and abuse. Individuals may also report complaints to the EPA OIG via telephone, email, and postal mail. We refer to these means of receiving information collectively as the “OIG Hotline.” The purpose of the hotline is to receive complaints of fraud, waste, or abuse in EPA and CSB programs and operations, including mismanagement or violations of laws, rules, or regulations by Agency employees or program participants. The OIG also encourages people to use the hotline to submit suggestions for assessing the efficiency and effectiveness of Agency programs. Anyone may submit complaints and suggestions, including EPA and CSB employees, participants in EPA and CSB programs, Congress, organizations, and the public. As a result of these contacts, the OIG may conduct audits, evaluations, and investigations. In [Section 2.1](#), we summarize the work based on hotline contacts concluded during this semiannual reporting period.

Hotline Statistics

The figures below detail the number and types of contacts that the hotline received and referred for review by OIG investigation, audit, and evaluation staff; EPA program offices; and other government agencies during this semiannual period and this fiscal year. In this semiannual period, of 4,531 contacts received, the OIG made 499 referrals. A contact can be referred to more than one entity. We refer contacts unrelated to potential fraud, waste, abuse, misconduct, or mismanagement but related to an Agency program or operation to the appropriate EPA or CSB office. As applicable, we attempt to refer contacts unrelated to the EPA or the CSB to another government agency. More information about our hotline operations can be found on our [website](#).

Figure 2: Hotline contacts received from April 1 through September 30, 2023

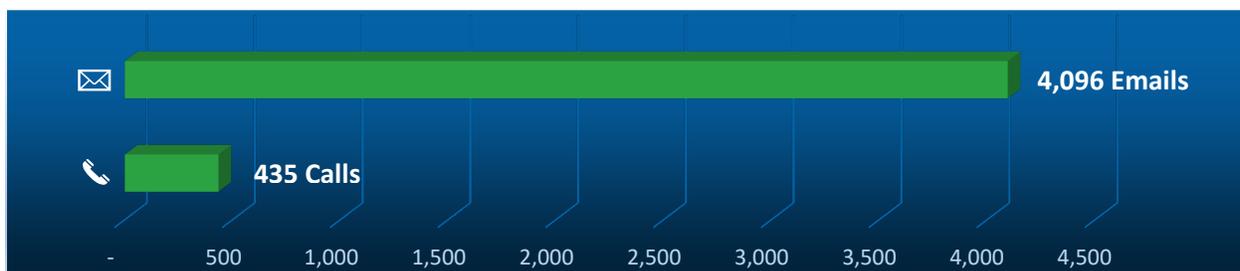
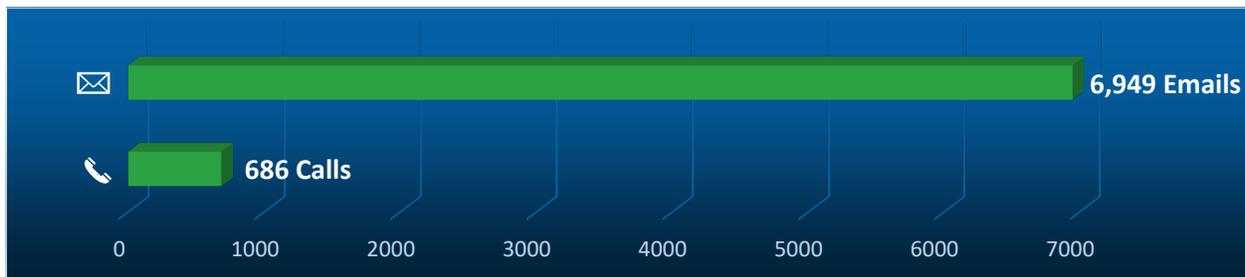
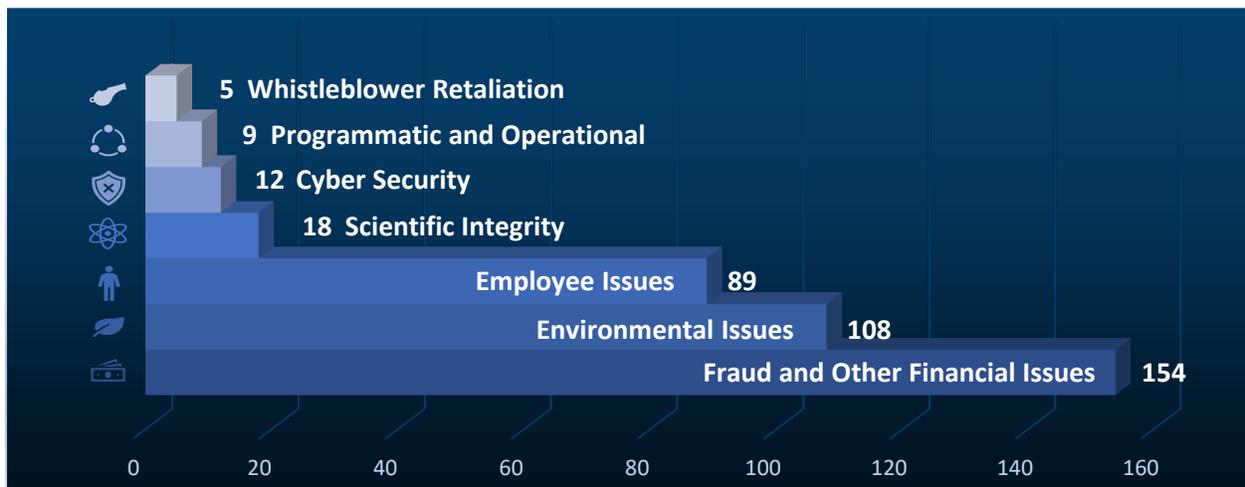


Figure 3: Hotline contacts referred from April 1 through September 30, 2023



Figure 4: Hotline contacts received in FY 2023**Figure 5: Hotline referrals to OIG offices by category for FY 2023**

Hotline Confidentiality

Individuals who contact the hotline are not required to identify themselves and may request anonymity or confidentiality when submitting allegations. However, the OIG encourages those who report allegations to identify themselves so that they can be contacted if the OIG has additional questions. Pursuant to the Inspector General Act, 5 U.S.C. § 407, the OIG will not disclose the identity of an EPA or CSB employee who provides information unless that employee consents or the inspector general determines that such disclosure is unavoidable during the course of an investigation. As a matter of policy, the OIG will provide comparable protection to employees of contractors, grantees, and others who make a complaint or provide information to the OIG and request confidentiality. Also pursuant to the Inspector General Act, 5 U.S.C. § 420, the OIG will not disclose the identity of an individual who provides information via the OIG’s online complaint form unless the individual consents or the inspector general determines that such disclosure is unavoidable during the course of an investigation. This protection applies to anyone submitting information via the online complaint form, regardless of whether the individual is an EPA or CSB employee. Individuals concerned about confidentiality or anonymity with regard to electronic communication may submit allegations by telephone or regular mail.

To report potential fraud, waste, abuse, misconduct, or mismanagement, contact the **OIG Hotline**:

Online

Hotline complaint [form](#)

Email

OIG.Hotline@epa.gov

Phone

(888) 546-8740

Mail

Environmental Protection Agency
Office of Inspector General
1200 Pennsylvania Avenue, NW
Mail Code: 2410T
Washington, D.C. 20460



**WHISTLE
BLOWING**



Want to talk about it?

To reach the EPA whistleblower protection coordinator, contact:

Email

whistleblower_protection@epa.gov

Phone

(202) 566-1513

1.6 Scientific Integrity and Misconduct

Scientific integrity at the EPA helps ensure that the science conducted, communicated, and used across the Agency is of the highest quality. Scientific integrity is crucial because it safeguards science to ensure that it is objective and rigorous. In October 2022, the OIG identified “Safeguarding Scientific Integrity Principles” as a [top management challenge](#) for the EPA.

The EPA issued its *Scientific Integrity Policy* in February 2012. The policy sets the expectation for all EPA employees to represent the Agency’s scientific activities clearly, accurately, honestly, objectively, thoroughly, without political or other interference, and in a timely manner, consistent with their official responsibilities. It also sets the expectation that all EPA employees will report policy breaches. The EPA’s Scientific Integrity Program consists of the EPA’s scientific integrity official, deputy scientific integrity officials from each of the EPA’s program and regional offices, and program staff who support implementing the *Scientific Integrity Policy*.

“Science is the backbone of the EPA’s decision-making. The Agency’s ability to pursue its mission to protect human health and the environment depends upon the integrity of the science on which it relies. The environmental policies, decisions, guidance, and regulations that impact the lives of all Americans every day must be grounded, at a most fundamental level, in sound, high quality science.”

—[Scientific Integrity Policy](#), Section II

The OIG has a critical role in protecting the Agency’s scientific integrity. As an independent office, the OIG can receive complaints of mismanagement, misconduct, abuse of authority, or censorship, including those related to “scientific misconduct” or “research misconduct.” Such misconduct includes fabrication, falsification, or plagiarism in proposing, performing, or reviewing research or reporting research results. Through its statutory mandate, the OIG can investigate these allegations. Also, the OIG may refer scientific integrity allegations that it receives to the scientific integrity official. The scientific integrity official and OIG staff meet every two weeks to discuss the status of cases, as appropriate, as well as other scientific integrity-related issues.

To facilitate transparency, we continue our practice, started in our *Semiannual Report to Congress* in the fall of 2020, of providing a summary of scientific integrity oversight at the Agency. The following subsections report the status of scientific integrity allegations received by the scientific integrity official and scientific misconduct allegations received by the OIG.

Scientific Integrity Allegations and Advice Queries Received by the Scientific Integrity Official

The EPA’s Scientific Integrity Program engages with Agency staff who raise potential scientific integrity concerns through two mechanisms: (1) advice and assistance to provide early intervention for the purpose of preventing lapses in scientific integrity and (2) a procedure for reporting and adjudicating allegations.

This semiannual period, the scientific integrity official reported that the Scientific Integrity Program received four new allegations and 13 new advice queries. Also, during this semiannual period, two allegations were closed or resolved. As of September 30, 2023, there were two open allegations from this semiannual reporting period and 24 open allegations from prior reporting periods.

Scientific Misconduct Allegations Received and Investigated by the OIG

At the beginning of the semiannual period, the OIG had ten open cases involving potential scientific misconduct. The OIG received nine complaints with allegations involving potential scientific misconduct from Agency employees and other sources during this semiannual period and opened two new investigations. As of September 30, 2023, five investigations were closed. The OIG did not have any relevant results of investigations that it conducted or oversaw to report to the Agency for a determination of appropriate action.

EPA Order [3120.5](#) contains the Agency's policy and procedures for addressing research misconduct, including the requirement for EPA employees to immediately report to the OIG any allegation of research misconduct that involves:

- Public health or safety being at risk.
- Agency resources or interests being threatened.
- Circumstances in which research activities should be suspended.
- Reasonable indication of possible violations of civil or criminal law.
- Federal action being required to protect the interests of those involved in an investigation.
- A research entity's belief that an inquiry or investigation may be made public prematurely, so that appropriate steps can be taken to safeguard evidence and protect the rights of those involved.
- Circumstances in which the research community or public should be informed.

Additionally, EPA Manual 6500, *Functions and Activities of the Office of Inspector General*, states, "[e]ach employee is responsible for promptly reporting indications of wrongdoing or irregularity to the OIG and for cooperating and providing assistance during any audit or investigation." [Coordination procedures](#) between the scientific integrity official and the OIG, which specify how the OIG and the Agency will work together to share information and investigate research misconduct, state that upon receiving a research misconduct allegation, the scientific integrity official will refer the allegation to the OIG Hotline. Likewise, if the OIG receives an allegation of research misconduct through means other than the OIG Hotline, the allegation will be forwarded to the OIG Hotline, and OIG staff will contact the scientific integrity official to discuss the allegation, as appropriate. As noted above, the scientific integrity official

and OIG staff also meet every two weeks to discuss the status of cases, as appropriate, as well as other scientific integrity-related issues.

In FY 2022, the OIG initiated discussions with the Agency to revise the coordination procedures between the OIG and the Agency's Scientific Integrity Program related to information sharing on scientific integrity. In June 2022, the OIG presented revised coordination procedures to the Agency that would ensure that complaints involving scientific integrity, as well as other misconduct, were promptly disclosed to the OIG. In August 2023, the Agency provided comments on the OIG's revised coordination procedures. The OIG is reviewing the Agency's comments.

Since the beginning of FY 2023, the OIG has had to issue monthly information requests to the Agency's Scientific Integrity Program to ensure that the OIG is receiving all relevant information on potential scientific integrity concerns. These monthly requests will continue to be renewed until new coordination procedures are finalized. Revised coordination procedures are essential to clarify the OIG's access rights and ensure that scientific integrity concerns, as well as allegations of other wrongdoing, are routed to the proper office and addressed in the most efficient and effective manner.

1.7 Inspector General Testimony

During this semiannual reporting period, Inspector General Sean W. O’Donnell testified before two congressional committees regarding the OIG’s oversight work.

April 19, 2023: Testimony before the Committee on Science, Space, and Technology, U.S. House of Representatives

As one of five inspectors general testifying in this hearing, Inspector General O’Donnell provided an overview of our recent oversight work pertaining to grant and contract fraud, the risks of improperly administered grants, the invaluable contributions of whistleblowers, anti-fraud provisions, and OIG access. He described how, between the IIJA and the Inflation Reduction Act, the EPA has been entrusted with \$100 billion to implement the most ambitious set of programs in its history. He also explained how the pace of this spending significantly increases the risk of fraud and creates the potential for errors or inefficiencies in execution. For example, the inspector general noted that the EPA will likely award many IIJA and Inflation Reduction Act grants and contracts to first-time recipients who are unfamiliar with federal contract and grant requirements. He underscored that the OIG’s body of work has shown that, even with annual appropriations, the EPA is tested to create and maintain effective business operations for distributing billions of dollars in grants and contracts to states, tribes, and nongovernmental organizations—a challenge that is now radically compounded by the unprecedented IIJA and Inflation Reduction Act funds flowing through the Agency to nonfederal entities.

Accordingly, the inspector general described several OIG initiatives to help mitigate the risks to the EPA, such as issuing a series of “lessons learned” reports to help the EPA avoid historical pitfalls and identifying provisions that the EPA could add to its terms and conditions for grants and subawards, including provisions specifically addressing contractors’, grantees’, and subrecipients’ roles and responsibilities with respect to whistleblowers. Other initiatives included redesigning our hotline poster so recipients can easily obtain and display it at job sites; developing a web-based portal for contractors, grantees, and subrecipients to disclose credible evidence of wrongdoing to the OIG; and collaborating with other law enforcement agencies and OIGs to protect taxpayer-funded projects that receive supplemental funds. Inspector General O’Donnell also described his ongoing commitment to whistleblowers, who are critical to good governance and oversight. As an example of this commitment, he highlighted that the EPA OIG established a [program](#) pursuant to 5 U.S.C. § 4512 to financially reward EPA employees who blow the whistle on waste, fraud, and abuse.

September 13, 2023: Testimony before the Subcommittee on Oversight and Investigations, Committee on Energy and Commerce, U.S. House of Representatives

As the sole witness in this hearing, Inspector General O’Donnell highlighted the OIG’s approach to overseeing the \$5 billion provided to the EPA through the IIJA to replace existing school buses with clean and zero-emission buses. He discussed our ongoing and planned work related to the Clean School Bus

Program, as well as associated fraud risks, considerations for managing rebate and grant funds, and the importance of quality data to guide programmatic decisions.

Inspector General O’Donnell explained that the OIG was conducting an [audit](#) of the Clean School Bus Program to determine whether potential supply chain or production delays could impact the EPA’s efforts to disburse and manage the \$5 billion of IIJA funding. While the results were preliminary at the time of the hearing, the inspector general stated that one noteworthy finding was the potential delays related to the infrastructure needed to support the bus chargers. In addition, he said that the EPA made a programmatic decision to limit funding to the infrastructure between the electrical meter and the charging port—which does not include infrastructure costs associated with connecting to the utility company’s power supply. The EPA also did not require 2022 Clean School Bus Program applicants to coordinate with their utility companies before applying for rebates. As a result, approximately one-third of rebate recipients requested extensions and delayed reimbursement requests because they needed more time to coordinate with their local utility companies. The forthcoming report, which we expect to release in the next semiannual reporting period, will likely stress the need for the EPA to monitor the situation and ensure that school districts will be able to establish the infrastructure necessary to support fully operational clean buses by October 2024.

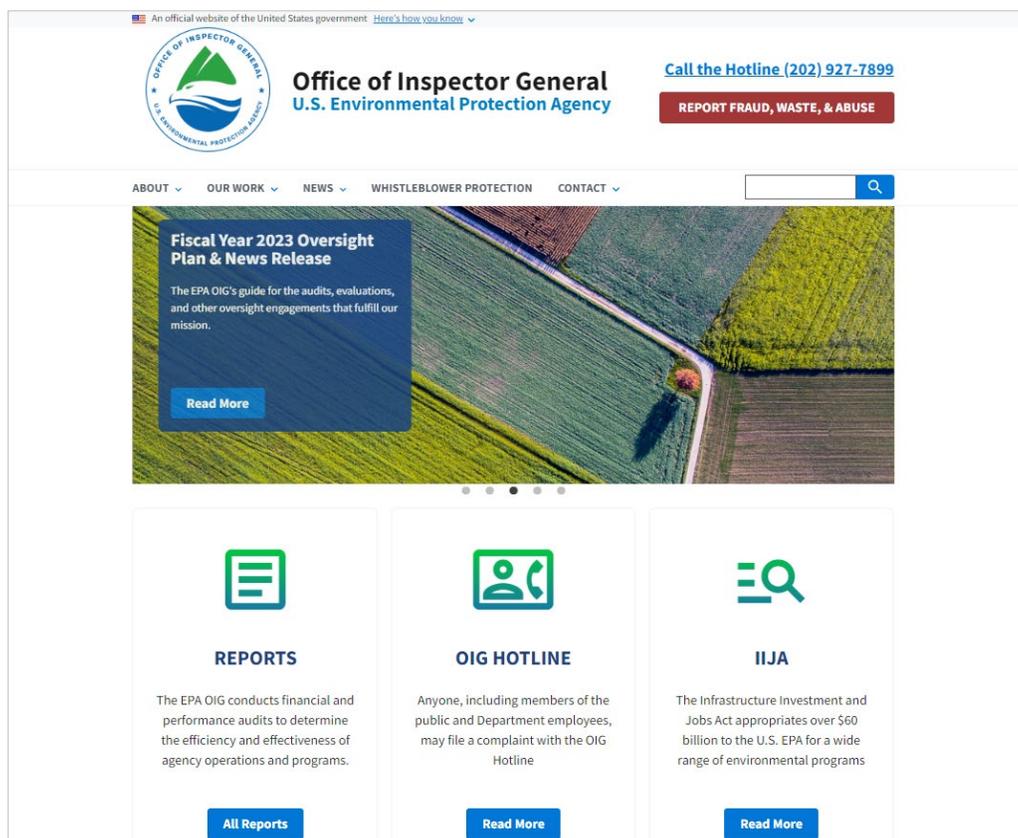
In addition to this ongoing audit, the inspector general highlighted other Clean School Bus Program oversight that will occur in FY 2024. This includes an [evaluation](#) of the EPA’s selection of recipients for IIJA funding under the Clean School Bus Program and an [audit](#) of the EPA’s oversight of Clean School Bus Program rebate recipients.

