



U.S. ENVIRONMENTAL PROTECTION AGENCY

OFFICE OF INSPECTOR GENERAL



# ANNUAL PLAN

FISCAL YEAR 2019



This plan is available via the internet at [www.epa.gov/oig](http://www.epa.gov/oig).

## Definitions

Carryover Assignments started in a prior fiscal year that are still in progress.  
Discretionary Assignments not required by law or regulation but address areas of high risk.  
Mandated Assignments that the OIG is required to conduct by law or regulation.

## Abbreviations

CIGIE Council of the Inspectors General on Integrity and Efficiency  
CSB U.S. Chemical Safety and Hazard Investigation Board  
EPA U.S. Environmental Protection Agency  
FIFRA Federal Insecticide, Fungicide, and Rodenticide Act  
FY Fiscal Year  
OA&E Office of Audit and Evaluation  
OI Office of Investigations  
OIG Office of Inspector General  
OMB Office of Management and Budget  
PRIA Pesticide Registration Improvement Act  
U.S.C. United States Code

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

**EPA Inspector General Hotline**

1200 Pennsylvania Avenue, NW (2431T)  
Washington, DC 20460  
(888) 546-8740  
(202) 566-2599 (fax)  
[OIG\\_Hotline@epa.gov](mailto:OIG_Hotline@epa.gov)

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**EPA Office of Inspector General**

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# Message from the Acting Inspector General

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I am pleased to present the U.S. Environmental Protection Agency's (EPA's) Office of Inspector General (OIG) Annual Plan for fiscal year (FY) 2019. This document describes how the OIG will achieve its statutory mission to promote economy, efficiency, effectiveness and integrity in the programs and operations of the EPA and the U.S. Chemical Safety and Hazard Investigation Board (CSB). Further, it shows how the OIG will continue to promote the goals and objectives of our Strategic Plan.



Charles J. Sheehan

This OIG Annual Plan identifies mandated and discretionary assignment topics continuing from FY 2018, as well as mandated and discretionary assignments scheduled to start during FY 2019. I note, however, that the OIG often performs unanticipated work based on legislative mandates, congressional inquiries, hotline requests or governmentwide reviews. It is important that we remain flexible to address these and other priorities as they arise.

The OIG is committed to implementing this plan through audits, evaluations and investigations in compliance with the Inspector General Act; applicable professional standards of the Comptroller General of the United States; and the *Quality Standards for Federal Offices of Inspector General* issued by the Council of the Inspectors General on Integrity and Efficiency. Readers are encouraged to consult our website, [www.epa.gov/oig](http://www.epa.gov/oig), to view reports implementing this Annual Plan.

Criteria used to support the aims identified in the OIG Annual Plan include goals and objectives in our 5-year Strategic Plan, results of risk assessments conducted across agency programs and operations based on prior OIG work, priorities identified by our stakeholders, U.S. Government Accountability Office high-risk assessments, congressional interest, Office of Management and Budget (OMB) priorities, and agency vulnerability/internal control assessments under OMB Circular A-123 and the Federal Managers' Financial Integrity Act.

For those interested in our work, we welcome feedback on the quality and value of our products and services via [OIG\\_WEBCOMMENTS@epa.gov](mailto:OIG_WEBCOMMENTS@epa.gov).

A handwritten signature in blue ink that reads "Charles J. Sheehan". The signature is written in a cursive, flowing style.

Charles J. Sheehan  
Acting Inspector General

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# About the EPA Office of Inspector General

## EPA Office of Inspector General

The Office of Inspector General (OIG) is an independent office of the U.S. Environmental Protection Agency (EPA) that detects and prevents fraud, waste and abuse to help the agency protect human health and the environment more efficiently and cost effectively.

The EPA OIG was created and is governed by the Inspector General Act of 1978, as amended (5 U.S.C. App. 3). The act established Offices of Inspectors General as independent and objective units to perform the following functions:

1. Conduct audits and investigations relating to the programs and operations of their agencies.
2. Provide leadership and recommendations designed to promote the economy, efficiency and effectiveness of agency programs and to prevent and detect fraud, waste and abuse.
3. Provide a means for keeping the head of the agency and Congress fully and currently informed about problems and deficiencies, as well as the necessity and progress of corrective actions.

EPA OIG staff members are located at headquarters in Washington, D.C.; at regional offices in all 10 EPA regions; and at other EPA locations, including Research Triangle Park, North Carolina, and Cincinnati, Ohio.

In FY 2004, Congress designated the EPA Inspector General to also serve as the Inspector General for the U.S. Chemical Safety and Hazard Investigation Board (CSB).