1.8 OIG Website

On August 31, we launched a new, independent website: epaoig.gov. With a fresh look and enhanced functionality, our new website optimizes the user experience. Visitors to epaoig.gov can now quickly identify how and where to contact the OIG Hotline to report fraud, waste, and abuse. Visitors can also navigate streamlined website content more easily and intuitively than before. In addition, the new website functions on both phones and tablets, and it offers our stakeholders a simplified way to sign up for an OIG email subscription, which provides timely notifications of when OIG reports and other documents are posted.

Not all our changes focused on the user experience. The new website facilitates our statutorily required posture of independence and protection of whistleblowers. While our previous website was part of the EPA’s domain, meaning there were only limited controls available to prevent Agency access, our new website is located on a server hosted by the Council of the Inspectors General on Integrity and Efficiency, an independent oversight entity established by the Inspector General Act, 5 U.S.C. § 424. Similarly, OIG Hotline complaints are no longer stored on EPA servers and now have a dedicated and secure enclave on our new website.

For those who happen to navigate to our former site, there will not be any disruption in service. The OIG’s “old” website will automatically reroute users to the new site.



Section 2: Work Accomplished During the Semiannual Period



2.1 Oversight Work

Summaries of the reports that we issued during the semiannual period, along with the associated recommendations, are detailed below. Section 5(a)(1) of the Inspector General Act, 5 U.S.C. § 405, requires “a description of significant problems, abuses, and deficiencies relating to the administration of programs and operations of the establishment” as well as the related reports and recommendations for corrective action. Section 5(a)(16)(A) of the Act, 5 U.S.C. § 405, requires that we provide a detailed description of closed audits, inspections, and evaluations not previously disclosed to the public; we do not have any such instances to report.

Infrastructure Investment and Jobs Act

The IIJA was signed into law on November 15, 2021. Overall, the IIJA appropriates approximately \$60 billion to the EPA for FY 2022 through 2026, most of which is available until expended. The IIJA also provides for OIG oversight of these funds. To keep the public apprised of our IIJA oversight work, we maintain a [webpage](#), “EPA OIG Infrastructure Investment and Jobs Act Oversight.” The webpage contains our EPA IIJA spending dashboard; our *IIJA Oversight Plan*; and planned, ongoing, and completed infrastructure oversight work. This section includes data regarding IIJA-related investigative activity, shown in Table 3, and a summary of our IIJA oversight reporting from this semiannual period.

Table 3: IIJA-related investigative activity

| Investigative activity | Number of cases |
|-------------------------------------|-----------------|
| Cases open as of March 31, 2023 | 4 |
| Cases opened during period | 1 |
| Cases closed during period | 2 |
| Cases open as of September 30, 2023 | 3 |

Source: OIG investigations. (EPA OIG table)

Report No. [23-N-0036](#), *Status of Unliquidated Obligations for Programs Receiving Funding from the Infrastructure Investment and Jobs Act*

Issued September 28, 2023

 Compliance with the law. Operating efficiently and effectively.

 Managing business operations and resources. Managing increased investment in infrastructure.

The EPA had over \$1.55 billion in unliquidated obligations with inactivity of 180 days or more for FY 2018 through 2023. Of those funds, approximately \$429 million of IIJA unliquidated obligations were identified for FYs 2022 and 2023. While we made no determination as to whether these funds are still needed for the projects for which they were obligated, environmental projects often last for long periods of time, and the unliquidated obligations may represent valid obligations. However, the EPA should review unliquidated obligations for programs that received a substantial increase through the IIJA to ensure that the funds are used for the intended programs or deobligated timely to fund other environmental projects, as appropriate. While IIJA funds are mostly available until expended, it is important that programs use the funds efficiently. We did not issue any recommendations in this report.

Human Health and Environmental Issues

Report No. [23-E-0015](#), *EPA Region 9 Must Continue Oversight Throughout the Decontamination and Closure of the Red Hill Facility*

Issued April 25, 2023

 Ensuring clean and safe water. Cleaning up and revitalizing land.

 Enforcing environmental laws and regulations.

The EPA’s regulatory oversight of EPA-authorized state programs for underground tanks or drinking water quality would not reasonably have identified the sequence of events that led to drinking water contamination at the Red Hill site on Joint Base Pearl Harbor-Hickam in Hawaii. According to the U.S. Navy, an improperly executed fuel transfer resulted in pipe joint ruptures and a subsequent fuel spill. The EPA does not regulate operations like fuel transfers. However, EPA Region 9 provided oversight of authorized Hawaii state environmental programs prior to the incident and has worked with the Hawaii Department of Health and the Navy to respond to the incident. As part of Region 9’s continued oversight, the region should address staffing, clearly communicate data, and maximize stakeholder involvement.



From left to right: cracked low point drain; train passenger cart. (U.S. Navy photos)

Recommendations issued to the regional administrator for Region 9

| Number | Recommendation |
|--------|--|
| 1 | Develop a plan to define and provide appropriate levels of resources and oversight, including maintaining adequate EPA staffing levels in Oahu, during the defueling and closure of the Red Hill facility. |
| 2 | Collaborate with the Hawaii Department of Health and the Navy, as appropriate, to clearly communicate risk and remediation information to the public. |
| 3 | Work with the Hawaii Department of Health and the Navy to develop a plan to increase regulatory agency and nongovernmental organization participation in Red Hill working groups. |

Report No. [23-P-0022](#), *The EPA Could Improve Its Review of Drinking Water State Revolving Fund Programs to Help States Assist Disadvantaged Communities*

Issued July 11, 2023

 Ensuring clean and safe water.

 Integrating and leading environmental justice, including communicating risks. Managing increased investment in infrastructure.

Two of the seven states we reviewed, Alabama and Maryland, did not consistently meet their drinking water state revolving fund requirements to award loan subsidies to disadvantaged communities and other eligible recipients for state FY 2017 through 2020. Maryland completed corrective actions to address this issue; Alabama fell \$7.2 million, or 38.4 percent, short of its loan subsidy requirements. In addition, six of the seven states did not timely award \$46.7 million in loan subsidies, or nearly one-third of the required minimum subsidies. When states do not provide loan subsidies or do not provide them timely, infrastructure improvements may not occur, negatively affecting disadvantaged communities' ability to provide safe drinking water.



Drinking water supply tower.
(EPA image)

Recommendations issued to the assistant administrator for Water

| Number | Recommendation |
|--------|--|
| 1 | Update the EPA's <i>State Revolving Fund Annual Review Guidance</i> to require regions to include the following in the annual program evaluation reports for each state's drinking water state revolving fund: <ol style="list-style-type: none"> An analysis of the state's progress in meeting the minimum loan subsidy requirements for open capitalization grants. Financial indicators related to loan subsidies. |
| 2 | Implement a plan for the EPA regions to work with states to clarify set-aside use requirements and to assess the states' use of set-asides in assisting disadvantaged communities in qualifying for drinking water state revolving fund loans. |
| 3 | Require states to assign executed loans to the appropriate capitalization grant in the EPA Office of Water state revolving fund database. |

Report No. [23-E-0023](#), *The EPA Should Update Its Strategy, Goals, Deadlines, and Accountability Framework to Better Lead Chesapeake Bay Restoration Efforts*

Issued July 18, 2023 

 Ensuring clean and safe water. Compliance with the law. Partnering with states and other stakeholders.

 Enforcing compliance with environmental laws and regulations.

The Chesapeake Bay Program is not on track to meet its goal to have controls and practices in place to reduce nutrients and sediment in the water body by 2025. Limitations in the Agency’s regulatory authority under the Clean Water Act do not allow the EPA to use federal actions to fully achieve the pollutant-reduction goals. The EPA needs to shift its focus from point sources of pollution to nonpoint sources, as well as update its pollutant-reduction strategy and lead the Chesapeake Bay jurisdictions to update their goals and pollution-reduction deadlines.



Chesapeake Watershed.
(EPA image)

Recommendations issued to the regional administrator for Region 3

| Number | Recommendation |
|--------|--|
| 1 | Lead the Chesapeake Bay Program in developing a new strategy to specifically address nonpoint source pollution. |
| 2 | Lead the Chesapeake Bay Program in setting new jurisdictional goals and a new deadline to have all pollution controls and practices in place to meet Total Maximum Daily Load pollutant-reduction goals. |
| 3 | Lead the Chesapeake Bay Program in developing an effective assurance mechanism to ensure that nonpoint source load reductions will be achieved by jurisdictions under the Chesapeake Bay Total Maximum Daily Load. |

Report No. [23-N-0024](#), *The EPA Should Determine What Interim Actions Can Be Taken to Immediately Notify the Public When Lead in Drinking Water Exceeds the Agency’s Action Level*

Issued July 20, 2023

 Operating efficiently and effectively. Ensuring clean and safe water.

 Enforcing compliance with environmental laws and regulations.

Immediate public notifications are not being made for drinking-water lead-action-level exceedances that may pose a significant risk to public health. In January 2021, the EPA revised its drinking water regulations to require that immediate public notifications be given for lead-action-level exceedances that may have serious effects on human health as a result of short-term exposure. However, the compliance date to give immediate public notifications is October 16, 2024. Therefore, the public may continue to be exposed to lead in drinking water without timely notification.

Recommendations issued to the assistant administrator for Water

| Number | Recommendation |
|--------|---|
| 1 | Determine what immediate actions the Agency can take to promptly notify the public of lead-action-level exceedances to reduce risks to human health pending the compliance date of October 2024 for the EPA’s updated drinking water regulations. |

Report No. [23-E-0027](#), *The EPA Has Not Verified that Its Laboratories Comply with Hazardous Waste Requirements*

Issued August 14, 2023

 Compliance with the law.

 Enforcing environmental laws and regulations. Providing for safe use of chemicals.

The EPA issued two internal memorandums in April 2020 and July 2021, emphasizing that EPA labs must comply with all environmental requirements, including those in the Resource Conservation and Recovery Act. However, as of August 2022, neither the EPA nor the Resource Conservation and Recovery Act-authorized state programs had performed Resource Conservation and Recovery Act inspections at most EPA labs to verify compliance with Resource Conservation and Recovery Act hazardous waste requirements. By not inspecting EPA labs regularly, the EPA appears to treat its labs differently than it treats other regulated facilities. Additionally, the memorandums said that the EPA’s labs can use eDisclosure to self-disclose violations of environmental laws and regulations. While the EPA’s labs conduct self-audits, as of January 17, 2023, no labs had reported violations in eDisclosure.

Number of EPA labs in each hazardous waste generator category as of August 2022



Source: OIG analysis of EPA data. (EPA OIG image)

Recommendations issued to the assistant administrator for Enforcement and Compliance Assurance

| Number | Recommendation |
|--------|---|
| 1 | Implement mechanisms to verify EPA lab compliance with hazardous waste requirements, including small quantity generator status renotification and large quantity generator biennial reporting. |
| 2 | Determine, in coordination with the Office of Mission Support, which hazardous waste-related findings EPA labs should report in eDisclosure and communicate the reporting expectations to the labs. |

Report No. [23-P-0029](#), *The EPA Needs to Further Refine and Implement Guidance to Address Cumulative Impacts and Disproportionate Health Effects Across Environmental Programs*

Issued August 22, 2023

 Compliance with the law. Operating efficiently and effectively.

 Integrating and leading environmental justice, including communicating risks.

EPA Region 4 generally took a siloed approach when considering cumulative impacts at the 35th Avenue Superfund site in Birmingham, Alabama, meaning that it looked primarily at cumulative impacts *within* individual environmental programs rather than *across* programs. And while Executive Orders 13985 and 14008 make considering cumulative impacts across programs essential to advancing environmental justice, the EPA lacked agencywide policies and guidance that explicitly stated how programs should coordinate to do so. The EPA also did not have performance measures related to identifying and addressing cumulative impacts and disproportionate health effects across programs. The EPA thus may not be addressing cumulative impacts on overburdened communities or fully advancing its environmental justice and equity goals.



Neighborhood next to an industrial site emitting pollution. (EPA image)

Recommendations issued to the assistant administrator for Environmental Justice and External Civil Rights

| Number | Recommendation |
|--------|--|
| 1 | Develop and implement policies and guidance consistent with Executive Orders 12898, 13985, and 14008 to increase and improve coordination between EPA programs to assess and address cumulative impacts and disproportionate health effects in Agency decision-making, programs, policies, and activities. |
| 2 | Develop and implement performance measures to monitor progress in identifying and addressing cumulative impacts and disproportionate health effects across EPA programs. |

Report No. 23-P-0030, *The EPA Should Enhance Oversight to Ensure that All Refineries Comply with the Benzene Fenceline Monitoring Regulations*

Issued September 6, 2023 

 Improving air quality. Partnering with states and other stakeholders.

 Integrating and leading environmental justice, including communicating risks.

EPA and delegated authority oversight has not ensured that refineries that exceed the regulatory action level for benzene concentrations at their fencelines take appropriate corrective actions to reduce those concentrations. The EPA and delegated authorities took limited enforcement-related actions at these refineries, many of which are located near communities with environmental justice concerns—for example, near communities with higher-than-average percentages of people of low income and/or people of color. The EPA and delegated authorities may be unable to identify all benzene exceedances because some refineries rely on modeling instead of additional monitoring to calculate their reported concentrations and some did not submit all required data to the EPA. As a result, the EPA and delegated authorities cannot ensure that all refineries with exceedances take corrective actions, and nearby communities could face increased risk of adverse health effects.



A petroleum refinery neighboring a community park. (EPA OIG image)

Recommendations issued to the assistant administrator for Enforcement and Compliance Assurance

| Number | Recommendation |
|--------|--|
| 1 | Provide guidance to delegated authorities on what constitutes a violation of the benzene fenceline monitoring regulations to assist the delegated authorities in taking action when a violation may have occurred. |

| Number | Recommendation |
|--------|--|
| 2 | <p>Develop an internal strategy to address refineries that fail to reduce their benzene concentrations to 9 micrograms per cubic meter or below after initially exceeding the action level. The strategy should include best practices for:</p> <ol style="list-style-type: none"> Monitoring benzene concentrations to determine whether a refinery has exceeded the action level and continues to exceed 9 micrograms per cubic meter in subsequent two-week sampling periods. Verifying that the refinery submits an appropriate corrective action plan that addresses the root cause and actions. Taking action at refineries that fail to undertake root cause analyses or implement appropriate corrective actions—such as Clean Air Act section 114 information requests, inspections, and enforcement actions—to reduce benzene concentrations to 9 micrograms per cubic meter. Coordinating between the Office of Enforcement and Compliance Assurance, the EPA regions, and the delegated authorities. |
| 4 | Provide guidance to the EPA regions to periodically review all reported benzene monitoring data to identify any gaps in data for refineries. |
| 5 | In consultation with applicable EPA regions and delegated authorities, investigate OIG-identified benzene monitoring data gaps and ensure submission of missing data if the data are available. |
| 6 | Provide guidance in the form of best practices to the EPA regions for investigating missing benzene monitoring data, securing the submission of the data if the data are available, and evaluating enforcement options. |

Recommendation issued to the assistant administrator for Air and Radiation

| Number | Recommendation |
|--------|---|
| 3 | Review all approved site-specific monitoring plans to identify which ones rely solely on modeling, as opposed to additional monitoring, to account for near-field sources. Take appropriate steps to ensure that the site-specific monitoring plans identified are amended to incorporate additional monitoring to account for contributions to benzene concentrations from near-field sources, as required by EPA regulations. |

Report No. [23-P-0031](#), *The EPA Should Determine How Its Elevation Policy Can More Effectively Address Risks to the Public*

Issued September 7, 2023

 Ensuring clean and safe water. Operating efficiently and effectively.

 Managing business operations and resources.

Despite the lead found in Benton Harbor, Michigan’s drinking water being above 15 parts per billion, EPA Region 5 did not use the Agency’s elevation policy to alert the EPA Office of the Administrator of the elevated lead levels. The elevation policy encourages staff to elevate public health and environmental risks that require high levels of attention that could not be achieved with the Agency’s usual processes. Although the EPA said that the policy was not used because Michigan was addressing the elevated lead levels in a timely manner, the elevated lead levels and other compliance issues at Benton Harbor met several of the policy’s criteria. The Office of the Administrator should determine how the policy can more effectively achieve its purpose in situations like the one that occurred in Benton Harbor.

Lead levels in Benton Harbor drinking water

| Monitoring period | Number of compliance locations sampled | Number of locations over 15 ppb | Locations over 15 ppb (%) | Range of results (ppb) |
|----------------------|--|---------------------------------|---------------------------|------------------------|
| 2016–September 2018* | 30 | 8 | 27 | 0–60 |
| January–June 2019 | 46 | 12 | 26 | 0–59 |
| July–December 2019 | 39 | 10 | 26 | 0–72 |
| January–June 2020 | 63 | 9 | 14 | 0–440 |
| July–December 2020 | 67 | 11 | 16 | 0–240 |
| January–June 2021 | 79 | 11 | 14 | 0–889 |
| July–December 2021 | 63 | 6 | 10 | 0–48 |
| January–June 2022 | 63 | 5 | 8 | 0–53 |

Note: PPB is parts per billion.

Source: Michigan Department of Energy, Great Lakes, and the Environment. (EPA OIG table)

* September 2018 was the end of the three-year water sampling and reporting period for the Lead and Copper Rule. Semiannual sampling began when elevated lead levels were detected.

Recommendations issued to the deputy administrator

| Number | Recommendation |
|--------|--|
| 1 | Determine how the <i>Policy on Elevation of Critical Public Health Issues</i> can more effectively achieve its purpose of elevating public health and environmental risks that require higher levels of attention than the Agency’s usual processes could address. |
| 2 | As necessary, develop and implement a strategy to enhance EPA staff understanding of the circumstances and process for implementing the <i>Policy on Elevation of Critical Public Health Issues</i> . |

Report No. [23-P-0032](#), *The EPA Must Improve Controls and Integrate Its Information System to Manage Fraud Potential in the Renewable Fuel Standard Program*

Issued September 19, 2023 

 Compliance with the law. Improving air quality. Operating efficiently and effectively.

 Mitigating causes and adapting to impacts of climate change. Enforcing environmental laws and regulations.

The EPA has strengthened controls over the Renewable Fuel Standard program in response to several instances of companies generating and selling fraudulent Renewable Identification Numbers, which are used to demonstrate compliance with the renewable fuel standards. Further controls are needed to ensure that only valid Renewable Identification Numbers are generated and sold and that producers are not entering more numbers than they are able to generate. In addition, the EPA's system for tracking and overseeing reports regarding Renewable Identification Numbers has not been integrated in other related systems, which has caused data-quality problems.

RIN Fraud

- Thirteen companies transacted nearly 339 million invalid RINs.
- These companies collected approximately \$87 million in proceeds from the sale of fraudulent RINs.
- Sixty-eight companies purchased the fraudulent RINs, resulting in 198 administrative settlement agreements.
- These 68 companies purchased a total of 164,082,257 fraudulent RINs and paid about \$8.1 million in civil penalties.

Note: RINs are Renewable Identification Numbers.

Recommendations issued to the assistant administrator for Air and Radiation

| Number | Recommendation |
|--------|--|
| 1 | Improve adherence to the five- and ten-business-day reporting requirements for Renewable Identification Number transactions in Renewable Fuel Standard regulations. |
| 2 | Develop a process to identify and review instances in which Renewable Identification Number generation exceeds registered or reported renewable fuel production capacity. |
| 3 | Develop a risk-based selection process to verify Renewable Identification Number transactions entered in the EPA Moderated Transaction System. |
| 4 | Develop a process to reduce the likelihood of Quality Assurance Program auditor conflicts of interest during Quality Assurance Program reviews. |
| 5 | Communicate relevant requirements, expectations, and consequences from Renewable Fuel Standard regulations to Quality Assurance Program auditors to minimize the likelihood that they verify Renewable Identification Numbers that are invalid. |
| 6 | Annually review the scope of consulting services that Quality Assurance Program auditors are performing for renewable fuel producers to identify prohibited relationships. |
| 7 | Integrate key applications to reduce staff burden and to allow better oversight of Renewable Identification Number and Renewable Fuel Standard program requirements and engage the Office of Enforcement and Compliance Assurance in the integration process to ensure all inspection and enforcement data needs are addressed in the integrated system. |
| 8 | Enhance or replace the Data Analysis and Reporting Tool to facilitate external information requests and Office of Enforcement and Compliance Assurance inspections. |

Report No. [23-E-0033](#), *The EPA Needs to Address Increasing Air Pollution at Ports*

Issued September 21, 2023 

 Improving air quality.

 Mitigating the causes and adapting to the impacts of climate change.

The EPA has not taken any additional steps to address increases in air pollution from oceangoing vessels at U.S. maritime ports beyond working with communities through the Ports Initiative, the EPA’s voluntary program that encourages ports to decrease emissions and increase efficiency. The Agency does not collect port-specific data to track changes in air emissions and related impacts. As stated in the *FY 2022–2026 EPA Strategic Plan*, the EPA has a strategic goal to “ensure clean and healthy air for all communities” but will not be able to track its progress toward meeting this goal for near-port communities without emissions data and performance measures. Air quality is not monitored at most U.S. ports, and voluntary emissions inventories to track emissions specifically from oceangoing vessels are not completed by many ports. The EPA is not using the data from air monitoring networks established by community groups for regulatory decisions. As of May 2023, the EPA is unable to determine the success of its Ports Initiative. This issue has increased urgency as the EPA prepares to award \$3 billion in Inflation Reduction Act funding for the planning, procurement, and installation of zero-emission technology at ports.



An ocean-going vessel with cargo at the Port of Los Angeles. (EPA OIG photo)

Recommendations issued to the assistant administrator for Air and Radiation

| Number | Recommendation |
|--------|--|
| 1 | Assess the air-monitoring network around ports and in near-port communities and create a plan to enhance the air-monitoring network where any gaps are identified. |
| 2 | Set quantifiable performance measures for the Ports Initiative, including a plan for identifying the measures’ baselines. |

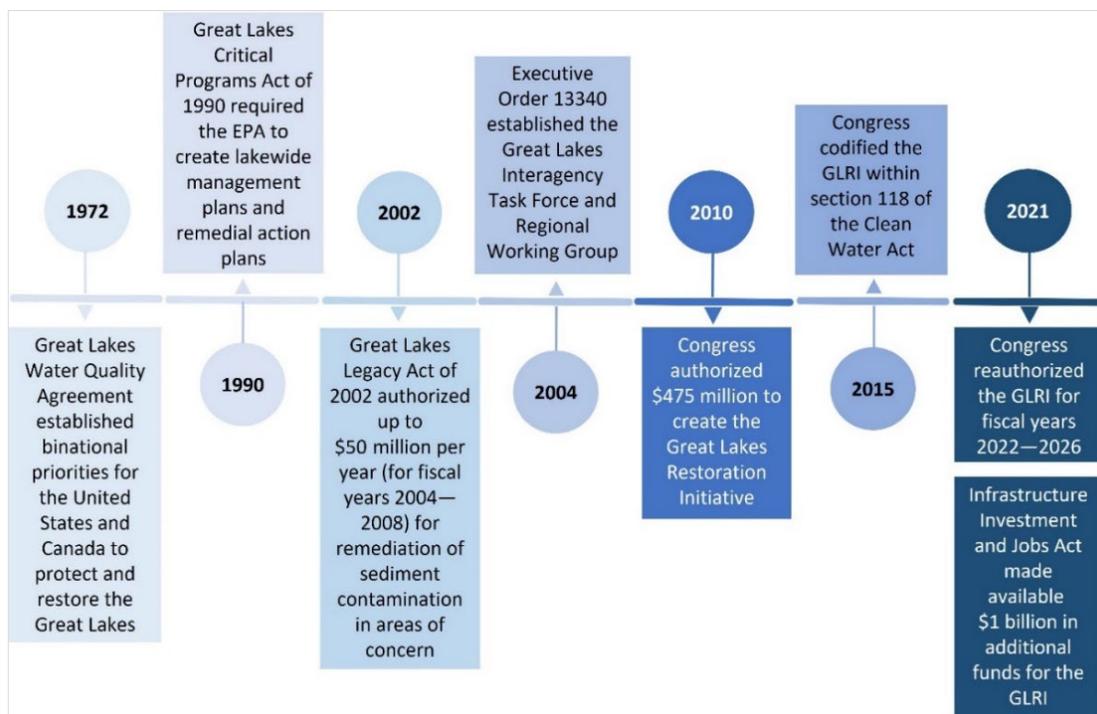
Report No. [23-P-0034](#), *The EPA Should Improve Management of Great Lakes Restoration Initiative Grants*

Issued September 26, 2023

Partnering with states and other stakeholders. Operating efficiently and effectively.

Managing business operations and resources.

Our assessment of 25 Great Lakes Restoration Initiative grants that concluded work in FY 2019 identified multiple areas for improvement in Region 5’s grant awarding, monitoring, and recordkeeping procedures. The Great Lakes Restoration Initiative grant agreements generally lacked the budget details necessary for EPA staff to conduct required cost reviews. EPA staff did not conduct baseline monitoring in a timely manner as required by federal regulations and EPA policy and guidance. Additionally, all the official grant files we reviewed had missing records. Furthermore, project officers did not maintain grant records in accordance with federal and Agency requirements. The lack of regular training and procedures for both the management and recordkeeping of Great Lakes Restoration Initiative grants contributed to noncompliance with federal and EPA policies and resulted in overstated project costs totaling \$611,756.



This figure shows an abbreviated history of federal efforts to protect and restore the Great Lakes.

Source: OIG summary of legal authorities related to the Great Lakes Restoration Initiative. (EPA OIG image)

Recommendations issued to the regional administrator for Region 5

| Number | Recommendation |
|--------|--|
| 1 | <p>Develop and implement guidance for the project officers in the Great Lakes National Program Office and the grant specialists in the Acquisition and Assistance Branch, within Region 5's Mission Support Division, that consists of:</p> <ol style="list-style-type: none"> a. A review process to verify that the work plan and budget narrative include the required information to support that the award decision was made in full compliance of grant award requirements. b. A baseline-monitoring process, with an emphasis on the milestones and the accuracy of the baseline-monitoring report. c. An internal process for routinely selecting a representative group of Great Lakes Restoration Initiative grants to assess for adherence to requirements, such that grant agreements are sufficiently and properly supported by work plans and budget narratives and include all applicable terms and conditions and baseline-monitoring reports are completed accurately. |
| 2 | <p>Review the OIG-identified questioned costs for the assessed Great Lakes Restoration Initiative grants to determine whether the costs are allowable and allocable as set forth in 2 C.F.R. part 200 and initiate recovery of any funds that the EPA paid for unallowable costs, as appropriate.</p> |
| 3 | <p>In consultation with the Acquisition and Assistance Branch, develop a records-management program for the Great Lakes National Program Office.</p> |
| 4 | <p>Require periodic training and provide learning resources on grants management to all project officers and grant specialists, with an emphasis on recordkeeping; cost reviews; timely, accurate, and comprehensive baseline-monitoring reports; and other topics determined by the results of the routine internal review process established in Recommendation 1c.</p> |

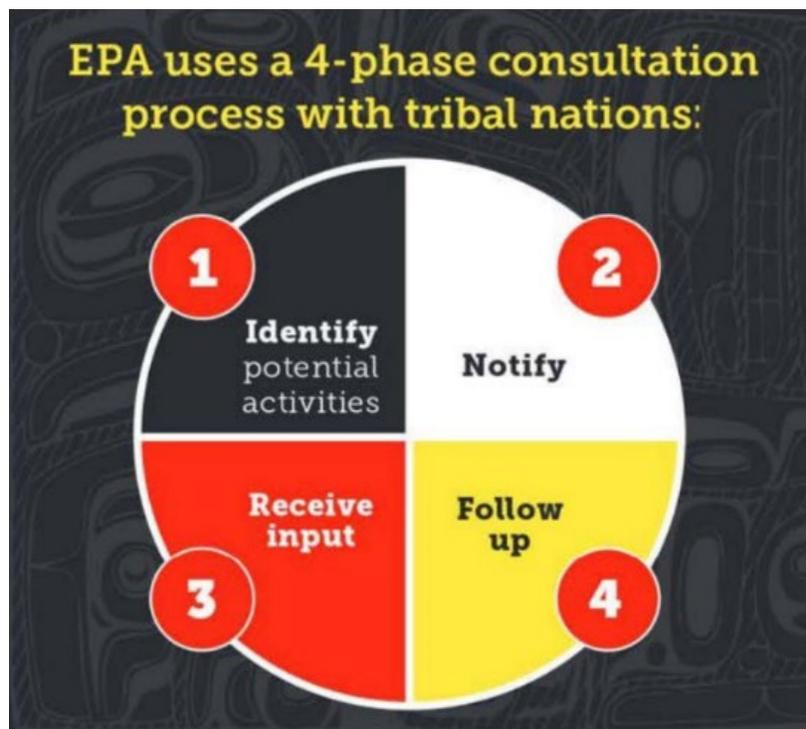
Report No. [23-E-0037](#), *The EPA Adhered to Tribal Consultation Policies for Pesticide Actions but Could Update Guidance to Enhance the Meaningful Involvement of Tribal Governments*

Issued September 29, 2023

 Partnering with states and other stakeholders.

 Providing for safe use of chemicals.

The Office of Chemical Safety and Pollution Prevention adhered to the EPA’s policies regarding communication and coordination with tribal governments during the development of three actions related to restricted-use pesticides: the 2014 *EPA Plan for the Federal Certification of Applicators of Restricted Use Pesticides within Indian Country*, the 2017 Certification of Pesticide Applicators rule revision, and the 2020 proposed revisions to the aforementioned 2014 EPA plan. However, we identified opportunities for the EPA to enhance the meaningful involvement of tribal governments in decision-making processes that affect Indian Country. Specifically, while the 2011 *EPA Policy on Consultation and Coordination with Indian Tribes* states that the EPA should hold meaningful consultations prior to the EPA taking actions or implementing decisions that may impact tribes, meaningful is not clearly defined or described in the 2011 policy. Additionally, the EPA did not always allow tribes sufficient time to prepare for consultations. We did not issue any recommendations in this report. Instead, we offered suggestions for the EPA to consider as it updates its 2011 tribal consultation policy and subsequent guidance documents to assist program and regional offices with implementing the policy.



The EPA’s four-phase tribal consultation process: identify potential activities, notify, receive input, and follow up. (EPA image)

Business Practices and Accountability

Report No. [23-N-0014](#), *Findings for Consideration in the Management of Congressional Earmarks*

Issued April 20, 2023

 Compliance with the law. Operating efficiently and effectively.

 Managing increased investment in infrastructure. Managing business operations and resources.

From our review of four OIG reports, we identified three areas for improvement that the EPA should consider as it administers and oversees congressional earmarks, which are appropriated funds designated by Congress to be spent on a particular project. The three areas for improvement are ensure grant work plans adhere to EPA policies and align with strategic goals, ensure policies and procedures are in place to address the timely award and use of earmarked funds, and ensure compliance with grant terms and conditions. We did not issue any recommendations in this report.

- 491 earmarked projects
- \$859.3 million
- 98 percent for water and wastewater infrastructure projects
- For projects in all ten EPA regions, including 42 states and one U.S. territory

EPA earmarks (fiscal year 2022 appropriations)



Source: OIG summary of the EPA's FY 2022 appropriations. (EPA OIG image)

Report No. [23-P-0017](#), *The EPA Complied with the Payment Integrity Information Act for Fiscal Year 2022*

Issued May 16, 2023   

 Compliance with the law. Operating efficiently and effectively.

 Managing business operations and resources.

The EPA was compliant with the Payment Integrity Information Act and related Office of Management and Budget guidance for its FY 2022 reporting. We did not issue any recommendations in this report; however, the EPA still needed to complete corrective actions for two of the four recommendations issued in our prior Payment Integrity Information Act report, EPA OIG Report No. [22-P-0050](#), *The EPA Was Not Compliant with the Payment Integrity Information Act for Fiscal Year 2021*, dated June 27, 2022. Therefore, we will review implementation of corrective actions in the Agency's FY 2024 reporting.

Report No. [23-E-0021](#), *The EPA’s Vulnerability Tracking and Remediation and Information Technology Procedures Review Processes Are Implemented Inconsistently*

Issued July 5, 2023 

 Compliance with the law. Operating efficiently and effectively.

 Protecting EPA systems and other critical infrastructure against cyberthreats.

While assessing the EPA’s compliance with the FY 2022 inspector general reporting metrics for the Federal Information Security Modernization Act of 2014, we concluded that the EPA achieved an overall maturity level of Level 3. This means that the EPA consistently implemented its information security policies and procedures, but quantitative and qualitative effectiveness measures are lacking. The EPA has deficiencies in updating information security procedures and tracking and remediating vulnerabilities in a timely manner. Not doing so risks compromising the confidentiality, integrity, and availability of environmental and radiation data used for determining responses to national incidents and safeguarding first responder personnel.

Recommendation issued to the assistant administrator for Mission Support

| Number | Recommendation |
|--------|---|
| 1 | Update CIO 2190.0-P-01.0, <i>Reviewing and Updating Agencywide Directives Administered by the EPA CIO</i> , to include a timely process for reviewing and updating information security procedures within a year of the issuance of relevant National Institute of Standards and Technology publications. |

Recommendations issued to the assistant administrator for Air and Radiation

| Number | Recommendation |
|--------|---|
| 2 | Develop and implement a plan for prioritizing and scheduling the installation of patches that address vulnerabilities in the Analytical Radiation Data System within the time frames as set forth in CIO 2150-P-17.2, <i>Information Security – Interim System and Information Integrity Procedures</i> . |
| 3 | Assign responsibilities for the plan developed in Recommendation 2 to include documenting associated plans of actions and milestones in the Agency tracking system. |

Report No. [23-N-0028](#), *EPA Guidance Removed States’ Responsibilities for Monitoring State Revolving Fund Borrowers’ Single Audit Reports*

Issued August 15, 2023

 Ensuring clean and safe water. Partnering with states and other stakeholders.

 Managing business operations and resources.

The EPA Office of Water issued a policy memorandum in September 2021 that contradicted the Single Audit Act and misinterpreted federal award regulations by advising states that they do not have to review single audits of nonfederal entities that borrow money from state revolving funds. Reviewing the results of single audits is one oversight tool that states can use to minimize and prevent waste, fraud, and abuse of EPA funds. After we informed the EPA of this finding, it issued a memorandum in July 2023 that clarified the review requirements. As such, we made no recommendations in this report.

Report No. [23-F-0038](#), Audit of the EPA’s Fiscal Years 2022 and 2021 (Restated) Hazardous Waste Electronic Manifest System Fund Financial Statements

Issued September 29, 2023 

 Operating efficiently and effectively.

 Managing business operations and resources.

We rendered an unmodified opinion on the EPA’s FYs 2022 and 2021 (restated) Hazardous Waste Electronic Manifest System Fund, known as the e-Manifest Fund, financial statements, meaning that the statements were fairly presented and free of material misstatement. We did not identify any matters that we consider to be material weaknesses or significant deficiencies. We also did not identify any indication that the e-Manifest Fund fee structure was not reasonable, and it appears that the EPA has collected sufficient fees for the system to operate on a self-sustaining basis. However, as of September 2022, facilities receiving hazardous waste were submitting less than one-half of a percent of their manifests electronically, despite the Agency’s goal of 75 percent. We did not issue any recommendations in this report.

We also followed up on OIG recommendations that were issued in past e-Manifest Fund financial statement audit reports but that were not completed as of the end of FY 2022. We found that the EPA completed corrective actions for those recommendations.

Total billed manifests in FY 2022 by manifest type

| Manifest type | Total manifest | Percentage (%) |
|------------------------|------------------|----------------|
| Electronic | 7,345 | 0.42 |
| Data plus image upload | 1,511,524 | 87.13 |
| Image upload | 215,361 | 12.42 |
| Mailed paper | *478 | 0.03 |
| Total | 1,734,708 | 100.00 |

Source: OIG analysis of EPA data. (EPA OIG table)

* Although the EPA stopped accepting mailed paper manifests in FY 2021 because of a data-processing backlog, these manifests were processed and billed in FY 2022.

Hotline Complaints

Report No. [23-P-0026](#), *The EPA Lacks Complete Guidance for the New Chemicals Program to Ensure Consistency and Transparency in Decisions*

Issued August 2, 2023

 Ensuring the safety of chemicals.

 Providing for safe use of chemicals. Safeguarding scientific integrity.

This audit was initiated in response to several OIG Hotline complaints involving the EPA's New Chemicals Program, which is required by the Toxic Substances Control Act. Contrary to applicable recordkeeping and quality-assurance requirements, the New Chemicals Division had not finalized guidance for many of the New Chemicals Program activities and, prior to September 2021, used multiple recordkeeping applications, which were not integrated, were frequently inaccessible, and did not track edits. The New Chemicals Division lacked sufficient staff resources, and the EPA did not collect the amount of fees to offset the costs of implementing the Toxic Substances Control Act. As a result, the New Chemicals Program may not meet its legislative intent to prevent unreasonable risk to human health and the environment. There is no evidence, however, that the New Chemicals Division explicitly included the Toxic Substances Control Act statutory 90-day review requirement as an employee performance standard.