## EPA's Mission

The EPA's mission is to protect human health and the environment. The OIG's Strategic and Annual Plans are designed to align implementation of the Inspector General Act with the EPA's strategic goals to help the agency achieve its performance goals in the most economical, efficient and effective manner possible. The list below identifies the EPA's FY 2018–2022 strategic goals, which we consider when planning audits, evaluations and investigations. The Appendix provides a summary of the OIG's Strategic Plan 2019–2023.

### EPA's FY 2018–2022 Strategic Goals

#### Strategic Goals

**Core Mission: Deliver real results to provide Americans with clean air, land, and water, and ensure chemical safety.**

- Objective 1.1 – Improve Air Quality: Work with states and tribes to accurately measure air quality and ensure that more Americans are living and working in areas that meet high air quality standards.
- Objective 1.2 – Provide for Clean and Safe Water: Ensure waters are clean through improved water infrastructure and, in partnership with states and tribes, sustainably manage programs to support drinking water, aquatic ecosystems, and recreational, economic, and subsistence activities.
- Objective 1.3 – Revitalize Land and Prevent Contamination: Provide better leadership and management to properly clean up contaminated sites to revitalize and return the land back to communities.
- Objective 1.4 – Ensure Safety of Chemicals in the Marketplace: Effectively implement the Toxics Substances Control Act, and the Federal Insecticide, Fungicide, and Rodenticide Act, to ensure new and existing chemicals and pesticides are reviewed for their potential risks to human health and the environment and actions are taken when necessary.

**Cooperative Federalism: Rebalance the power between Washington and the states to create tangible environmental results for the American people.**

- Objective 2.1 – Enhance Shared Accountability: Improve environmental protection through shared governance and enhanced collaboration with state, tribal, local, and federal partners using the full range of compliance assurance tools.
- Objective 2.2 – Increase Transparency and Public Participation: Listen to and collaborate with impacted stakeholders and provide effective platforms for public participation and meaningful engagement.

**Rule of Law and Process: Administer the law, as Congress intended, to refocus the Agency on its statutory obligations under the law.**

- Objective 3.1 – Compliance with the Law: Timely enforce environmental laws to increase compliance rates and promote cleanup of contaminated sites through the use of all of EPA's compliance assurance tools, especially enforcement actions to address environmental violations.
- Objective 3.2 – Create Consistency and Certainty: Outline exactly what is expected of the regulated community to ensure good stewardship and positive environmental outcomes.
- Objective 3.3 – Prioritize Robust Science: Refocus the EPA's robust research and scientific analysis to inform policy making.
- Objective 3.4 – Streamline and Modernize: Issue permits more quickly and modernize our permitting and reporting systems.
- Objective 3.5 – Improve Efficiency and Effectiveness: Provide proper leadership and internal operations management to ensure that the Agency is fulfilling its mission.



## Matrix of EPA Goals and Strategies OIG Plans to Address with Audits and Evaluations

When conducting our mandated and carryover audits and evaluations during FY 2019, we will consider the EPA’s FY 2018–2022 strategic goals. The table below shows how our planned audits and evaluations align with each of the agency’s objectives.

Planned FY 2019 OIG Projects <i>Carryover projects not included.</i>	EPA’s FY 2018–2022 Strategic Objectives							
	Improve air quality (Objective 1.1)	Provide for clean and safe water (Objective 1.2)	Revitalize land and prevent contamination (Objective 1.3)	Ensure safety of chemicals (Objective 1.4)	Prioritize robust science (Objective 3.3)	Compliance with the law (Objective 3.1)	Partner with states and other stakeholders (Objectives 2.1, 2.2)	Operate efficiently and effectively (Objectives 3.2, 3.4, 3.5)
<b>Air Directorate</b>								
EPA Oversight of Synthetic Minor Sources	X				X			
EPA Actions to Address Elevated Cancer Risks from Air Toxics Emissions from Point Sources	X			X	X			
EPA’s External Civil Rights Compliance Offices’ Response to Title VI Air Complaints	X							
Office of Air and Radiation Quality Management System Implementation	X			X	X			X
<b>Contract and Assistance Agreement Directorate</b>								
Travel Card Risk Assessment						X		X
2018 Risk Assessment of EPA’s Purchase Cards and Convenience Checks						X		X
EPA Improper Payments Reporting for FY 2018						X		X
Agency Use of Blanket Purchase Agreements						X		X
EPA Acquisition System Data Integrity – Controls Over Contract Clauses						X		X
EPA Acquisition System Data Integrity – Input Into the System						X		X
Office of the Chief Financial Officer Contract Award – Hotline						X		X
<b>Efficiency Directorate</b>								
EPA’s Risk Assessment Process								X
<b>Environmental Research Programs Directorate</b>								
Accuracy and Reliability of Office of Research and Development’s Strategic Measure 21 – “Research Products Meeting Customer Needs”								X
<b>Financial Directorate</b>								
FY 2018 Financial Statements: Hazardous Waste Electronic Manifest System Fund								X
FY 2018 Financial Statements: Pesticides Registration Fund								X
FY 2018 Financial Statements: Pesticides Reregistration and Expedited Processing Fund								X
EPA’s FY 2019 Reporting in Accordance with the DATA Act								X
FY 2019 EPA Financial Statements								X
FY 2018 Financial Statements: Frank R. Lautenberg Chemical Safety for the 21 <sup>st</sup> Century Act								X

EPA's FY 2018–2022 Strategic Objectives								
Planned FY 2019 OIG Projects <i>Carryover projects not included.</i>	Improve air quality (Objective 1.1)	Provide for clean and safe water (Objective 1.2)	Revitalize land and prevent contamination (Objective 1.3)	Ensure safety of chemicals (Objective 1.4)	Prioritize robust science (Objective 3.3)	Compliance with the law (Objective 3.1)	Partner with states and other stakeholders (Objectives 2.1, 2.2)	Operate efficiently and effectively (Objectives 3.2, 3.4, 3.5)
<b>Forensic Directorate</b>								
FY 2019 Single Audit Program								X
Clean Water and Drinking Water State Revolving Funds								X
Audit(s) of Congressionally Mandated Projects – Air Quality Grants Awarded in California	X					X		
Indian Tribal Grants						X	X	X
Diesel Emissions Reduction Act Harbor Authority Grants						X	X	X
EPA's Use of Intergovernmental Personnel Act Agreements & Details								X
<b>Information Resources Management Directorate</b>								
EPA's Compliance with the Federal Information Security Modernization Act for FY 2019						X		X
<b>Land Cleanup and Waste Management Directorate</b>								
Superfund Site Visits – Verification of Effectiveness of Institutional Controls			X					X
Identifying Risks of Closed Hazardous Waste Units with No Viable Funding Company			X					X
Superfund Cost Recover			X					X
<b>Toxics, Chemical Management and Pollution Prevention Directorate</b>								
EPA Oversight of the States' Managed Pollinator Protection Plans				X			X	X
Border 2020 Program	X	X	X	X			X	X
Lautenberg Act Resource Planning and Management				X		X		X
<b>Water Directorate</b>								
Analysis of EPA Enforcement Results (2006–2018)		X						X
EPA's Addressing Harmful Algal Blooms Under Clean Water Act and Safe Drinking Water Act Authorities		X				X		
EPA's Actions Addressing Per- and Polyfluoroalkyl Substances (PFAS) in Drinking Water		X	X	X	X	X		
Microplastic Pollution and the Effectiveness of EPA's Research Efforts to Assess and Reduce Microplastics in U.S. Waters		X		X	X	X		
Ohio Concentrated Animal Feeding Operations – Hotline		X				X	X	
<b>Immediate Office for Office of Audit and Evaluation</b>								
Quality Control Review of EPA OIG Reports Issued in FY 2018								X
EPA FY 2019 Management Challenges	X	X	X	X		X	X	X



# Identifying Risks at EPA

## Top EPA Management Challenges—Reported by OIG in FY 2018

The OIG reviewed major challenges (including an analysis of relevant risks) and planning priorities across the EPA and solicited input from agency leadership to identify OIG topics of interest that would be of greatest benefit to the agency and the American public it serves. This section summarizes the agency’s key management challenges identified by the OIG in FY 2018, which will help guide the general direction and focus of OIG audits, evaluations and investigative work in FY 2019.

OIG-identified key management challenges for the EPA	FY 2017	FY 2018
<b>Oversight of States, Territories and Tribes Authorized to Accomplish Environmental Goals:</b> The EPA has made important progress, but our work continues to identify challenges throughout agency programs and regions, and many of our recommendations to establish consistent baselines and monitor programs are still not fully implemented.	•	•
<b>Enhancing Information Technology Security to Combat Cyber Threats</b> <i>(formerly Limited Capability to Respond to Cyber Security Attacks):</i> Though the EPA continues to initiate actions to further strengthen or improve its information security program, the agency lacks a holistic approach to managing accountability over its contractors and lacks follow-up on corrective actions taken.	•	•
<b>Workload Analysis:</b> The EPA needs to identify its workload needs so that it can more effectively prioritize and allocate limited resources to accomplish its work.	•	•
<b>Mandated Reporting Requirements:</b> The agency faces challenges in tracking and submitting reports mandated by law that contain key program information for Congress, the EPA Administrator and the public.		•
<b>Data Quality for Program Performance and Decision-Making:</b> Poor data quality negatively impacts the EPA’s effectiveness in overseeing programs that directly impact public health.		•

# About the CSB and Identifying Risks

## CSB's Mission

The CSB's mission is to investigate accidental chemical releases at facilities, report to the public on the root causes, and recommend measures to prevent future occurrences. The EPA OIG has the responsibility to audit and investigate CSB programs and review proposed laws and regulations to determine their potential impact on CSB programs and operations.