Resource constraints impact the EPA's New Chemicals Program's recordkeeping and quality assurance. (EPA OIG image)

Recommendations issued to the assistant administrator for Chemical Safety and Pollution Prevention

| Number | Recommendation |
|--------|--|
| 1 | Develop and implement a plan to regularly review the New Chemicals Division's guidance documents, including standard operating procedures, to ensure that all required guidance is developed, current, signed, and finalized. |
| 2 | Develop a process to periodically assess the effectiveness of the New Chemicals Division's official recordkeeping system within the Toxic Substances Control Act Confidential Business Information systems and update the applications and systems as needed, while maintaining the use of version controls to preserve edits made to records. |
| 3 | Develop and implement a plan to identify root causes for frequent technical issues and prioritize the creation and implementation of plans of action and milestones based on the severity of the technical issues within the Toxic Substances Control Act Confidential Business Information systems. |
| 4 | Conduct periodic reviews of the New Chemicals Division's workforce and workload analysis, and update as needed, to regularly balance the New Chemicals Division's workload with the staff resources needed to execute new chemicals review work, including updating and finalizing guidance and maintaining and updating Toxic Substances Control Act Confidential Business Information systems. |

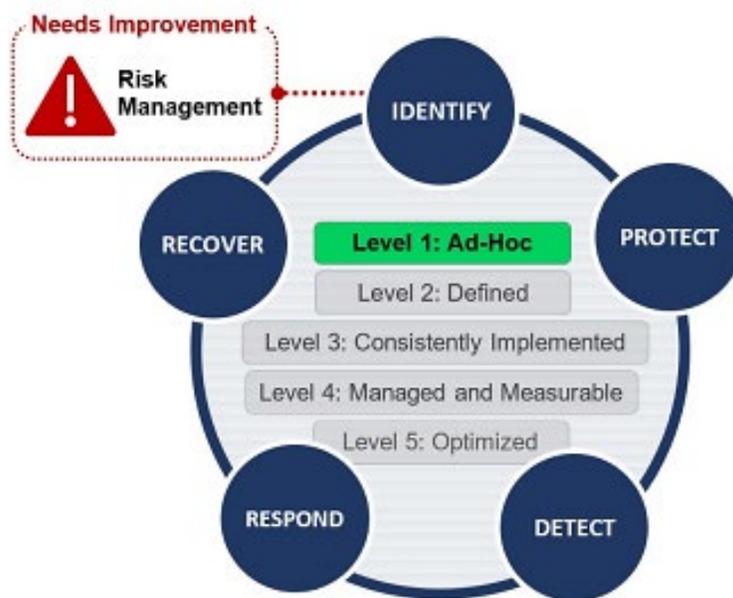
U.S. Chemical Safety and Hazard Investigation Board

Report No. **23-E-0016**, *The CSB Is at Increased Risk of Losing Significant Data as Vulnerabilities Are Not Identified and Remediated Timely*

Issued May 2, 2023

Drive chemical safety change through independent investigations to protect people and the environment.

While assessing the CSB’s compliance with the *Fiscal Year 2022 Inspector General Federal Information Security Modernization Act of 2014 Reporting Metrics*, SB & Company concluded that the CSB achieved an overall maturity level of Level 1. This means that the CSB’s policies, procedures, and strategies are not formalized and activities are performed in an ad-hoc and reactive manner. SB & Company also noted that the CSB discontinued its monthly vulnerability scans, which increases the risk that vulnerabilities are not identified and remediated timely.



The CSB’s overall maturity level was assessed to be Level 1. (EPA OIG image)

Recommendation issued to the CSB chief information officer

| Number | Recommendation |
|--------|--|
| 1 | Resume vulnerability scanning and address identified vulnerabilities that put the confidentiality, integrity, and availability of CSB’s data at risk in a timely manner. |

Report No. 23-P-0018, *The CSB Complied with Improper Payments Requirements in Fiscal Year 2022 but Should Improve Internal Controls for Improper Payments Reporting*

Issued May 17, 2023 

 Creating and maintaining an engaged, high-performing workforce.

In FY 2022, the CSB complied with the requirements of the Payment Integrity Information Act of 2019 and the applicable Office of Management and Budget guidance. Despite its overall compliance, the CSB did not accurately determine the total value of its improper payments, did not record its improper payments related to sales tax, erroneously included amounts paid pursuant to interagency agreements when determining its program outlays, and did not accurately identify the improper payments statute in its reporting. Inadequate internal controls, insufficient supervisory reviews, and no training on improper payment requirements contributed to these errors. Without improvements to its internal controls, the CSB may continue to make similar mistakes. Accurate improper payments reporting is important for the CSB to demonstrate its commitment to financial integrity and transparency.



The CSB's total improper payments for FY 2022.
(EPA OIG image)

Recommendations issued to the chairperson of the CSB

| Number | Recommendation |
|---------------|---|
| 1 | Establish and implement written procedures on the Payment Integrity Information Act of 2019 and improper payments reporting, including an internal review to prevent or detect inaccurately reported improper payment amounts, a process for making corrections to errors, and a process for updating improper payment citations in applicable documents. |
| 2 | Provide training to applicable CSB staff about the Payment Integrity Information Act of 2019, improper payments, and the associated procedures. |

2.2 Investigative Work

Section 5(a)(3) of the Inspector General Act, 5 U.S.C. § 405, requires a summary of significant investigations that were closed during the reporting period. We also report investigations that have not yet been officially closed but in which there has been significant activity, including convictions or guilty pleas, during the reporting period. Section 5(a)(13) of the Inspector General Act, 5 U.S.C. § 405, requires that we report on each investigation involving a senior government employee in which allegations of misconduct were substantiated.

Closed Significant Investigations

Individual Ordered to Pay Restitution for Sales of Unregistered Pesticides

On December 8, 2022, a Burlington, New Jersey individual was sentenced in U.S. District Court, District of New Jersey, to five years in federal prison and three years of supervised release, as well as forfeiture of \$2.74 million. On April 25, 2023, the court ordered the individual to pay \$227,043.30 in restitution. The individual previously pleaded guilty to one count each of knowingly distributing or selling an unregistered pesticide in violation of the Federal Insecticide, Fungicide, and Rodenticide Act; wire fraud; and presenting false claims to the United States. According to the individual's plea agreement, from March 2020 through May 2021, the individual used fraudulent representations to make more than 150 sales of unregistered pesticides for a profit of more than \$2.74 million. The purchasers of these unregistered pesticides included a Delaware police department; a Virginia fire department; a Georgia medical clinic; a New York janitorial supply company; a Wisconsin school district; and numerous U.S. government agencies, including the U.S. Marshals Service, Moody Air Force Base, the U.S. Department of Veterans Affairs, and the National Forest Service. Pursuant to the Federal Insecticide, Fungicide, and Rodenticide Act, the EPA is responsible for regulating the manufacture, labeling, and distribution of all pesticides shipped or received in interstate commerce.

This was a joint investigation with the EPA Criminal Investigation Division, Homeland Security Investigations, the U.S. Department of Defense OIG Defense Criminal Investigative Service, and the Naval Criminal Investigative Service.

Individuals and Company Debarred for Not Properly Accounting for EPA Funding

On July 14 and 15, 2022, the EPA debarred four individuals and 11 affiliated businesses from federal procurement and nonprocurement programs. The EPA debarred one individual and five companies for a ten-year period and three individuals and six companies for a five-year period. The individuals were previously convicted in U.S. District Court, Southern District of Florida, of conspiracy to commit mail and wire fraud. From about March through December 2015, the individuals unlawfully enriched themselves by obtaining payments from construction companies—which were the beneficiaries of federal government contracts, including contracts from the EPA—in exchange for issuing purportedly valuable surety bonds that were actually secured by worthless gold certificates. During the fraud, one of the

individuals, acting as a so-called “individual surety,” pledged over \$30 million in assets to builders working on large-scale infrastructure and residential construction projects.

This was a joint investigation with the U.S. Department of Veterans Affairs OIG; the U.S. Department of Transportation OIG; the U.S. Department of the Treasury Internal Revenue Service Criminal Investigation Division; and the Port Authority of New York and New Jersey OIG.

The EPA Reaffirmed That Tribe Should Repay Disallowed Costs

Based on an OIG investigation of a tribal staff member and tribal leader allegedly embezzling EPA grant funds, EPA Region 9 reviewed the tribe’s drawdowns and expenses for an EPA grant, as stated in quarterly performance reports for that grant. That review and investigation determined that the tribe could not support the expenditure of \$220,364 of the EPA grant funds. The EPA initiated an enforcement action against the tribe and issued a formal Agency decision finding that the tribe must repay the EPA \$220,364 in disallowed costs. In its appeal, the tribe asserted that because the EPA grant funds were embezzled and the tribe was not involved in expenditure of the funds, it was not responsible for repaying the disallowed costs and that the EPA should terminate the debt. In August 2021, the EPA reaffirmed its position requiring the tribe to repay the debt based on many factors, including that there was never a legal finding that funds were embezzled, as well as case law that determined embezzlement is not an allowable cost. Although the tribe further disputed the debt in 2022 and requested that it be eliminated or substantially reduced, the EPA denied the tribe’s request in January 2023 and noted that the tribe did not exercise its right to appeal the EPA’s 2021 decision to the regional administrator.

University Lab Reimbursed the EPA for Incorrectly Allocated Grant Funds

We learned of accounting irregularities at a state university’s laboratory recharge center. For FY 2014 through 2021, the laboratory recharge center accumulated a surplus of grant funds, \$537,832.18, and failed to follow established practices regarding cost budgets, fee schedules, and internal billing procedures. For example, the university did not provide historical operating cost budgets, which would have been necessary to establish billing rates limited to the recovery of the aggregate costs of the services provided. Based on the information, we requested that the university audit the grant funds identified in the investigation. The university identified incorrectly allocated grant funds and reimbursed the EPA \$173,892.68.

This was a joint investigation with the National Science Foundation OIG.

An Unknown Subject Used Email to Commit Fraud Against a Superfund Site

We were notified of a business email compromise that targeted a Superfund site in California. An unknown subject posed as an employee of the land trust for the county. As a result, \$231,500 intended to fund an EPA project was sent to an unknown subject. The funds were successfully frozen and returned.

This was a joint investigation with the Federal Bureau of Investigation.

Business Owner Sentenced for Falsifying Inspection Records for Thousands of Vehicles

On December 14, 2022, a Charlotte, North Carolina business owner pleaded guilty in U.S. District Court, Western District of North Carolina, to one count of conspiracy to defraud the United States and two counts of violating the Clean Air Act. On May 1, 2023, the business owner was sentenced to 12 months and one day in prison, followed by two years of supervised release, and was ordered to pay a \$1,202,288.50 fine and \$82,026.00 in restitution. The business owner fraudulently performed safety-only inspections on over 15,000 vehicles that required emissions testing from 2017 through 2022; all those vehicles would have otherwise failed the required emissions testing. In exchange for falsifying vehicle inspection records, the business owner received cash payments from customers that far exceeded what customers would have paid for an emissions inspection performed in accordance with the Clean Air Act state implementation plan. In addition, the business owner paid the State of North Carolina only \$0.85 per inspection instead of \$6.25 per inspection, as required by North Carolina regulations.

This was a joint investigation with the EPA Criminal Investigation Division and the North Carolina Department of Transportation.

An Unknown Subject Used Email to Commit Fraud Against an EPA Grant Recipient

In January 2023, an EPA grant recipient fell victim to a business-email-compromise scheme that resulted in fraudulent transfers of funds. The funds were part of a \$4 million EPA grant for a local river regional water supply project to collect and store drinking water. As a result of the investigation, \$385,000 of the fraudulently diverted funds was recovered and returned to the grant recipient.

This was a joint investigation with the Federal Bureau of Investigation.

Defense Contractor Sentenced for False Information About Electronic Equipment

On March 7, 2023, a Maryland defense contractor was found guilty in U.S. District Court, District of Maryland, of wire fraud; false claims; and making and using a false document in connection with his companies' performance on federal contracts, including EPA contracts. On July 14, 2023, the defense contractor was sentenced to 45 months of imprisonment followed by three years of supervised release and ordered to pay \$27,315.10 in restitution; to forfeit \$173,926.99; and to pay a special assessment of \$1,400.00. From February 10, 2015, through June 30, 2020, the contractor engaged in a scheme to defraud the government by entering into contracts with federal agencies, including the EPA, which required the contractor's two companies to provide new telecommunications equipment that was still under manufacturers' warranty. In communications with federal agency contracting officers, the contractor provided false information about the delivery, source, warranty, and condition of the electronic equipment provided by the companies. This included misrepresentations that the equipment was new and protected by the manufacturer's warranty, when the contractor knew that the equipment either was not new, was new but not under warranty, or was procured through unauthorized channels. The investigation determined that the contractor was not authorized to provide certain information

technology services to the federal government, although the contractor provided contracting officials with false information that stated otherwise.

This was a joint investigation with the Naval Criminal Investigative Service, the U.S. Department of Labor OIG, the Army Criminal Investigation Division, the U.S. Department of State OIG, the U. S. Department of Commerce OIG, the U.S. Department of the Interior OIG, the Defense Criminal Investigation Service, the U.S. Department of Homeland Security OIG, the U.S. Department of Health and Human Services OIG, and the U.S. Department of Justice OIG.

A Company Agreed to Pay \$2.35 Million to Resolve Allegations That It Made False Statements

On September 28, 2023, a company headquartered in Jacksonville, Florida, agreed to pay \$2.35 million to resolve allegations that it violated the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 by knowingly and intentionally making false statements to the EPA and other entities about the results of inspections it performed under the EPA’s Energy Star Program between 2014 and 2021. The Energy Star Program is a voluntary public-private partnership to identify and promote energy-efficient products and buildings, to reduce energy consumption, to improve energy security, and to reduce pollution through labeling of or other communication about products and buildings that meet energy conservation standards. The EPA oversees the Energy Star Home Certification Program in partnership with a private home certification organization that accredits and audits rating providers.

Open Significant Investigations

Individual Sentenced for Misleading Authorities about Lead Contamination in a Park

On June 2, 2023, a former project manager for an environmental remediation company was sentenced to five years of probation and ordered to pay a \$40,000 fine after pleading guilty on July 28, 2022, in U.S. District Court, Western District of Missouri, to misleading federal authorities about lead contamination in a city park in Granby, Missouri. In addition, the project manager’s employer paid more than \$2 million in restitution in two federal civil settlements, which were executed on April 24, 2023, and which fully compensated the government, including the EPA, for the costs to remove lead contamination from the city park in Granby. Specifically, the employer paid \$1,708,748 in a federal civil settlement agreement related to violations of the Comprehensive Environmental Response, Compensation, and Liability Act and paid \$338,119 in a federal civil settlement agreement related to violations of the False Claims Act. In 2015, the U.S. Army Corps of Engineers and the EPA awarded the environmental remediation company a contract, which totaled nearly \$12 million, to perform mine-waste remediation at the Newton County Mine Waste Remediation Superfund Site in and around Granby. This area had been contaminated by lead in the surface soil that was deposited through historical mining and smelting operations. The investigation determined that the project manager deliberately made false statements and provided false information to regulators regarding the level of

lead contamination that continued to exist at the park. Because of the project manager's actions, the EPA had to hire another contractor to remediate the city park, resulting in additional costs to the EPA.

This was a joint investigation with the EPA Criminal Investigation Division, the Department of Defense OIG Defense Criminal Investigative Service, and the Army Criminal Investigative Division Major Procurement Fraud Unit.

Former EPA Employee Suspended for Unlawfully Intervening to Import Products that Did Not Comply with Federal Environmental Law

On March 31, 2023, a now former EPA GS-13 employee was convicted in the U.S. District Court, Northern District of Georgia, Atlanta Division, on one count of unlawful for an employee to act as an agent of the United States, in violation of 18 U.S.C. § 205(a)(2). On July 31, 2023, the employee was suspended from federal procurement and nonprocurement programs pending proposed debarment. Specifically, the EPA employee unlawfully intervened with the U.S. Customs and Border Patrol to clear the importation of products that did not comply with federal environmental law and that otherwise would not have been allowed to enter commerce.

Engineering Firm Agreed to Pay Restitution for Not Complying with the American Iron and Steel Provision

On May 24, 2023, the U. S. Attorney's Office, District of South Dakota, approved a settlement between the Department of Justice, on behalf of the EPA, and a Wyoming-based engineering firm. The settlement agreement was in response to a False Claims Act investigation related to an American Iron and Steel provision compliance issue involving the drinking water state revolving fund water well rehabilitation project in Hermosa, South Dakota. The engineering firm agreed to settle for \$61,653.30. The EPA will receive \$36,440 in restitution, which it will return to the drinking water state revolving fund.

Lab Co-Owner Sentenced for Reporting False Test Results

On January 30, 2023, the co-owner of a water testing laboratory company in Bridgeport, West Virginia, pleaded guilty in U.S. District Court, Northern District of West Virginia to one count of making a false representation within the jurisdiction of the EPA, in violation of 18 U.S.C. § 1001. On July 25, 2023, the co-owner was sentenced to one year of federal probation. In May 2021, the City of Martinsburg, West Virginia, sent water samples to the laboratory company for testing pursuant to the Safe Drinking Water Act, and the co-owner reported that the samples were tested and found to be safe. The investigation determined that the co-owner of the company did not test the water samples because the laboratory equipment was not operational. As a result, when the City of Martinsburg reported the test results to the State of West Virginia pursuant to EPA regulations, the city unwittingly reported false test results.

This was a joint investigation with the EPA Criminal Investigation Division.

Businesspeople Sentenced for Falsely Claiming Cleaning Product Was EPA-Approved

On December 1, 2022, two San Diego businesspeople pleaded guilty in U.S. District Court, Southern District of California, to defrauding customers by falsely claiming that their company's antimicrobial cleaning product was tested and approved by the EPA to eliminate bacteria and viruses, including the SARS-CoV-2 virus, which causes the COVID-19 disease, on treated surfaces for one year with a single application. On June 2, 2023, the two businesspeople were each sentenced to five years of probation, and each ordered to pay restitution in the amount of \$823,669.31. The investigation determined that none of the products sold under the company's name were registered as pesticides by the EPA, as required by law. Pesticides that are unregistered may not be sold or distributed in the United States. In pleading guilty, the businesspeople and their company admitted that it sold over \$800,000 worth of the unregistered pesticides.

This was a joint investigation with the EPA Criminal Investigation Division, Homeland Security Investigations, and the California Department of Toxic Substances Control.