## Matrix of CSB Goals OIG Plans to Address with Audits

When conducting our mandated work during FY 2019, we will consider the CSB's three strategic goals outlined in its FY 2017–2021 Strategic Plan. The table below shows how our planned FY 2019 audits and evaluations align with each of the CSB's goals.

Planned FY 2019 OIG projects	CSB's FY 2017–2021 Strategic Goals		
	Prevent recurrence of significant chemical incidents through independent investigations	Advocate safety and achieve change through recommendations, outreach and education	Create and maintain an engaged, high-performing workforce
<b>Efficiency Directorate</b>			
2019 Risk Assessment of CSB's Purchase Cards			X
CSB Improper Payments Reporting for FY 2018			X
<b>Financial Directorate</b>			
FY 2018 CSB Financial Statements (Contracted)			X
<b>Information Resources Management Directorate</b>			
CSB Compliance with the Federal Information Security Modernization Act for Fiscal Year 2019	X	X	X
<b>Immediate Office for Office of Audit and Evaluation</b>			
CSB FY 2019 Management Challenges	X	X	X

## Top CSB Management Challenges — Reported by OIG in FY 2018

The OIG reviewed the major risks, challenges and planning priorities across the CSB and solicited input from board leadership to identify and select OIG topics of interest that would be of greatest benefit to the board and the American public it serves. This section summarizes the CSB's key management challenges identified by the OIG in FY 2018, which will help guide the general direction and focus of OIG audit and investigative work in FY 2019.

### ***The Position of CSB Chairperson Lacks Authority to Hold Board Members Accountable***

Historically, the CSB has been plagued with leadership issues such as tension among board members, disputes over the Chairperson's authorities, and complaints of alleged abuses by board members including the Chairperson. The position of CSB Chairperson does not have the statutory authority to take corrective action against other board members for inappropriate behaviors or to hold them accountable. The CSB should strengthen its internal policies and request that Congress assess these issues and make the necessary changes to provide the Chairperson with the authority to correct inappropriate or destabilizing behaviors by board members.

### ***Budget Uncertainties and the President's Proposals to Eliminate the CSB Negatively Impact Efforts to Attract, Hire and Retain Staff***

The CSB should continue to work with Congress toward achieving funding needs. The President's budget for FY 2019 proposed eliminating the CSB. Although Congress has continued to fund the CSB and the CSB Chairperson stated that Congress has no plans to eliminate the CSB, this budget uncertainty impedes the CSB's ability to attract, hire and retain staff.

### ***Prior Management Challenge Removed***

As a result of corrective actions taken and additional justification provided by the CSB, we removed the challenge cited for FY 2017 that the CSB address human resources management issues. The CSB provided documents and information supporting that it has completed all but one of the 18 recommendations from a 2015 Office of Personnel Management report. For the remaining recommendation—to establish a Human Capital Plan—the CSB developed and drafted such a plan and intends to implement it in FY 2019.

# The Plan: Overall Strategy

Annual planning is a dynamic process and requires adjustments throughout the year to meet priorities and anticipate and respond to emerging issues with available resources. The OIG has examined the cross-agency risk assessments, agency challenges, EPA 2018–2022 Strategic Plan, CSB 2017–2021 Strategic Plan, OIG 2019–2023 Strategic Plan, prior work, future priorities, and stakeholder input to develop and prioritize its FY 2019 work.

## Making Choices—A Customer-Driven Process

OIG work that is not mandated is proposed, considered and selected through a rigorous process using the criteria listed in the section below. From these criteria, we develop a portfolio of assignments that represents the best possible return on investment in terms of (1) monetary or public value and (2) responsiveness in addressing the needs, risks, challenges, priorities and opportunities of OIG stakeholders. We also invite our staff to formulate assignment suggestions from their immediate knowledge of EPA and CSB operations and from their consideration of stakeholder input and risks.

Another aspect of our customer-driven approach is the OIG Hotline, which provides a confidential channel for EPA and CSB employees, EPA and CSB contractors, and the public to report instances of fraud, waste and abuse, and raise other issues pertaining to agency programs. Each year, the OIG receives hundreds of complaints, referrals, suggestions and allegations. The OIG promptly processes this information, initiates OIG investigations when warranted, refers issues for audits or evaluations when warranted, and refers issues to the appropriate office or agency if not within the OIG’s jurisdiction. The OIG often uses data analysis tools to analyze hotline matters. This analysis assists the OIG in identifying trends that are reported to the hotline to improve the overall efficiency and effectiveness of our investigations and audits.

## Criteria Considered in Identifying and Selecting New Discretionary Assignments for FY 2019

### **Potential threats to OIG independence:**

- Are there any potential threats to OIG independence if we perform this project?

Will the OIG be able to comply with professional standards, legal requirements and ethical principles?

### **Importance of idea:**

- What is the known extent of the issue (e.g., sensitive or other populations impacted, area involved and environmental justice)?
- Is the topic of the project generating interest from Congress, the public and/or news organizations? Why?

**Estimated return on investment:**

- What is the potential environmental or human health benefit (return on investment) to be derived, and how extensive is the potential for reduction or prevention of environmental, human health or business risks?
- What is the expected return on investment (e.g., potential questioned costs, funds put to better use or other potential monetary benefits, improved decision-making, improved data quality/reliability, reduced vulnerabilities and strengthened internal controls)?
- Are programs performing with the greatest efficiency and effectiveness possible regarding allocation and application of resources?

**Potential risk of fraud, waste or abuse:**

- What resources, data, physical or cybersecurity equipment, program integrity and potential violations of laws/regulations are involved?

**Impact of current management challenges or internal control weaknesses:**

- How does the project align with OIG current management challenges or internal control weaknesses identified at the EPA or the CSB?
- Are programs providing timely, accurate, complete and useful information for decision-making?
- Are computer security and privacy programs comprehensive and actively implemented throughout the organization to balance risk and mission requirements?

**Prior audit results:**

- What are the conditions or changes since the prior audit was conducted by the EPA, U.S. Government Accountability Office or other auditing body?
- What new information or indications of auditable issues are available?

## **The Plan: Office of Audit and Evaluation Carryover and New Assignments for FY 2019**

The OIG's Office of Audit and Evaluation (OA&E) performs the following functions:

- Plans and conducts complex audits and evaluations, including follow-ups on EPA programs, systems and operations.
- Serves as the OIG's national technical expert for assigned areas of responsibility, advising OIG personnel and others concerning program operations and audit/evaluation approaches.

- Works with senior officials from the EPA; the Office of Management and Budget (OMB); other federal, state and local government offices; and professional and environmental organizations to further coordination, customer service and results.
- Prepares reports and delivers presentations on audit and evaluation methods, findings and recommendations.
- Conducts research on, and stays attuned to, methods and best practices within the OIG community for use in our audits and evaluations.

Ten directorates within the OA&E are responsible for independent oversight of EPA and CSB programs, and they recommend improvements to programs and operations. The directorates are as follows:

- Air
- Contract and Assistance Agreement
- Efficiency
- Environmental Research Programs
- Financial
- Forensic
- Information Resources Management
- Land Cleanup and Waste Management
- Toxics, Chemical Management and Pollution Prevention
- Water

Projects are also undertaken by the Immediate Office within OA&E.

### ***Air Directorate***

The Air Directorate is responsible for conducting assignments to assess the EPA’s programs and activities to protect human health and the environment through progress toward air quality goals.

*Point of Contact:* Jim Hatfield (919) 541-1030

Title	Primary objectives	Estimated/actual start date
<b>Carryover</b>		
EPA Oversight of Smokestack Emissions Testing and Reporting (OA&E-FY18-0186)	To determine the effectiveness of EPA oversight in assuring that emission stack tests are conducted in accordance with EPA regulations, policy and guidance.	Second Quarter 2018
Emissions Monitoring Data Quality for Large Stationary Sources of Air Pollution (OA&E-FY18-0181)	To determine whether selected continuous emissions monitoring data meet applicable quality assurance and control criteria.	Second Quarter 2018
<b>Mandated</b>		
<b>NONE</b>		
<b>New Discretionary</b>		