Individual Pleaded Guilty to Conspiracy Against Not-For-Profit

On January 24, 2023, two individuals were indicted in the U.S. District Court, District of New Mexico, for conspiracy to commit wire fraud and money laundering. One of the individuals was employed by a 501(c)(3) not-for-profit organization headquartered in Santa Fe, New Mexico. On July 17, 2023, one of the individuals pleaded guilty to one count of conspiracy to commit wire fraud. The not-for-profit organization's goal was to protect and restore wildlife, natural resources, and ecosystems of the American West. The not-for-profit organization received federal funding for restoration projects through grants from federal agencies, such as the EPA and the Department of the Interior. From February 2015 through April 2019, the two individuals allegedly conspired to inflate hours billed to the not-for-profit organization and allegedly diverted more than \$250,000 from the entity. If convicted, both individuals face up to 20 years in prison.

This was a joint investigation with the U.S. Department of the Interior OIG.

Report No. 23-N-0039, Report of Investigation: Colorado Nonprofit Whistleblower Reprisal Investigation

We did not substantiate allegations that a Colorado nonprofit, the recipient of an EPA subaward, engaged in retaliation prohibited under 41 U.S.C. § 4712 against an employee of the foundation for the employee's disclosures about possible mismanagement of the subaward. Specifically, the employee alleged that the foundation created a hostile work environment and failed to pay certain commissions and a retention bonus. We found that the employee made four protected disclosures and that three of the disclosures were contributing factors in one personnel action taken against the employee: the failure to pay a commission on the contribution of a new donor. Our investigation determined, however, that there was clear and convincing evidence showing that the nonpayment of the commission was for reasons unrelated to the complainant's protected disclosures.

Management Implication Reports

Management Implication Report: Disclosure of Foreign Support for EPA Research Grants

Issued April 13, 2023

The EPA only requires grant applicants to disclose active and pending research support *before* receiving a grant award. There is no provision requiring the disclosure of foreign support *after* the EPA awards a grant. Our investigation revealed that an EPA grant recipient received both federal funding and foreign support during the grant’s period of performance. Because the foreign support was provided after the EPA awarded the grant, the grant recipient was not required to, and did not, report the foreign support. We issued this management implication report so that the EPA may take whatever steps it deems appropriate to ensure full transparency from grant recipients; comply with the relevant statutory and governmentwide requirements; and ensure that there is no scientific or budgetary overlap of, foreign influence on, or other conflict related to EPA-funded research before and after the Agency awards grants.

Management Implication Report: Conflicts of Interest in Small Business Innovation Research Solicitations and Contracts

Issued June 15, 2023

The EPA’s Small Business Innovation Research Phase I solicitation for FY 2022 through 2023 did not include provisions about how applicants could avoid and mitigate conflicts of interest. It also did not include clauses that would require award recipients to immediately notify the EPA of organizational or personal conflicts of interest that arise during the performance of the contract. In addition, Small Business Innovation Research contracts did not consistently include conflict-of-interest provisions. We issued this management implication report so that the EPA could consider including these provisions and clauses in all applicable Small Business Innovation Research procurement documents.

Report No. 23-N-0035, Management Implication Report: Lack of Readily Accessible Small Business Innovation Research Data

Issued September 28, 2023

Neither OIG nor EPA personnel are able to extract Small Business Innovation Research contract data—such as information about proposals, bids, awards, contractors, and subcontractors—from the EPA Acquisition System in meaningful ways to perform oversight. The EPA should consider improving how such data are entered into the system, so that all relevant information for the life cycle of a Small Business Innovation Research contract is standardized and readily retrievable.

Senior Employee Investigations

The Administrative Investigations Directorate conducts administrative investigations of allegations of misconduct by senior Agency employees. Senior Agency employees include an officer or employee in the executive branch, including a special government employee as defined in 18 U.S.C. § 202, who occupies a position classified at or above level 15 of the General Schedule or, in the case of positions not under the General Schedule, for which the rate of basic pay is equal to or greater than 120 percent of the minimum rate of basic pay payable for GS-15. Senior government employees include members of the senior executive service; political appointees; and scientific, professional, and senior-level positions.

Report No. [23-N-0020](#), Report of Investigation: Katherine A. Lemos, Former Chairperson and Chief Executive Officer, U.S. Chemical Safety and Hazard Investigation Board

Issued June 28, 2023

Dr. Katherine A. Lemos, former CSB chairperson and chief executive officer, improperly used CSB funds to travel multiple times from her residence in San Diego, California, to her official duty station in Washington, D.C., in violation of the Federal Travel Regulation. Lemos also improperly used CSB funds for travel to Norfolk, Virginia, to participate in an embarkation on a U.S. Navy aircraft carrier, and she improperly calculated expenses for other travel based on her residence in San Diego rather than Washington, D.C., both in violation of the Federal Travel Regulation. Lemos used CSB funds for her own media training without prior approval of the U.S. Office of Personnel Management, in violation of the Government Employees Training Act. She also exceeded the statutory cap on expenses to furnish and redecorate her office without prior notification to Congress, and her furniture purchases were in violation of the Federal Management Regulation. In total, the investigation identified \$96,426 in misspent funds on Lemos's travel, office furnishings, and training. Additionally, Lemos's testimony to the OIG included several statements that were directly contradicted by other evidence. We did not substantiate allegations of wrongdoing related to the noncompetitive hiring of two senior aides, nor did we substantiate the allegation that her travel to Washington, D.C., for a White House holiday party violated restrictions on travel associated with the continuing resolution that was in place at the time.



The lounge chairs, ottomans, and table installed in Dr. Lemos's office. Source: The vendor's sales representative took the photo and sent it to Dr. Lemos on December 15, 2020.

Report of Investigation—Employee Integrity

A Report of Investigation documents the facts and findings of an OIG investigation and generally involves an employee integrity matter. When either the OIG’s Office of Investigations or the OIG’s Administrative Investigations Directorate issues a Report of Investigation that has at least one supported allegation, it will generally request that the entity receiving the report—whether it is an office within the EPA, the CSB, or the OIG—notify the OIG within 60 days regarding the administrative action taken or proposed to be taken in the matter. When the Administrative Investigations Directorate issues a Report of Investigation pursuant to 41 U.S.C. § 4712, the entity receiving the report is statutorily required to take a specified action or deny relief within 30 days. This section provides information on how many Reports of Investigation with at least one supported allegation were issued to the EPA, the CSB, or the OIG, as well as how many of those Reports of Investigation did not receive a response within the 60- or 30-day period.

For this reporting period, we issued four Reports of Investigation—three to the EPA and one to the CSB—and received zero responses outside the 60-day response period.

2.3 Instances of Whistleblower Retaliation and Interference with Independence

Whistleblower Retaliation

Section 5(a)(14) of the Inspector General Act, 5 U.S.C. § 405, requires a detailed description of any instances of whistleblower retaliation noted by the OIG. This requirement includes reporting information about any officials found to have engaged in retaliation and the consequences the EPA or the CSB imposed to hold such officials accountable. We did not have any reportable instances of whistleblower retaliation this semiannual period.

Interference with Independence

Section 5(a)(15) of the Inspector General Act, 5 U.S.C. § 405, requires a detailed description of any attempt by the EPA or the CSB to interfere with the independence of the OIG, including “budget constraints designed to limit the capabilities” of the OIG and incidents in which the EPA or the CSB “has resisted or objected to oversight activities of the [OIG] or restricted or significantly delayed access to information.” We did not have any reportable instances of interference with independence this semiannual period.

Section 3: Statistical Data



3.1 Summary of Investigative Results

Section 5(a)(4) of the Inspector General Act, 5 U.S.C. § 405, requires a listing of the total convictions for the reporting period that resulted from investigations, and section 5(a)(11) of the Act, 5 U.S.C. § 405, requires statistical tables identifying the total number of investigative reports, the total number of people referred for criminal prosecution during the reporting period, and the total number of indictments and criminal informations during the reporting period that resulted from prior referrals to prosecuting authorities. We also provide additional statistical information relating to the results of our investigative work, including cases and complaints opened, and the results of criminal, civil, and administrative actions.

Table 4: Summary of investigative activity

| Investigative activity | Number |
|---|--------|
| Cases open as of March 31, 2023* | 178 |
| Cases opened during period | 80 |
| Cases closed during period | 80 |
| Cases open as of September 30, 2023* | 178 |
| Preliminary inquiries open as of March 31, 2023 | 62 |
| Preliminary inquiries opened during period | 85 |
| Preliminary inquiries closed during period | 79 |
| Preliminary inquiries open as of September 30, 2023 | 68 |

Source: OIG analysis of OIG investigative activity. (EPA OIG table)

* These cases include data from the Office of Investigations and the Administrative Investigations Directorate.

Table 5: Results of criminal and civil actions

| Criminal and civil actions | EPA OIG only | Joint* | Total |
|--|--------------|-------------|-------------|
| Criminal indictments, informations, or complaints† | 0 | 0 | 0 |
| Convictions‡ | 0 | 8 | 8 |
| Civil judgments, settlements, or filings | 2 | 2 | 4 |
| Criminal fines and recoveries | \$671,362 | \$4,383,162 | \$5,054,524 |
| Civil recoveries | \$2,411,653 | \$2,243,493 | \$4,655,146 |
| Prison time | 0 months | 57 months | 57 months |
| Prison time suspended | 0 months | 0 months | 0 months |
| Home detention | 0 months | 0 months | 0 months |
| Probation | 0 months | 25 months | 25 months |
| Community service | 0 hours | 0 hours | 0 hours |

Source: OIG analysis of OIG investigative activity. (EPA OIG table)

* With one or more other federal agencies.

† Sealed indictments are not included in this category.

‡ The term “convictions” comprises finalized convictions (those for which sentencing is completed) filed during the reporting period.

Table 6: Administrative actions

| Administrative actions | EPA OIG only | Joint* | Total |
|-------------------------------|--------------|----------|-----------|
| Suspensions | 1 | 5 | 6 |
| Debarments | 1 | 0 | 1 |
| Other administrative actions* | 5 | 3 | 8 |
| Total | 7 | 8 | 15 |

Note: This table includes data from the Office of Investigations and the Administrative Investigations Directorate.

Source: OIG analysis of OIG investigative activity. (EPA OIG table)

* With one or more other federal agencies.

Table 7: Administrative recoveries and cost savings

| Administrative recoveries or cost savings | EPA OIG only | Joint* | Total |
|---|--------------|--------|-----------|
| Administrative recoveries† | \$0 | \$0 | \$0 |
| Cost savings | \$314,511 | \$0 | \$314,511 |

Note: This table includes data from the Office of Investigations and the Administrative Investigations Directorate.

Source: OIG analysis of OIG investigative activity. (EPA OIG table)

* With one or more other federal agencies.

† Administrative recoveries include restitutions, reimbursements, fines, recoveries, repayments, and the dollar values of recovered government equipment.

Table 8: Summary of investigative reports issued and referrals for prosecution

| Investigative activity | Number |
|---|--------|
| Number of investigative reports issued | 4* |
| Number of persons referred to Department of Justice for criminal prosecution | 19 |
| Number of persons referred to state and local authorities for criminal prosecution | 0 |
| Number of criminal indictments and informations resulting from any prior referrals to prosecutive authorities | 0 |

Note: Investigative reports comprise final, interim, and supplemental Reports of Investigation, as well as Final Summary Reports. In calculating the number of referrals, corporate entities were counted as “persons.”

Source: OIG analysis of OIG investigative activity. (EPA OIG table)

* This number includes reports from the Office of Investigations and the Administrative Investigations Directorate and may differ from the numbers reported in the Reports of Investigation section.

Table 9: Subjects of employee integrity investigations

| Investigation status | Political appointee* | SES* | GS-15* | GS-14 and below* | Total* |
|-----------------------------------|----------------------|------|--------|------------------|--------|
| Pending as of March 31, 2023 | 4 | 9 | 11 | 8 | 32 |
| Open | 1 | 2 | 1 | 10 | 14 |
| Closed | 1 | 0 | 1 | 6 | 8 |
| Pending as of September 30, 2023† | 4 | 11 | 11 | 12 | 38 |

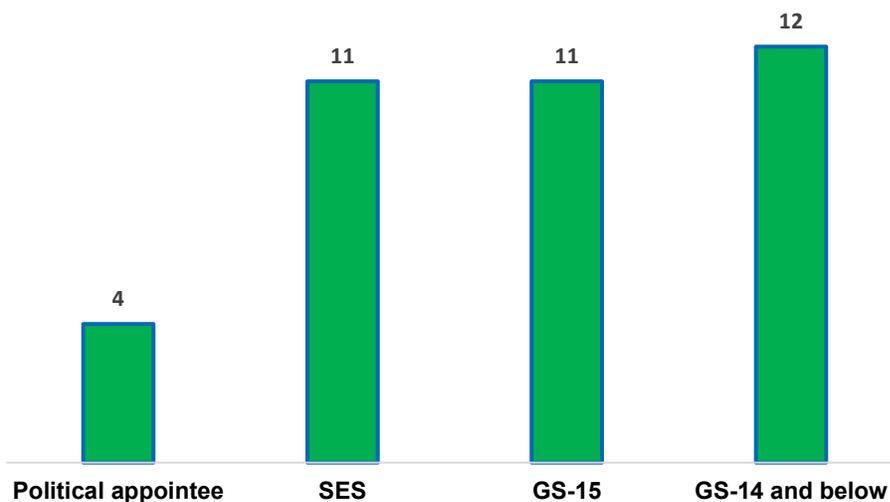
Note: This table includes data from the Office of Investigations and the Administrative Investigations Directorate. SES stands for Senior Executive Service. Employee integrity investigations involve allegations of criminal activity or serious misconduct by Agency employees that could threaten the credibility of the Agency, the validity of executive decisions, the security of personnel or business information entrusted to the Agency, or financial loss to the Agency (such as abuse of government bank cards or theft of Agency funds).

Source: OIG analysis of OIG investigative activity. (EPA OIG table)

* Includes investigations for cases related to individuals who may also be former employees.

† Pending numbers as of September 30, 2023, may not add up due to investigative developments resulting in subjects being added or changed.

Figure 6: Subjects of employee integrity investigations by grade



Note: Pending numbers as of September 30, 2023.

Source: OIG analysis of OIG investigative activity. (EPA OIG image)

Appendixes



Appendix 1

Reports Issued

Section 5(a)(5) of the Inspector General Act, 5 U.S.C. § 405, requires a listing of each audit, inspection, or evaluation report issued by the OIG during the reporting period. For each report, where applicable, the Act also requires identification of the dollar value of questioned costs, including unsupported costs, and the dollar value of recommendations that funds be put to better use, including whether a management decision had been made by the end of the reporting period.

For more information on a report, please visit our [website](#).

Table A.1: Overview of evaluations, financial audits, performance audits, and projects

| Evaluation or audit type | Number of reports issued | Questioned costs (\$) | Unsupported costs (\$) | Funds put to better use (\$) |
|---|--------------------------|-----------------------|------------------------|------------------------------|
| Evaluations in accordance with the quality standards for inspection and evaluation. <i>See Table A.2.</i> | 7 | 0.00 | 0.00 | 0.00 |
| Financial audits in accordance with the generally accepted government auditing standards. <i>See Table A.3.</i> | 1 | 0.00 | 0.00 | 0.00 |
| Performance audits in accordance with the generally accepted government auditing standards. <i>See Table A.4.</i> | 9 | 611,756.00 | 611,756.00 | 30,700,000.00 |
| Project conducted in accordance with guidance other than the generally accepted government auditing standards or the quality standards for inspection and evaluation. <i>See Table A.5.</i> | 4 | 0.00 | 0.00 | 0.00 |
| Total | 21 | 611,756.00 | 611,756.00 | 30,700,000.00 |

Source: OIG analysis of OIG reports. (EPA OIG table)

Table A.2: Evaluations in accordance with the quality standards for inspection and evaluation

| Report number | Report title | Report issuance date | Questioned costs (\$) | Unsupported costs (\$) | Funds put to better use (\$) | Management decision* |
|---------------|--|----------------------|-----------------------|------------------------|------------------------------|----------------------|
| 23-E-0015 | <i>EPA Region 9 Must Continue Oversight Throughout the Decontamination and Closure of the Red Hill Facility</i> | 4/25/23 | 0.00 | 0.00 | 0.00 | Yes |
| 23-E-0016 | <i>The CSB Is at Increased Risk of Losing Significant Data as Vulnerabilities Are Not Identified and Remediated Timely</i> | 5/2/23 | 0.00 | 0.00 | 0.00 | Yes |

Appendix 1

| Report number | Report title | Report issuance date | Questioned costs (\$) | Unsupported costs (\$) | Funds put to better use (\$) | Management decision* |
|---------------|--|----------------------|-----------------------|------------------------|------------------------------|----------------------|
| 23-E-0021 | <i>The EPA's Vulnerability Tracking and Remediation and Information Technology Procedures Review Processes Are Implemented Inconsistently</i> | 7/5/23 | 0.00 | 0.00 | 0.00 | Yes |
| 23-E-0023 | <i>The EPA Should Update Its Strategy, Goals, Deadlines, and Accountability Framework to Better Lead Chesapeake Bay Restoration Efforts</i> | 7/18/23 | 0.00 | 0.00 | 0.00 | Yes |
| 23-E-0027 | <i>The EPA Has Not Verified that Its Laboratories Comply with Hazardous Waste Requirements</i> | 8/14/23 | 0.00 | 0.00 | 0.00 | Some |
| 23-E-0033 | <i>The EPA Needs to Address Increasing Air Pollution at Ports</i> | 9/21/23 | 0.00 | 0.00 | 0.00 | Some |
| 23-E-0037 | <i>The EPA Adhered to Tribal Consultation Policies for Pesticide Actions but Could Update Guidance to Enhance the Meaningful Involvement of Tribal Governments</i> | 9/29/23 | 0.00 | 0.00 | 0.00 | N/A |
| Total | — | — | 0.00 | 0.00 | 0.00 | — |

Source: OIG analysis of OIG reports that are in accordance with the quality standards for inspection and evaluation. (EPA OIG table)

* "Yes" indicates that there was a management decision made regarding all recommendations in the report. "Some" indicates that a management decision was made for some but not all recommendations in the report. "N/A" indicates that the report did not have any recommendations requiring a management decision.

Table A.3: Financial audits in accordance with the generally accepted government auditing standards

| Report number | Report title | Report issuance date | Questioned costs (\$) | Unsupported costs (\$) | Funds put to better use (\$) | Management decision* |
|---------------|--|----------------------|-----------------------|------------------------|------------------------------|----------------------|
| 23-F-0038 | <i>Audit of the EPA's Fiscal Years 2022 and 2021 (Restated) Hazardous Waste Electronic Manifest System Fund Financial Statements</i> | 9/29/23 | 0.00 | 0.00 | 0.00 | N/A |
| Total | — | — | 0.00 | 0.00 | 0.00 | — |

Source: OIG analysis of OIG reports that are in accordance with the generally accepted government auditing standards. (EPA OIG table)

* "N/A" indicates that the report did not have any recommendations requiring a management decision.