Title	Primary objectives	Estimated/actual start date
EPA Oversight of Synthetic Minor Sources	To determine whether the EPA and state/local oversight is sufficient to assure that "synthetic minor" sources comply with the emission or operational limits in their air permits.	Fourth Quarter 2019
EPA Actions to Address Elevated Cancer Risks from Air Toxics Emissions from Point Sources	To determine whether the EPA's residual risk and technology review process has sufficiently identified and addressed any elevated cancer risks from air toxics emitted by major facilities.	Second Quarter 2019
EPA's External Civil Rights Compliance Offices' Response to Title VI Air Complaints	To determine the efficacy, efficiency and transparency of the External Civil Rights Compliance Offices' processes in receiving, responding to and resolving Title VI discrimination complaints against organizations that receive EPA Clean Air Act funding.	Fourth Quarter 2019
Office of Air and Radiation Quality Management System Implementation	To determine whether the Office of Air and Radiation has established a quality assurance management system in accordance with the EPA's Quality System requirements.	Fourth Quarter 2019



## Contract and Assistance Agreement Directorate

The Contract and Assistance Agreement Directorate is responsible for conducting assignments on the EPA's management of contracts, grants, cooperative agreements and interagency agreements.

*Point of Contact:* Michael Petscavage (202) 566-0897

Title	Primary objectives	Estimated/actual start date
<b>Carryover</b>		
EPA Oversight of Assistance Agreement Close-Out (per the Grants Oversight and New Efficiency Act) (OA&E-FY18-0250)	<ol style="list-style-type: none"> <li>1. To determine the dollar amount of EPA awards that expired at least 2 years ago with unliquidated obligations or zero obligations remaining, and whether the EPA has complied with Resources Management Directive System 2520-03-p2, EPA Order 5700.6A2 Policy on Compliance, EPA Order 1610 and OMB Uniform Grants Guidance §200.343.</li> <li>2. To determine the reasons the EPA carried expired awards for 2 or more years. (Potential scenarios include administrative documentation not submitted to the EPA, programmatic documentation [final reports] not submitted to the EPA, and projects not completed.)</li> <li>3. To determine the impact of the expired awards; specifically, (a) the financial impact of unliquidated obligations and debt costs, and (b) the potential environmental and public health results from projects not completed or unspent funds.</li> </ol>	Second Quarter 2018
Internal Control Oversight of EPA's Senior Environmental Employment Program (OA-FY18-0053)	To determine whether internal controls for over \$207 million in Senior Environmental Employment program grants (awarded between FYs 2008 and 2016) verify that recipients are in compliance with the Environmental Programs Assistance Act (P.L. 98-313) and EPA Senior Environmental Employment Guidance and Procedures Manual for the remaining funds totaling \$33 million.	First Quarter 2018
Hotline Compliant 2018-0227: Contract Compliance for EPA Contract EP-C-16-001 (OA&E-FY18-0234)	To determine whether funding actions taken by the EPA are allowable and whether they cause potential risks to the agency, and whether invoices are being approved and paid without proper review of costs.	Third Quarter 2018
EPA's CSRA Contract Billing Controls (OA&E-FY18-0110)	To determine whether the EPA's contract administration of the CSRA contract EP-W-11-019, Task Order 12, has effective controls to prevent billing and funding fraud, waste and abuse.	Second Quarter 2018
<b>Mandated</b>		
Travel Card Risk Assessment	To conduct an FY 2019 risk assessment of the EPA travel card program to assess the risk of illegal, improper and erroneous expenditures made through the agency's travel card program; and determine the nature, timing and extent of testing necessary.	Third Quarter 2019
2018 Risk Assessment of EPA's Purchase Cards and Convenience Checks	The OIG is required to conduct an annual assessment of the EPA's purchase card and convenience check programs. The purpose of the assessment is to determine the scope and number of audits.	Second Quarter 2019
EPA Improper Payments Reporting for FY 2018	To evaluate the EPA's reporting of improper payments during FY 2018.	Second Quarter 2019

Title	Primary objectives	Estimated/actual start date
<b>New Discretionary</b>		
Agency Use of Blanket Purchase Agreements	<ol style="list-style-type: none"> <li>1. To determine whether blanket purchase agreements are in compliance with applicable laws, regulations, contract provisions and other requirements.</li> <li>2. To determine whether EPA is maximizing usage of current blanket purchase agreements to achieve savings, and whether other blanket purchase agreement opportunities exist.</li> </ol>	Second Quarter 2019
EPA Acquisition System Data Integrity – Controls Over Contract Clauses	To determine compliance with Federal Acquisition Regulations and EPA criteria.	Third Quarter 2019
EPA Acquisition System Data Integrity – Input into the System	<ol style="list-style-type: none"> <li>1. To determine the validity, completeness and accuracy of EPA Acquisition System data for reliability purposes.</li> <li>2. To assess the EPA Acquisition System's timeliness, availability, and ease of use to obtain data needed.</li> </ol>	Second Quarter 2019
Office of the Chief Financial Officer Contract Award – Hotline	<ol style="list-style-type: none"> <li>1. To determine whether Contracts EPW18007 and EPW18008 were properly awarded in accordance with Federal Acquisition Regulation competition requirements.</li> <li>2. To determine whether equipment purchased under Contract EPW07024 was properly purchased under the contract and transferred to current contracts in accordance Federal Acquisition Regulation requirements.</li> </ol>	First Quarter 2019

## Efficiency Directorate

The Efficiency Directorate is responsible for identifying ways for EPA and CSB programs and operations to improve processes and realize cost savings, thus freeing resources for high-priority environmental projects.