Appendix 1

Table A.4: Performance audits in accordance with the generally accepted government auditing standards

| Report number | Report title | Report issuance date | Questioned costs (\$) | Unsupported costs (\$) | Funds put to better use (\$) | Management decision* |
|---------------|---|----------------------|-----------------------|------------------------|------------------------------|----------------------|
| 23-P-0017 | <i>The EPA Complied with the Payment Integrity Information Act for Fiscal Year 2022</i> | 5/16/23 | 0.00 | 0.00 | 0.00 | N/A |
| 23-P-0018 | <i>The CSB Complied with Improper Payments Requirements in Fiscal Year 2022 but Should Improve Internal Controls for Improper Payments Reporting</i> | 5/17/23 | 0.00 | 0.00 | 0.00 | Yes |
| 23-P-0022 | <i>The EPA Could Improve Its Review of Drinking Water State Revolving Fund Programs to Help States Assist Disadvantaged Communities</i> | 7/11/23 | 0.00 | 0.00 | 30,700,000.00 | Some |
| 23-P-0026 | <i>The EPA Lacks Complete Guidance for the New Chemicals Program to Ensure Consistency and Transparency in Decisions</i> | 8/2/23 | 0.00 | 0.00 | 0.00 | Yes |
| 23-P-0029 | <i>The EPA Needs to Further Refine and Implement Guidance to Address Cumulative Impacts and Disproportionate Health Effects Across Environmental Programs</i> | 8/22/23 | 0.00 | 0.00 | 0.00 | Yes |
| 23-P-0030 | <i>The EPA Should Enhance Oversight to Ensure that All Refineries Comply with the Benzene Fenceline Monitoring Regulations</i> | 9/6/23 | 0.00 | 0.00 | 0.00 | Yes |
| 23-P-0031 | <i>The EPA Should Determine How Its Elevation Policy Can More Effectively Address Risks to the Public</i> | 9/7/23 | 0.00 | 0.00 | 0.00 | Some |
| 23-P-0032 | <i>The EPA Must Improve Controls and Integrate Its Information System to Manage Fraud Potential in the Renewable Fuel Standard Program</i> | 9/19/23 | 0.00 | 0.00 | 0.00 | Yes |
| 23-P-0034 | <i>The EPA Should Improve Management of Great Lakes Restoration Initiative Grants</i> | 9/26/23 | 611,756.00 | 611,756.00 | 0.00 | Yes |
| Total | — | — | 611,756.00 | 611,756.00 | 30,700,000.00 | — |

Source: OIG analysis of OIG reports that are in accordance with the generally accepted government auditing standards. (EPA OIG table)

* “Yes” indicates that there was a management decision made regarding all recommendations in the report. “Some” indicates that a management decision was made for some but not all recommendations in the report. “N/A” indicates that the report did not have any recommendations requiring a management decision.

Appendix 1

Table A.5: Projects in accordance with guidance other than the generally accepted government auditing standards or the quality standards for inspection and evaluation

| Report number | Report title | Report issuance date | Questioned costs (\$) | Unsupported costs (\$) | Funds put to better use (\$) | Management decision* |
|---------------|--|----------------------|-----------------------|------------------------|------------------------------|----------------------|
| 23-N-0014 | <i>Findings for Consideration in the Management of Congressional Earmarks</i> | 4/20/23 | 0.00 | 0.00 | 0.00 | N/A |
| 23-N-0024 | <i>The EPA Should Determine What Interim Actions Can Be Taken to Immediately Notify the Public When Lead in Drinking Water Exceeds the Agency's Action Level</i> | 7/20/23 | 0.00 | 0.00 | 0.00 | Yes |
| 23-N-0028 | <i>EPA Guidance Removed States' Responsibilities for Monitoring State Revolving Fund Borrowers' Single Audit Reports</i> | 8/15/23 | 0.00 | 0.00 | 0.00 | N/A |
| 23-N-0036 | <i>Status of Unliquidated Obligations for Programs Receiving Funding from the Infrastructure Investment and Jobs Act</i> | 9/28/23 | 0.00 | 0.00 | 0.00 | N/A |
| Total | — | — | 0.00 | 0.00 | 0.00 | — |

Note: We issued a management alert about the EPA's ability to readily identify grant funds. We retracted this alert after the Agency provided additional information following issuance.

Source: OIG analysis of OIG reports that are not in accordance with generally accepted government auditing standards or the quality standards for inspection and evaluation. (EPA OIG table)

* "No" indicates that a management decision was not made regarding the recommendations in the report. "N/A" indicates that the report did not have any recommendations requiring a management decision.

Management Decisions Relating to Reports Issued During Previous Reporting Periods

Section 5(a)(6) of the Inspector General Act, 5 U.S.C. § 405, requires information regarding “any management decision made during the reporting period with respect to any audit, inspection, or evaluation issued during a previous reporting period.”

For more information on a report, please visit our [website](#).

Table A.6: Management decisions on prior unresolved recommendations in this semiannual period

| Report | Unresolved recommendations | Action office or official | Management decision | Decision date |
|--|---|---|---|---------------|
| Report No. 23-E-0012, <i>The EPA’s Residential Wood Heater Program Does Not Provide Reasonable Assurance that Heaters Are Properly Tested and Certified Before Reaching Consumers</i> , issued February 28, 2023 | 1. Develop internal controls for the residential wood heater program to improve the certification process and oversight, including but not limited to: <ul style="list-style-type: none"> a. Issuing a standardized certification test report template. b. Developing policies and procedures that detail how to conduct in-depth reviews of certification test reports. c. Periodically observing certification testing. d. Developing and implementing guidance for conducting systematic compliance audit tests. 2. In consultation with the Office of Air and Radiation, define roles and responsibilities within and between the Office of Enforcement and Compliance Assurance and the Office of Air and Radiation for the residential wood heater program, so that sufficient subject-matter expertise and resources are leveraged | Rec. 1, 2, and 3: Office of Enforcement and Compliance Assurance Rec. 4, 5, and 6: Office of Air and Radiation | The Agency provided a response on April 28, 2023, which outlined the EPA’s planned corrective actions. Based on the information and supporting documentation provided, the OIG believes the corrective actions meet the intent for Recommendations 1a, 1b, 1d, 2, 3, 4, 5, and 6. The OIG issued a memorandum on July 10, 2023, stating disagreement with the planned corrective actions for Recommendation 1c. This recommendation is currently in the resolution process. | 4/28/23 |

Appendix 2

| Report | Unresolved recommendations | Action office or official | Management decision | Decision date |
|---|---|--|---|---------------|
| | <p>to ensure that certification test reports are substantively.</p> <p>3. Develop and implement a plan to demonstrate whether residential wood heaters certified using the test methods based on ASTM E3053 comply with the New Source Performance Standards for residential wood heaters.</p> <p>4. Incorporate the EPA's certification test report expectations set forth in the April 2022 corrective action list into the 2023 revisions to the New Source Performance Standards for residential wood heaters.</p> <p>5. Develop and adopt an EPA cord wood test method that is supported by data to provide the public reasonable assurance that certified appliances meet emission standards.</p> <p>6. Establish mechanisms to promote independence between emissions testing labs and third-party certifiers.</p> | | | |
| <p>Report No. 23-E-0013, <i>The EPA's January 2021 PFBS Toxicity Assessment Did Not Uphold the Agency's Commitments to Scientific Integrity and Information Quality</i>, issued March 7, 2023</p> | <p>1. Develop or update existing policies, procedures, or guidance to specify whether and under which applicable circumstances comments expressing scientific disagreement can be provided for a scientific product that has undergone all peer reviews and required developmental steps set forth in applicable actions or project plans.</p> <p>2. Develop or update existing policies, procedures, or technical documents to specify whether reference dose ranges are acceptable in toxicity assessments. If</p> | <p>Rec. 1, 2, and 5: Office of Research and Development</p> <p>Rec. 3: Office of Mission Support</p> <p>Rec. 4: Deputy Administrator</p> | <p>The Agency provided a response on May 5, 2023, which noted that the EPA continues to disagree with the recommendations included in the OIG report. The OIG considers the recommendations unresolved. This report is currently in the resolution process.</p> | <p>5/5/23</p> |

Appendix 2

| Report | Unresolved recommendations | Action office or official | Management decision | Decision date |
|--------|--|---------------------------|---------------------|---------------|
| | <p>acceptable, specify circumstances under which reference dose ranges may be applied.</p> <p>3. Update EPA policies and procedures on environmental information quality to require additional quality assurance reviews for EPA products that undergo major changes to scientific results or conclusions after quality assurance reviews have been completed.</p> <p>4. Develop or update existing policies, procedures, or guidance to require policy-makers and decision officials to uphold transparency through timely, formal communication of decisions and the scientific bases to change results or conclusions of a scientific product to originating authors in the absence of peer review.</p> <p>5. Update the EPA’s Scientific Integrity Policy to require that the OIG be immediately notified of scientific integrity concerns, including advice queries and allegations, that relate to political interference or that assert risks to human health or the environment.</p> | | | |

Note: Rec. = Recommendation.

Source: OIG summary of the Agency’s responses to final reports and the OIG’s evaluation of the response. (EPA OIG table)

Appendix 3***Reports with Corrective Action Not Completed***

Section 5(a)(2) of the Inspector General Act, 5 U.S.C. § 405, requires information regarding “an identification of each recommendation made before the reporting period, for which corrective action has not been completed, including the potential cost savings associated with the recommendation.” We define potential cost savings to be the sum of questioned costs plus funds to put to better use.

This appendix contains tables with unimplemented recommendations that the OIG issued to the EPA in 43 reports from 2008 to March 31, 2023. There are 89 unimplemented recommendations for the EPA, with potential cost savings of \$99,072,000. There are no unimplemented recommendations for the CSB.

Below is a list of the EPA offices and regions responsible for the recommendations in the following tables. While a recommendation may be listed as unimplemented, the Agency may be on track to complete agreed upon corrective actions by the planned due date.

Responsible EPA Offices and Officials

| | |
|-----------------|---|
| DA | Deputy Administrator (within the Office of the Administrator) |
| ADA | Associate Deputy Administrator (within the Office of the Administrator) |
| OAR | Office of Air and Radiation |
| OCFO | Office of the Chief Financial Officer |
| OCSP | Office of Chemical Safety and Pollution Prevention |
| OECA | Office of Enforcement and Compliance Assurance |
| OEJECR | Office of Environmental Justice and External Civil Rights |
| OGC | Office of General Counsel |
| OLEM | Office of Land and Emergency Management |
| OMS | Office of Mission Support |
| ORD | Office of Research and Development |
| OW | Office of Water |
| Region 2 | |
| Region 3 | |
| Region 5 | |
| Region 6 | |
| Region 9 | |
| Region 10 | |
| Science Advisor | |

Appendix 3

EPA Reports with Unimplemented Recommendations

Table A.7: EPA reports with unimplemented recommendations by report category

| Report category | Number of unimplemented recommendations | Potential cost savings in thousands (\$) |
|--|---|--|
| Administrative and business operations. See Table A.8. | 23 | 71,272.00 |
| Human health and environmental issues. See Table A.9. | 66 | 27,800.00 |
| Total | 89 | 99,072.00 |

Source: OIG analysis of OIG final reports, EPA response memorandum, and inspector general responses as well as the Agency's Enterprise Audit Management System. (EPA OIG table)

Table A.8 provides the full text of recommendations issued to the EPA prior to this semiannual period that remain unimplemented. The table also includes the EPA's planned corrective action completion dates as of the report issuance date and any subsequent revisions the EPA made to those planned completion dates. The table reflects the status of recommendations as of September 30, 2023. For more information on a report, please visit our [website](#).

Table A.8: EPA administrative and business operations reports with unimplemented recommendations

| Report | Action office | Unimplemented recommendations | The EPA's planned completion date at the time of report issuance | The EPA's revised planned completion dates | Potential cost savings in thousands (\$)* |
|---|----------------|---|--|--|---|
| Report No. 23-F-0005, <i>The EPA's Fiscal Years 2020 and 2019 Toxic Substances Control Act Service Fee Fund Financial Statements</i> , issued December 29, 2022 | OCFO and OCSPP | 1. Correct the methodology for accounting for Toxic Substances Control Act direct and indirect expenses from other appropriations to ensure all costs for administering sections 4 and 5, parts of section 6, and section 14 of the Act are properly recorded and reported in the financial statements. | 10/1/23 | 10/31/23 | 24,565.00 |
| Report No. 22-P-0050, <i>The EPA Was Not Compliant with the Payment Integrity Information Act for Fiscal Year 2021</i> , issued June 27, 2022 | OCFO | 2. Conduct an off-cycle risk assessment, applying the Standard Operating Procedure Grants Improper Payment Review, dated September 2021, and include the risk assessments in the Agency's Fiscal Year 2023 | Unresolved | 11/15/23 | — |

Appendix 3

| Report | Action office | Unimplemented recommendations | The EPA’s planned completion date at the time of report issuance | The EPA’s revised planned completion dates | Potential cost savings in thousands (\$)* |
|---|---------------|---|--|---|---|
| | | Agency Financial Report, ensuring that the risk assessments contain: <ul style="list-style-type: none"> a. An assessment of all programs and activities with outlays greater than \$10 million. b. An identification of which programs and activities with annual outlays exceeding the statutory threshold are included in each risk assessment. c. A mechanism for identifying, accounting for, estimating, and reporting improper and unknown payments and for detailing efforts taken to prevent and reduce such payments. | | | |
| Report No. 22-P-0033, <i>Brownfields Program-Income Monitoring Deficiencies Persist Because the EPA Did Not Complete All Certified Corrective Actions</i> , issued March 31, 2022 | OLEM | <ol style="list-style-type: none"> 1. Develop a policy and implement procedures to reduce the balances of available program income and establish a time frame for recipients to use or return the funds to the EPA. 2. Implement a method for tracking program income and compliance with post-closeout reporting requirements. 5. Expand existing guidance to include a deadline for post-closeout annual report submission. 6. Assess whether any of the \$46.6 million of program income under closeout agreements should be returned to the government. | Rec. 1: Unresolved Rec. 2: Unresolved Rec. 5: Unresolved Rec. 6: Unresolved | Rec. 1: 9/30/27 Rec. 2: 12/31/23 Rec. 5: 9/30/27 Rec. 6: 9/30/24 | Rec 6: 46,578.00 |
| Report No. 22-P-0018, <i>EPA Should Consistently Track Coronavirus Pandemic-Related Grant Flexibilities and Implement Plan for Electronic Grant File Storage</i> , issued February 22, 2022 | OMS | <ol style="list-style-type: none"> 1. Develop a standard operating procedure that instructs program offices and regions on tracking and documenting grant flexibilities and exceptions, and their impacts, due to unanticipated events in order to assure consistency in the information needed to manage grants. | 12/31/23 | — | — |

Appendix 3

| Report | Action office | Unimplemented recommendations | The EPA’s planned completion date at the time of report issuance | The EPA’s revised planned completion dates | Potential cost savings in thousands (\$)* |
|---|---------------|--|--|---|---|
| Report 22-P-0010, <i>EPA Generally Adheres to Information Technology Audit Follow-Up Processes, but Management Oversight Should Be Improved</i> , issued December 8, 2021 | OCSPP | 4. Implement controls to comply with federally and Agency-required time frames to install patches to correct identified vulnerabilities in the Pesticide Registration Information System application. | 10/31/23 | — | — |
| Report 22-F-0007, <i>EPA’s Fiscal Years 2021 and 2020 (Restated) Consolidated Financial Statements</i> , issued November 15, 2021 | OECA | 5. Implement a system that tracks the dates when accounts receivable source documents need to be submitted and are submitted by the Office of Enforcement and Compliance Assurance to the Cincinnati Finance Center. | Unresolved | 11/30/22 4/28/23 11/30/23 | — |
| Report 22-P-0001, <i>EPA’s Fiscal Year 2020 Fourth-Quarter Compliance with the Digital Accountability and Transparency Act of 2014</i> , issued November 8, 2021 | OMS | 3. Update the EPA’s grants management system to align with the data standards of the Digital Accountability and Transparency Act of 2014, including all parts of data elements reported therein, and to allow input only of the acceptable values outlined for each data element in <i>DATA Act Information Model Schema, Reporting Submission Specification</i> . | 9/30/23 | 4/30/24 | — |
| Report 21-E-0124, <i>EPA Needs to Improve Processes for Updating Guidance, Monitoring Corrective Actions, and Managing Remote Access for External Users</i> , issued April 16, 2021 | OMS | 1. Update information security procedures to make them consistent with current federal directives, including the National Institute of Standards and Technology Special Publication 800-53, Revision 5, <i>Security and Privacy Controls for Information Systems and Organizations</i> . | 6/30/22 | 11/15/22 7/31/23 7/31/24 | — |
| Report No. 21-P-0042, <i>EPA Needs to Substantially Improve Oversight of Its Military Leave Processes to Prevent Improper Payments</i> , issued December 28, 2020 | OMS and OCFO | 1. OMS and OCFO: Adopt and implement policies and procedures on military leave and pay requirements that comply with 5 U.S.C. §§ 5538, 6323, and 5519. 2. OMS and OCFO: Provide resources for supervisors, timekeepers, and reservists on their roles and | Rec. 1: 4/30/22 Rec. 2: 4/30/22 Rec. 3: 6/30/22 Rec. 4: 9/30/21 | Rec. 1: 7/29/22 10/1/22 6/30/25 10/15/23 [†] | Rec. 5: 11.00 Rec. 6: 118.00 |

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| Report | Action office | Unimplemented recommendations | The EPA’s planned completion date at the time of report issuance | The EPA’s revised planned completion dates | Potential cost savings in thousands (\$)* |
|--------|---------------|---|--|--|---|
| | | <p>responsibilities related to military leave under the law and Agency policies.</p> <p>3. OMS and OCFO: Establish and implement internal controls that will allow the Agency to monitor compliance with applicable laws, federal guidance, and Agency policies, including periodic internal audits of all military leave, to verify that (a) charges by reservists are correct and supported and (b) appropriate reservist differential and military offset payroll audit calculations are being requested and performed.</p> <p>4. OMS and OCFO: Require reservists to correct and supervisors to approve military leave time charging errors in PeoplePlus that have been identified during the audit or as part of the Agency’s actions related to Recommendations 5 and 6.</p> <p>5. OMS and OCFO: Recover the approximately \$11,000 in military pay related to unsupported 5 U.S.C. § 6323(a) military leave charges, unless the Agency can obtain documentation to substantiate the validity of the reservists’ military leave.</p> <p>6. OMS and OCFO: Submit documentation for the reservists’ military leave related to the approximately \$118,000 charged under 5 U.S.C. § 6323(b) to the EPA’s payroll provider so that it may perform payroll audit calculations and recover any military offsets that may be due.</p> <p>7. OMS and OCFO: Identify the population of reservists who took unpaid military leave pursuant to 5 U.S.C. § 5538 and determine whether those reservists are entitled to receive a reservist differential. Based on the results of this determination, take appropriate steps to</p> | <p>Rec. 5: 8/31/21</p> <p>Rec. 6: 8/31/21</p> <p>Rec. 7: 2/28/22</p> <p>Rec. 8: 2/28/22</p> <p>Rec. 9: 12/1/21</p> | <p>Rec. 2: 7/29/22 10/1/22 6/30/25 10/15/23[†]</p> <p>Rec. 3: 7/29/22 6/3/27 10/1/24[†]</p> <p>Rec. 4: 3/31/22 7/29/22 9/3/26</p> <p>Rec. 5: 12/15/21 12/30/22 8/31/26</p> <p>Rec. 6: 12/15/21 12/30/22 8/31/26</p> <p>Rec. 7: 9/30/22 12/31/26</p> <p>Rec. 8: 12/30/22 2/28/27</p> <p>Rec. 9: 12/1/22 12/1/24</p> | |

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| Report | Action office | Unimplemented recommendations | The EPA's planned completion date at the time of report issuance | The EPA's revised planned completion dates | Potential cost savings in thousands (\$)* |
|---|---------------|---|--|--|---|
| | | <p>request that the EPA's payroll provider perform payroll audit calculations to identify and pay the amounts that may be due to reservists.</p> <p>8. OMS and OCFO: For the time periods outside of the scope of our audit (pre-January 2017 and post-June 2019), identify the population of reservists who charged military leave under 5 U.S.C. § 6323(b) or 6323(c) and determine whether military offset was paid by the reservists. If not, review reservists' military documentation to determine whether payroll audit calculations are required. If required, request that the EPA's payroll provider perform payroll audit calculations to identify and recover military offsets that may be due from the reservists under 5 U.S.C. §§ 6323 and 5519.</p> <p>9. OCFO: Report all amounts of improper payments resulting from paid military leave for inclusion in the annual Agency Financial Report, as required by the Payment Integrity Information Act of 2019.</p> | | | |
| Report 19-P-0195, <i>Pesticide Registration Fee, Vulnerability Mitigation and Database Security Controls for EPA's FIFRA and PRIA Systems Need Improvement</i> , issued June 21, 2019 | OCSPP | 2. Complete the actions and milestones identified in the Office of Pesticide Programs' <i>PRIA Maintenance Fee Risk Assessment</i> document and associated plan regarding the fee payment and refund posting processes. | 12/31/20 | 12/31/22 6/30/23 1/31/24 | — |
| Report 17-P-0368, <i>Improved Management of the Brownfields Revolving Loan Fund Program Is Required to Maximize Cleanups</i> , issued August 23, 2017 | OLEM | 14. Develop and implement a method for the Office of Brownfields and Land Revitalization to track closed cooperative agreements with pre- and post-program income. | 3/19/19 [‡] | 12/31/23 9/30/24 | — |

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| Report | Action office | Unimplemented recommendations | The EPA’s planned completion date at the time of report issuance | The EPA’s revised planned completion dates | Potential cost savings in thousands (\$)* |
|---|---------------|--|--|--|---|
| Report 14-P-0109, <i>Internal Controls Needed to Control Costs of Emergency and Rapid Response Services Contracts, as Exemplified in Region 6</i> , issued February 4, 2014 | Region 6 | 3. Direct contracting officers to require that the contractor adjust all its billings to reflect the application of the correct rate to team subcontract other direct costs. | Unresolved | 9/30/24 | — |

Note: An em dash (—) indicates that the column header does not apply to the report. In other words, an em dash in the “revised planned completion dates” column means that there have been no revisions to the planned completion date as of September 30, 2023, and an em dash in the “potential cost savings” column means that no potential cost savings were identified. An unresolved recommendation is a recommendation that was issued in an OIG final report without the OIG and the Agency agreeing on corrective actions and the planned completion date but was later resolved.

Source: OIG analysis of OIG final reports, EPA response memorandum, and inspector general responses as well as the Agency’s Enterprise Audit Management System. (EPA OIG)

* Potential cost savings are defined as questioned costs plus funds put to better use.

† The Agency revised the planned completion date; the new date is earlier than the previous revised planned completion date.

‡ The EPA closed out the recommendation, but the OIG determined that the corrective action was not completed. The planned completion date is the date the Agency initially certified the recommendation was completed.

Table A.9: EPA human health and environmental issues reports with unimplemented recommendations

| Report | Action office | Unimplemented recommendations | The EPA’s planned completion date at the time of report issuance | The EPA’s revised planned completion dates | Potential cost savings in thousands (\$)† |
|--|---------------|---|---|---|---|
| Report No. 23-E-0012, <i>The EPA’s Residential Wood Heater Program Does Not Provide Reasonable Assurance that Heaters Are Properly Tested and Certified Before Reaching Consumers</i> , issued February 28, 2023 | OECA and OAR | 2. OECA: In consultation with the Office of Air and Radiation, define roles and responsibilities within and between the Office of Enforcement and Compliance Assurance and the Office of Air and Radiation for the residential wood heater program, so that sufficient subject-matter expertise and resources are leveraged to ensure that certification test reports are substantively reviewed. | Rec. 2: Unresolved. Rec. 4: Unresolved Rec. 5: Unresolved Rec. 6: Unresolved | Rec. 2: 11/1/2024 Rec. 4: 11/30/2027 Rec. 5: 11/30/2027 Rec. 6: 11/30/2027 | — |

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| Report | Action office | Unimplemented recommendations | The EPA’s planned completion date at the time of report issuance | The EPA’s revised planned completion dates | Potential cost savings in thousands (\$)* |
|---|---------------|--|--|--|---|
| | | <p>4. OAR: Incorporate the EPA’s certification test report expectations set forth in the April 2022 corrective action list into the 2023 revisions to the New Source Performance Standards for residential wood heaters.</p> <p>5. OAR: Develop and adopt an EPA cord wood test method that is supported by data to provide the public reasonable assurance that certified appliances meet emission standards.</p> <p>6. OAR: Establish mechanisms to promote independence between emissions testing labs and third-party certifiers.</p> | | | |
| <p>Report No. 23-E-0006, <i>The EPA Is Not on Track to Reach Its National Compliance Initiative Goals to Stop Aftermarket Defeat Devices and Tampered Vehicles</i>, issued January 25, 2023</p> | <p>OECA</p> | <p>2. Update the EPA’s <i>Stopping Aftermarket Defeat Devices for Vehicles and Engines</i> National Compliance Initiative strategic plan so that the National Compliance Initiative goals can be achieved in the event of a pandemic or other challenge.</p> <p>3. In collaboration with EPA regions, revise and reissue the strategic plan for the <i>Stopping Aftermarket Defeat Devices for Vehicles and Engines</i> National Compliance Initiative. In addition, ensure the strategic plan includes quantifiable deliverables that are linked to known compliance-rate baselines that promote the success of the initiative, as well as a mechanism to acquire and implement post-training feedback from regions and states.</p> <p>4. Work with the Office of General Counsel to provide training for headquarters and regional enforcement staff and to release enforcement data, as appropriate and consistent with applicable legal requirements, that states can use to target and deter the installation and</p> | <p>Rec. 2: Unresolved Rec. 3: Unresolved Rec. 4: Unresolved Rec. 5: Unresolved</p> | <p>Rec. 2: 3/29/24 Rec. 3: 11/29/24 Rec. 4: 3/29/24 9/29/24 Rec. 5: 11/30/24</p> | <p>—</p> |

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|---|---------------|--|--|--|---|
| | | <p>use of aftermarket defeat devices within their jurisdictions.</p> <p>5. Use the OIG’s state questionnaire results, as well as feedback from regions and states, to identify and implement a strategy to overcome barriers and incentivize voluntary complementary work by the states to stop aftermarket defeat devices and tampering.</p> | | | |
| <p>Report No. 22-E-0053, <i>The EPA Needs to Improve the Transparency of Its Cancer-Assessment Process for Pesticides</i>, issued July 20, 2022</p> | <p>OCSPP</p> | <p>1. Issue guidance on when and how to conduct the kinetically derived maximum dose approach in cancer-risk assessments for pesticides.</p> <p>3. Update the docket for 1,3-Dichloropropene to include all required materials, including minutes and a list of participants, for meetings between the EPA and the registrant related to the 1,3-Dichloropropene pesticide-registration review and cancer assessment.</p> <p>4. Issue guidance to clarify when to docket meetings related to a registration for other related activities that occur concurrent to the pesticide-registration-review process, such as the cancer-reassessment process.</p> <p>9. Issue specific criteria requiring external peer review of Office of Pesticide Programs’ risk assessments that use scientifically or technically novel approaches or that are likely to have precedent-setting influence on future risk assessments, in accordance with the Office of Management and Budget’s Final Information Quality Bulletin for Peer Review.</p> | <p>Rec. 1: Unresolved</p> <p>Rec. 3: 12/15/23</p> <p>Rec. 4: 12/15/23</p> <p>Rec. 9: 6/30/24</p> | <p>Rec. 1: 6/30/24</p> | <p>—</p> |

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| Report | Action office | Unimplemented recommendations | The EPA's planned completion date at the time of report issuance | The EPA's revised planned completion dates | Potential cost savings in thousands (\$)* |
|--|---------------|---|--|--|---|
| Report No. 22-E-0051, <i>Additional Internal Controls Would Improve the EPA's System for Electronic Disclosure of Environmental Violations</i> , issued June 30, 2022 | OECA | <p>1. Develop national guidance that includes a process for screening eDisclosure submissions for significant concerns, such as criminal conduct and potential imminent hazards.</p> <p>3. Develop performance measures for the eDisclosure system and a monitoring plan to track its effectiveness.</p> <p>4. In coordination with EPA regions, assess eDisclosure system functionality to identify and implement improvements.</p> | <p>Rec. 1: 9/30/23</p> <p>Rec. 3: 9/30/23</p> <p>Rec. 4: 9/30/23</p> | <p>Rec. 1: 3/29/24</p> <p>Rec. 3: 3/29/24</p> <p>Rec. 4: 3/29/24</p> | — |
| Report No. 22-E-0047, <i>The EPA Continues to Fail to Meet Inspection Requirements for Hazardous Waste Treatment, Storage, and Disposal Facilities</i> , issued June 8, 2022 | OECA | <p>1. Implement management controls to complete the required treatment, storage, and disposal facility inspections.</p> | Unresolved | 3/31/24 | — |
| Report 22-E-0026, <i>The EPA Needs to Develop a Strategy to Complete Overdue Residual Risk and Technology Reviews and to Meet the Statutory Deadlines for Upcoming Reviews</i> , issued March 30, 2022 | OAR | <p>2. Develop and implement a strategy to conduct (a) residual risk and technology reviews and recurring technology reviews by the applicable statutory deadlines and (b) any overdue residual risk and technology reviews and recurring technology reviews in as timely a manner as practicable. The strategy should take into account the Agency's environmental justice responsibilities under Executive Order 12898 and other applicable EPA and executive branch policies, procedures, and directives.</p> | Unresolved | 3/31/24 | — |
| Report 22-E-0017, <i>EPA's Title V Program Needs to Address Ongoing Fee Issues and Improve Oversight</i> , issued January 12, 2022 | OAR | <p>2. In collaboration with EPA regions, develop and implement a plan to address declining Clean Air Act Title V revenues.</p> | Unresolved | 12/31/23 | — |

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| Report | Action office | Unimplemented recommendations | The EPA’s planned completion date at the time of report issuance | The EPA’s revised planned completion dates | Potential cost savings in thousands (\$)* |
|---|---------------|---|---|---|---|
| Report 21-E-0264, <i>EPA Needs an Agencywide Strategic Action Plan to Address Harmful Algal Blooms</i> , issued September 29, 2021 | OW | 4. Assess and evaluate the available information on human health risks from exposure to cyanotoxins in drinking water and recreational waters to determine whether actions under the Safe Drinking Water Act are warranted. | 12/31/22 | 12/31/25 | — |
| Report 21-E-0186, <i>EPA’s Endocrine Disruptor Screening Program Has Made Limited Progress in Assessing Pesticides</i> , issued July 28, 2021 | OCSP | <p>1. Issue Tier 1 test orders for each List 2 chemical or publish an explanation for public comment on why Tier 1 data are no longer needed to characterize a List 2 chemical’s endocrine-disruption activity.</p> <p>2. Determine whether the EPA should incorporate the Endocrine Disruptor Screening Program Tier 1 tests (or approved new approach methodologies) into the pesticide registration process as mandatory data requirements under 40 C.F.R. § 158 for all pesticide use patterns.</p> <p>3. Issue List 1–Tier 2 test orders for the 18 pesticides in which additional Tier 2 testing was recommended or publish an explanation for public comment on why Tier 2 data are no longer needed to characterize the endocrine-disruption activity for each of these 18 pesticides.</p> <p>4. Issue for public review and comment both the Environmental Fate and Effects Division’s approach for the reevaluation of List 1–Tier 1 data and the revised List 1–Tier 2 wildlife recommendations.</p> <p>5. Develop and implement an updated formal strategic planning document, such as the <i>Comprehensive Management Plan</i>.</p> <p>6. Develop performance measures, with reasonable time frames, to document progress toward and</p> | <p>Rec. 1: 9/30/25</p> <p>Rec. 2: 9/30/24</p> <p>Rec. 3: 9/30/24</p> <p>Rec. 4: 12/31/23</p> <p>Rec. 5: 9/30/22</p> <p>Rec. 6: 10/1/24</p> <p>Rec. 7: 9/30/22</p> | <p>Rec. 5: 12/31/22 6/30/23 12/31/23</p> <p>Rec. 7: 6/30/23 3/31/24</p> | — |

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|--|---------------|---|---|--|---|
| | | <p>achievement of milestones or targets. Specifically, the Endocrine Disruptor Screening Program should consider at least one performance measure that tracks progress in testing pesticides for human endocrine disruptor activity.</p> <p>7. Conduct annual internal program reviews of the Endocrine Disruptor Screening Program.</p> | | | |
| <p>Report 21-P-0175, <i>EPA Should Conduct More Oversight of Synthetic-Minor-Source Permitting to Assure Permits Adhere to EPA Guidance</i>, issued July 8, 2021</p> | <p>OAR</p> | <p>1. Update Agency guidance on practical enforceability to more clearly describe how the technical accuracy of a permit limit should be supported and documented. In updating such guidance, the Office of Air and Radiation should consult and collaborate with the Office of Enforcement and Compliance Assurance, the Office of General Counsel, and the EPA regions.</p> <p>2. In consultation with the EPA regions, develop and implement an oversight plan to include: (a) an initial review of a sample of synthetic-minor-source permits in different industries that are issued by state, local, and tribal agencies to assess whether the permits adhere to EPA guidance on practical enforceability, including limits that are technically accurate, have appropriate time periods, and include sufficient monitoring, record-keeping, and reporting requirements; (b) a periodic review of a sample of synthetic-minor-source permits to occur, at a minimum, once every five years; and (c) procedures to resolve any permitting deficiencies identified during the initial and periodic reviews.</p> <p>3. Assess recent EPA studies of enclosed combustion device performance and compliance monitoring and other relevant information during the next statutorily required review of 40 C.F.R. Part 60 Subparts OOOO</p> | <p>Rec. 1: 10/31/23 Rec. 2: 10/31/24 Rec. 3: 12/31/24 Rec. 4: 10/31/24 Rec. 5: 12/31/23</p> | <p>—</p> | <p>—</p> |

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|--|---------------|---|--|--|---|
| | | <p>and OOOOa to determine whether revisions are needed to monitoring, record-keeping, and reporting requirements for enclosed combustion devices to assure continuous compliance with associated limits, and revise the regulatory requirements as appropriate.</p> <p>4. Revise the Agency’s guidance to communicate its key expectations for synthetic-minor-source permitting to state and local agencies.</p> <p>5. Identify all state, local, and tribal agencies in which Clean Air Act permit program implementation fails to adhere to the public participation requirements for synthetic-minor-source permit issuance and take appropriate steps to assure the identified states adhere to the public participation requirements.</p> | | | |
| <p>Report 21-E-0146, <i>EPA Deviated from Typical Procedures in Its 2018 Dicamba Pesticide Registration Decision</i>, issued May 24, 2021</p> | <p>OCSP</p> | <p>3. Annually conduct and document training for all staff and senior managers and policy makers to affirm the office’s commitment to the <i>Scientific Integrity Policy</i> and principles and to promote a culture of scientific integrity.</p> | <p>3/31/22</p> | <p>3/31/26[†]</p> | <p>—</p> |
| <p>Report 21-P-0132, <i>Resource Constraints, Leadership Decisions, and Workforce Culture Led to a Decline in Federal Enforcement</i>, issued May 13, 2021</p> | <p>OECA</p> | <p>2. Integrate the results of the workforce analysis into the Office of Enforcement and Compliance Assurance’s annual and strategic planning processes.</p> <p>5. Establish additional measures for Agency-led compliance assistance activities and informal enforcement actions and include these new measures in future annual enforcement results reports with the appropriate context.</p> | <p>Rec. 2: Unresolved Rec. 5: Unresolved</p> | <p>Rec. 2: 4/1/24 Rec. 5: 1/31/24</p> | <p>—</p> |

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| Report | Action office | Unimplemented recommendations | The EPA's planned completion date at the time of report issuance | The EPA's revised planned completion dates | Potential cost savings in thousands (\$)* |
|--|---------------|--|--|---|---|
| Report 21-P-0131, <i>Staffing Constraints, Safety and Health Concerns at EPA's National Enforcement Investigations Center May Compromise Ability to Achieve Mission</i> , issued May 12, 2021 | OECA | <p>9. Develop and incorporate metrics on the National Enforcement Investigations Center work environment and culture into Office of Criminal Enforcement, Forensics, and Training senior management performance standards, such as results from the annual Federal Employee Viewpoint Survey, periodic culture audits, or other methods to measure progress.</p> <p>10. Develop and incorporate metrics that address work environment and culture into National Enforcement Investigations Center senior management performance standards.</p> | <p>Rec. 9: Unresolved</p> <p>Rec. 10: Unresolved</p> | <p>Rec. 9: 6/28/24</p> <p>Rec. 10: 6/28/24</p> | — |
| Report 21-P-0130, <i>EPA Helps States Reduce Trash, Including Plastic, in U.S. Waterways but Needs to Identify Obstacles and Develop Strategies for Further Progress</i> , issued May 11, 2021 | OW | 1. Evaluate the obstacles to implementing the Clean Water Act to control trash in U.S. waterways and provide a public report describing those obstacles. | Rec. 1: 12/31/21 | <p>Rec. 1:</p> <p>6/30/22</p> <p>2/28/23</p> <p>9/1/23</p> <p>4/22/24</p> | — |
| Report 21-P-0129, <i>EPA Should Conduct New Residual Risk and Technology Reviews for Chloroprene- and Ethylene Oxide-Emitting Source Categories to Protect Human Health</i> , issued May 6, 2021 | OAR | <p>2. Conduct new residual risk reviews for Group I polymers and resins that cover neoprene production, synthetic organic chemical manufacturing industry, polyether polyols production, commercial sterilizers, and hospital sterilizers using the new risk values for chloroprene and ethylene oxide and revise the corresponding National Emission Standards for Hazardous Air Pollutants, as needed.</p> <p>3. Revise National Emission Standards for Hazardous Air Pollutants for chemical manufacturing area sources to regulate ethylene oxide and conduct a residual risk review to ensure that the public is not exposed to unacceptable risks.</p> | <p>Rec. 2: Unresolved</p> <p>Rec. 3: Unresolved</p> <p>Rec. 4: 9/30/24</p> | <p>Rec. 2: 9/30/24</p> <p>Rec. 3: 9/30/28</p> | — |