*Point of Contact:* Mike Davis (513) 487-2363

Title	Primary objectives	Estimated/actual start date
<b>Carryover</b>		
EPA's Water Infrastructure Finance and Innovation Act Program (OA-FY18-0023)	To determine whether the EPA has established effective internal controls for the Water Infrastructure Finance and Innovation Act Program.	First Quarter 2018
EPA's Management of Counter Terrorism and Emergency Response Equipment (OA&E-FY18-0109)	To determine whether the EPA has the needed and required counter terrorism and emergency response equipment and whether the equipment is efficiently managed, tracked and available for potential counter terrorism or emergency response incidents.	Second Quarter 2018
EPA's Management of Hurricane Harvey Funding (OA&E-FY18-0270)	To determine whether, in its emergency response to Hurricane Harvey, the EPA effectively managed the Disaster Relief Funding received from the Federal Emergency Management Agency.	Fourth Quarter 2018
U.S. Army Corps of Engineers Interagency Agreements (OA&E-FY18-0200)	To determine whether the EPA is being fiscally responsible in awarding interagency agreements with the U.S. Army Corps of Engineers and whether the agency is meeting planned expectations in time, cost and outcomes in its use of interagency agreements.	Third Quarter 2018
EPA's Management of Mobile Phones (OA&E-FY18-0290)	To determine whether the EPA is effectively managing its mobile phones.	Fourth Quarter 2018
PeoplePlus Efficiency and Effectiveness (OA&E-FY18-0283)	To determine whether PeoplePlus is efficient and effective for use in the time and attendance and cost allocation processes and has effective practices, programs and policies.	Fourth Quarter 2018
<b>Mandated</b>		
CSB Purchase Card Risk Assessment	To perform a risk assessment of agency purchase card usage, as required by the Government Charge Card Abuse Prevention Act of 2012.	Second Quarter 2019
CSB Improper Payments Reporting for FY 2018	Per OMB, as the CSB does not need to report on improper payments, we will verify that it publishes an annual Performance and Accountability Report in November 2018 and that it has done a risk assessment in the last 3 years.	First Quarter 2019
<b>New Discretionary</b>		
EPA's Risk Assessment Process	To determine whether the EPA is following the Government Accountability Office's <i>Internal Control Standards for the Federal Government</i> and OMB Circular A-123 for preparing risk assessments for programs.	First Quarter 2019

## Environmental Research Programs Directorate

The Environmental Research Programs Directorate conducts independent assignments that evaluate the EPA's research and development programs, with a focus on areas that support human health and environmental protection.

*Point of Contact:* Patrick Gilbride (303) 312-6969

Title	Primary objectives	Estimated/actual start date
<b>Carryover</b>		
Internal Controls Over Heavy-Duty Vehicle Emissions Program (OPE-FY17-0026)	To determine whether the EPA's existing internal controls effectively detect and prevent on-road heavy-duty vehicle emissions fraud.	Second Quarter 2017
Response to Congressional Requests on Glider Vehicle Testing (OA&E-FY18-0271)	To determine whether (1) the selection and testing of glider vehicles for the November 20, 2017, report (Chassis Dynamometer Testing of Two Recent Model Year Heavy-Duty On-Highway Diesel Glider Vehicles) violated any policies or procedures intended to ensure the objectivity and integrity of tests conducted at the EPA's lab, and (2) the selection and testing of glider vehicles as part of this study differed from the standard practice of selecting and testing of vehicles on the EPA's heavy-duty chassis dynamometer.	Fourth Quarter 2018
Office of Research and Development's Support of and Alignment with Regional Science Programs (OA&E-FY18-0247)	To determine whether the Office of Research and Development's support of regional science programs helps accomplish the EPA's mission, and whether results of regional science initiatives impact agency decision-making.	Fourth Quarter 2018
Oversight of Office of Research and Development Grants to Universities (OA&E-FY18-0248)	To determine whether the Office of Research and Development oversees and monitors grants awarded to universities in accordance with applicable laws, regulations, policies and procedures; and university grantees are completing agreed-upon work that meets the defined purpose of the grant.	Third Quarter 2018
<b>Mandated</b>		
<b>NONE</b>		
<b>New Discretionary</b>		
Accuracy and Reliability of Office of Research and Development's Strategic Measure 21, "Research Products Meeting Customer Needs"	To determine whether the data collected and used for the Office of Research and Development's Strategic Measure 21—on whether research products are meeting customer needs—provides a reasonable and accurate measure of customer satisfaction, and whether the Office of Research and Development faces any barriers when collecting data to support this new measure.	Second Quarter 2019