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| Report | Action office | Unimplemented recommendations | The EPA’s planned completion date at the time of report issuance | The EPA’s revised planned completion dates | Potential cost savings in thousands (\$)* |
|--|-----------------------|---|--|--|---|
| | | 4. Conduct overdue technology reviews for Group I polymers and resins that cover neoprene production, synthetic organic chemical manufacturing industry, commercial sterilizers, hospital sterilizers, and chemical manufacturing area sources, which are required to be completed at least every eight years by the Clean Air Act. | | | |
| Report 21-P-0122, <i>Improved Review Processes Could Advance EPA Regions 3 and 5 Oversight of State-Issued National Pollutant Discharge Elimination System Permits</i> , issued April 21, 2021 | Region 3 and Region 5 | <p>2. Region 3: Review the modified National Pollutant Discharge Elimination System mining permits issued by West Virginia based on the 2019 revisions to its National Pollutant Discharge Elimination System program to determine whether the permits contain effluent limits for ionic pollution and other pollutants that are or may be discharged at a level that causes, has the reasonable potential to cause, or contributes to an excursion above any applicable water quality standard, as required by Clean Water Act regulations. If a permit lacks required effluent limits, take appropriate action to address such deficiencies.</p> <p>4. Region 5: Review and provide written input on any National Pollutant Discharge Elimination System permit prepared for reissuance by the Minnesota Pollution Control Agency for the PolyMet Mining Inc. NorthMet project, if applicable, as appropriate pursuant to the requirements of the Clean Water Act, National Pollutant Discharge Elimination System regulations, the Region 5 National Pollutant Discharge Elimination System permit review standard operating procedure, and the memorandum of agreement between EPA Region 5 and the Minnesota Pollution Control Agency.</p> | Rec. 2: Unresolved Rec. 4: 11/30/23 | Rec. 2: 12/31/22 [†] 1/31/25 | — |

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| Report | Action office | Unimplemented recommendations | The EPA’s planned completion date at the time of report issuance | The EPA’s revised planned completion dates | Potential cost savings in thousands (\$)* |
|--|----------------------|---|--|--|---|
| <p>Report 21-P-0114, <i>EPA Does Not Consistently Monitor Hazardous Waste Units Closed with Waste in Place or Track and Report on Facilities That Fall Under the Two Responsible Programs</i>, issued March 29, 2021</p> | <p>OECA and OLEM</p> | <p>2. OECA: In collaboration with the Office of Land and Emergency Management, establish mechanisms to ensure that all inspections are completed within the required time frame of two years for operating treatment, storage, or disposal facilities or the policy time frame of three years for nonoperating treatment, storage, or disposal facilities.</p> <p>4. OLEM: Develop and implement controls to verify that the Superfund program deferrals to the Resource Conservation and Recovery Act are added to RCRAInfo for further Resource Conservation and Recovery Act attention, as necessary.</p> | <p>Rec. 2: Unresolved Rec. 4: 9/30/23</p> | <p>Rec. 2: 3/29/24 Rec. 4: 1/31/24</p> | <p>—</p> |
| <p>Report 21-P-0032, <i>Region 2’s Hurricanes Irma and Maria Response Efforts in Puerto Rico and U.S. Virgin Islands Show the Need for Improved Planning, Communications, and Assistance for Small Drinking Water Systems</i>, issued December 3, 2020</p> | <p>Region 2</p> | <p>3. In coordination with the Office of Water, implement America’s Water Infrastructure Act in Puerto Rico and the U.S. Virgin Islands by: (a) developing and implementing a strategy to provide training, guidance, and assistance to small drinking water systems as they improve their resilience and (b) establishing a process for small drinking water systems to apply for America’s Water Infrastructure Act grants. This process should include (1) implementing the EPA’s May 2020 guidance provided to small drinking water systems regarding resilience assessments and (2) establishing a public information campaign to inform small drinking water systems of the America’s Water Infrastructure Act grant opportunity, qualifying requirements, and application deadlines.</p> | <p>12/31/22</p> | <p>6/30/23 6/30/24</p> | <p>—</p> |

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|---|-------------------------------------|--|---|---|---|
| <p>Report 20-E-0333, <i>Improved EPA Oversight of Funding Recipients’ Title VI Programs Could Prevent Discrimination</i>, issued September 28, 2020</p> | <p>OEJECR^s</p> | <p>1. Develop and implement a plan to coordinate relevant Agency program, regional, and administrative offices with the External Civil Rights Compliance Office to develop guidance on permitting and cumulative impacts related to Title VI.</p> <p>5. Determine how to use existing or new data to identify and target funding recipients for proactive compliance reviews, and develop or update policy, guidance, and standard operating procedures for collecting and using those data.</p> <p>6. Develop and deliver training for the deputy civil rights officials and EPA regional staff that focuses on their respective roles and responsibilities within the EPA’s Title VI program.</p> | <p>Rec. 1: Unresolved</p> <p>Rec. 5: Unresolved</p> <p>Rec. 6: Unresolved</p> | <p>Rec. 1: 9/30/22 9/30/23 9/30/24</p> <p>Rec. 5: 3/31/23 9/30/23 12/31/23</p> <p>Rec. 6: 3/31/22 9/30/23 3/31/24</p> | <p>—</p> |
| <p>Report 20-P-0173, <i>Further Efforts Needed to Uphold Scientific Integrity Policy at EPA</i>, issued May 20, 2020</p> | <p>ORD/ Science Advisor</p> | <p>6. In coordination with the assistant administrator for Mission Support, complete the development and implementation of the electronic clearance system for scientific products across the Agency.</p> <p>7. With the assistance of the Scientific Integrity Committee, finalize and release the procedures for addressing and resolving allegations of a violation of the Scientific Integrity Policy, and incorporate the procedures into scientific integrity outreach and training materials.</p> <p>8. With the assistance of the Scientific Integrity Committee, develop and implement a process specifically to address and resolve allegations of Scientific Integrity Policy violations involving high profile issues or senior officials, and specify when this process should be used.</p> | <p>Rec. 6: 6/30/22</p> <p>Rec. 7: 9/30/20</p> <p>Rec. 8: 6/30/21</p> | <p>Rec. 6: 6/30/24</p> <p>Rec. 7: 4/30/22 6/30/22 3/31/23 6/30/24</p> <p>Rec. 8: 6/30/22 3/31/23 6/30/24</p> | <p>—</p> |

Appendix 3

| Report | Action office | Unimplemented recommendations | The EPA's planned completion date at the time of report issuance | The EPA's revised planned completion dates | Potential cost savings in thousands (\$)* |
|--|---------------|--|--|---|---|
| Report 20-P-0146, <i>EPA's Processing Times for New Source Air Permits in Indian Country Have Improved, but Many Still Exceed Regulatory Time Frames</i> , issued April 22, 2020 | OAR | <p>1. Implement a system that is accessible to both the EPA and the applicants to track the processing of all tribal-New-Source-Review permits and key permit dates, including application received, application completed, draft permit issued, public comment period (if applicable), and final permit issuance.</p> <p>2. Establish and implement an oversight process to verify that the regions update the tribal-New-Source-Review permit tracking system on a periodic basis with the correct and required information.</p> | <p>Rec. 1: 9/30/21</p> <p>Rec. 2: 3/31/22</p> | <p>Rec. 1: 9/30/22 9/30/23</p> <p>Rec. 2: 9/30/22 9/30/23</p> | — |
| Report 20-N-0128, <i>Management Alert: Prompt Action Needed to Inform Residents Living Near Ethylene Oxide-Emitting Facilities About Health Concerns and Actions to Address Those Concerns</i> , issued March 31, 2020 | ADA | <p>1. Improve and continue to implement ongoing risk communication efforts by promptly providing residents in all communities near the 25 ethylene oxide-emitting facilities identified as high-priority by the EPA with a forum for an interactive exchange of information with the EPA or the states regarding health concerns related to exposure to ethylene oxide.</p> | Unresolved | 5/31/21 [#] | — |
| Report 19-P-0207, <i>EPA Effectively Screens Air Emissions Data from Continuous Monitoring Systems but Could Enhance Verification of System Performance</i> , issued June 27, 2019 | OAR | <p>1. Develop and implement electronic checks in the EPA's Emissions Collection and Monitoring Plan System or through an alternative mechanism to retroactively evaluate emissions and quality assurance data in instances where monitoring plan changes are submitted after the emissions and quality assurance data have already been accepted by the EPA.</p> | 3/31/25 | — | — |

Appendix 3

| Report | Action office | Unimplemented recommendations | The EPA’s planned completion date at the time of report issuance | The EPA’s revised planned completion dates | Potential cost savings in thousands (\$)* |
|---|---------------|---|--|--|---|
| Report 18-P-0240, <i>EPA Needs a Comprehensive Vision and Strategy for Citizen Science that Aligns with Its Strategic Objectives on Public Participation</i> , issued September 5, 2018 | DA | 2. Through appropriate EPA offices, direct completion of an assessment to identify the data management requirements for using citizen science data and an action plan for addressing those requirements, including those on sharing and using data, data format/standards, and data testing/validation. | 12/31/20 | 3/31/23 12/31/23 | — |
| Report 18-P-0080, <i>EPA Needs to Evaluate the Impact of the Revised Agricultural Worker Protection Standard on Pesticide Exposure Incidents</i> , issued February 15, 2018 | OCSP | 1. In coordination with the Office of Enforcement and Compliance Assurance, develop and implement a methodology to evaluate the impact of the revised Agricultural Worker Protection Standard on pesticide exposure incidents among target populations. | Unresolved | 12/31/22 12/31/23 6/28/24 | — |
| Report 17-P-0053, <i>Additional Measures Can Be Taken to Prevent Deaths and Serious Injuries from Residential Fumigations</i> , issued December 12, 2016 | OCSP | 3. Conduct an assessment of clearance devices to validate their effectiveness in detecting required clearance levels, as part of the Office of Pesticide Programs ongoing reevaluation of structural fumigants. | 11/30/17 | 8/31/21 12/31/22 6/30/23 9/30/23 1/15/24 | — |
| Report 16-P-0275, <i>EPA Has Not Met Certain Statutory Requirements to Identify Environmental Impacts of Renewable Fuel Standard</i> , issued August 18, 2016 | OAR | 2. Complete the anti-backsliding study on the air quality impacts of the Renewable Fuel Standard as required by the Energy Independence and Security Act. 3. Determine whether additional action is needed to mitigate any adverse air quality impacts of the Renewable Fuel Standard as required by the Energy Independence and Security Act. | Rec. 2: 9/30/24 Rec. 3: 9/30/24 | — | — |

Appendix 3

| Report | Action office | Unimplemented recommendations | The EPA's planned completion date at the time of report issuance | The EPA's revised planned completion dates | Potential cost savings in thousands (\$)* |
|---|---------------|---|--|---|---|
| Report 16-P-0104, <i>EPA Has Not Met Statutory Requirements for Hazardous Waste Treatment, Storage and Disposal Facility Inspections, but Inspection Rates Are High</i> , issued March 11, 2016 | OECA | 1. Implement management controls to complete the required TSDF inspections. | 3/19/19** | 3/29/24 | — |
| Report 11-P-0215, <i>EPA's Endocrine Disruptor Screening Program Should Establish Management Controls to Ensure More Timely Results</i> , issued May 3, 2011 | OCSP | 4. Develop short-term, intermediate, and long-term outcome performance measures, and additional output performance measures, with appropriate targets and timeframes, to measure the progress and results of the program. 5. Develop and publish a comprehensive management plan for EDSP, including estimates of EDSP's budget requirements, priorities, goals, and key activities covering at least a 5-year period. 6. Annually review the EDSP program results, progress toward milestones, and achievement of performance measures, including explanations for any missed milestones or targets. | Rec. 4: 9/23/13** Rec. 5: 9/23/13** Rec. 6: 9/23/13** | Rec. 4: 10/1/24 Rec. 5: 12/31/22 6/30/23 12/31/23 Rec. 6: 6/30/23 3/31/24 | — |
| Report 10-P-0224, <i>EPA Should Revise Outdated or Inconsistent EPA-State Clean Water Memoranda of Agreement</i> , issued September 14, 2010 | OW | 2-2. Develop a systematic approach to identify which states have outdated or inconsistent memorandums of agreements; renegotiate and update those Memorandums of Agreements using the Memorandum of Agreements template; and secure the active involvement and final, documented concurrence of headquarters to ensure national consistency. | 9/28/18 | 9/30/20 9/30/22 9/30/23 4/30/25 | — |

Appendix 3

| Report | Action office | Unimplemented recommendations | The EPA’s planned completion date at the time of report issuance | The EPA’s revised planned completion dates | Potential cost savings in thousands (\$)† |
|---|---------------|--|--|--|---|
| Report 08-P-0196, <i>Making Better Use of Stringfellow Superfund Special Accounts</i> , issued July 9, 2008 | Region 9 | 2. Reclassify or transfer to the Trust Fund, as appropriate, \$27.8 million (plus any earned interest less oversight costs) of the Stringfellow special accounts in annual reviews, and at other milestones including the end of fiscal year 2010, when the record of decision is signed and the final settlement is achieved. | 12/31/12 | 9/30/23 9/30/26 | 27,800.00 |

Note: An em dash (—) indicates that the column header does not apply to the report. In other words, an em dash in the “revised planned completion dates” column means that there have been no revisions to the planned completion date as of September 30, 2023, and an em dash in the “potential cost savings” column means that no potential cost savings were identified. An unresolved recommendation is a recommendation that was issued in an OIG final report without the OIG and the Agency agreeing on corrective actions and the planned completion date but was later resolved.

Source: OIG analysis of OIG final reports, EPA response memorandum, and inspector general responses as well as the Agency’s Enterprise Audit Management System. (EPA OIG)

* Potential cost savings are defined as questioned costs plus funds put to better use.

† The OCSPP completed this corrective action on February 16, 2022. That was the date the OCSPP held its first annual training series on the office’s commitment to the *Scientific Integrity Policy* and principles and to promote a culture of scientific integrity. March 31, 2026, is the OCSPP’s planned final training date. The OCSPP has completed annual trainings for 2022 and 2023 on time and plans to host annual trainings until 2026 to implement this recommendation.

‡ This date was provided to the OIG by Region 3 in its June 17, 2021 response to the OIG’s final report. The OIG accepted the proposed corrective action and planned completion date for Recommendation 3, while Recommendations 1 and 2 remained unresolved. The OIG and Region 3 corresponded several times about Recommendation 2, including a briefing held by Region 3 on October 25, 2021. In a memorandum dated December 13, 2021, the OIG accepted Region 3’s proposed corrective actions to address Recommendation 2 but did not receive a revised planned completion date. After the OIG accepted the proposed corrective actions for Recommendation 2, Region 3 provided a revised planned completion date, which is reflected above.

§ These recommendations were originally made to the OGC. The Agency requested that the new OEJECR take over responsibility for these recommendations.

|| The OIG and the OAR are in discussions about the corrective actions for these two recommendations.

According to information provided by the EPA in September 2023, the Agency plans to complete its outreach efforts in November 2023. We will assess the status of this recommendation once the corrective actions are completed.

** The EPA closed out the recommendation, but the OIG determined that the corrective action was not completed. The planned completion date is the date the Agency initially certified the recommendation was completed.

Appendix 4***Closed Investigations Involving Senior Employees***

Section 5(a)(13) of the Inspector General Act, 5 U.S.C. § 405, requires a report on each investigation involving a senior government employee in which allegations of misconduct were substantiated. Section 5(a)(16) of the Act, 5 U.S.C. § 405, requires a detailed description of the particular circumstances of any investigation conducted by the OIG involving a senior government employee that is closed and was not disclosed to the public. Below are details on each investigation we conducted involving senior employees that were not already reported in the previous sections of this document and that we closed during this semiannual reporting period.

Case Number: OI-CH-2023-CFD-0137

An EPA GS-15 employee allegedly abused his position and received kickbacks from an EPA contractor. Specifically, the employee allegedly called and negotiated with the contractor prior to the execution of the contract and allegedly circumvented the financial approval process. The investigation determined that the allegations were not supported.

Peer Reviews Conducted

Section 5(a)(8) of the Inspector General Act, 5 U.S.C. § 405, requires an appendix containing the results of any peer review conducted of the EPA OIG by another OIG during the reporting period or, if no such peer review was conducted, a statement identifying the date of the last peer review conducted of the EPA OIG by another OIG. Section 5(a)(9) of the Act, 5 U.S.C. § 405, requires a list of any outstanding recommendations from any peer review conducted of the EPA OIG by another OIG that have not been fully implemented. Section 5(a)(10) of the Act, 5 U.S.C. § 405, requires a list of all peer reviews conducted by the EPA OIG of another OIG during the reporting period, including a list of any recommendations from any previous peer review that remain outstanding.

The EPA OIG completed an external peer review of the Department of State OIG and issued its report on September 12, 2023. The review was conducted in accordance with the Council of the Inspectors General on Integrity and Efficiency *Guide for Conducting Peer Reviews of Inspection and Evaluation Organizations of Federal Offices of Inspector General*, dated December 2021. We determined that the Department of State OIG's policies and procedures were generally consistent with *Quality Standards for Inspection and Evaluation*, or Blue Book, standards assessed in the external peer review.

Below are details regarding the most recent peer reviews that another OIG conducted of the EPA OIG. There are no outstanding recommendations from these peer reviews.

Audit

The Treasury Inspector General for Tax Administration OIG issued the most recent peer review report on the EPA OIG on April 15, 2021. The peer review covered the three-year period ending September 30, 2020, and found that the EPA OIG suitably designed and complied with its system of quality control to provide the EPA OIG with reasonable assurance that it performed and reported work in conformity with applicable professional standards in all material respects. The EPA OIG received an external peer review rating of "pass."

Investigation

The Amtrak OIG completed the most recent mandated Council of the Inspectors General on Integrity and Efficiency quality assurance review of our Office of Investigations and issued its related report on August 3, 2023. The Amtrak OIG determined that our system of internal safeguards and management procedures for the investigative operations complied with the Council of the Inspectors General on Integrity and Efficiency quality standards and other applicable guidelines and statutes. The Amtrak OIG determined that our safeguards and procedures provided reasonable assurance that we conformed to professional standards in planning, executing, and reporting EPA OIG investigations and using law enforcement powers.

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U.S. Environmental Protection Agency

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