## Financial Directorate

The Financial Directorate is responsible for rendering opinions on financial statements produced by the EPA and the CSB, and it conducts audits of other EPA financial matters for efficiency and effectiveness.

*Point of Contact:* Paul Curtis (202) 566-2523

Title	Primary objectives	Estimated/actual start date
<b>Carryover</b>		
FY 2017 Financial Statements: Pesticides Registration Fund (PRIA Fund) (OA-FY18-0087)	To render an opinion on the agency's PRIA financial statements and determine compliance with laws and regulations, effectiveness of internal controls, and accuracy of reported performance information.	Second Quarter 2018
FY 2017 Financial Statements: Pesticides Reregistration and Expedited Processing Fund (FIFRA Fund) (OA-FY18-0086)	To render an opinion on the agency's FIFRA financial statements and determine compliance with laws and regulations, effectiveness of internal controls, and accuracy of reported performance information.	Second Quarter 2018
FY 2017 Financial Statements: Hazardous Waste Electronic Manifest System Fund (OA-FY18-0088)	To render an opinion on the agency's Hazardous Waste Electronic Manifest System Fund and determine whether the financial statements were fairly presented in all material respects, the EPA's internal controls over financial reporting were in place, and EPA management complied with applicable laws and regulations.	Second Quarter 2018
FY 2018 EPA Financial Statements (OA&E-FY18-0189)	To render an opinion on the agency's financial statements and determine whether the EPA's consolidated financial statements were fairly stated in all material respects, the EPA's internal controls over financial reporting were in place, and EPA management complied with applicable laws and regulations.	Second Quarter 2018
FY 2018 CSB Financial Statements (Contracted)	To render an opinion on the CSB's financial statements and determine whether the CSB's financial statements were fairly stated in all material respects, CSB's internal controls over financial reporting were in place, and CSB management complied with applicable laws and regulations.	Fourth Quarter 2018
<b>Mandated</b>		
FY 2019 CSB Financial Statements (Contracted)	To render an opinion on the CSB's financial statements and determine whether the CSB's financial statements were fairly stated in all material respects, CSB's internal controls over financial reporting were in place, and CSB management complied with applicable laws and regulations.	Fourth Quarter 2019
FY 2018 Financial Statements: Hazardous Waste Electronic Manifest System Fund	To render an opinion on the agency's Hazardous Waste Electronic Manifest System Fund and determine whether the financial statements were fairly presented in all material respects, the EPA's internal controls over financial reporting were in place, and EPA management complied with applicable laws and regulations.	Second Quarter 2019
FY 2018 Financial Statements: PRIA Fund	To render an opinion on the agency's PRIA financial statements and determine compliance with laws and regulations, effectiveness of internal controls, and accuracy of reported performance information.	Second Quarter 2019

Title	Primary objectives	Estimated/actual start date
FY 2018 Financial Statements: FIFRA Fund	To render an opinion on the agency's FIFRA financial statements and determine compliance with laws and regulations, effectiveness of internal controls, and accuracy of reported performance information.	Second Quarter 2019
EPA's FY 2019 Reporting in Accordance with the DATA Act	To assess the completeness, timeliness, quality and accuracy of FY 2019 data submitted for publication on USASpending.gov within the Office of the Chief Financial Officer; and assess the EPA's implementation and use within the Office of the Chief Financial Officer of the governmentwide financial data standards established by the OMB and the Treasury.	Second Quarter 2019
FY 2019 EPA Financial Statements	To render an opinion on the agency's financial statements and determine whether the EPA's consolidated financial statements were fairly stated in all material respects, the EPA's internal controls over financial reporting were in place, and EPA management complied with applicable laws and regulations.	Third Quarter 2019
FY 2018 Financial Statements: Frank R. Lautenberg Chemical Safety for the 21st Century Act	To render an opinion on the agency's financial statements and determine whether the financial statements were fairly presented in all material respects, the EPA's internal controls over financial reporting were in place, and EPA management complied with applicable laws and regulations.	Third Quarter 2019
<b>New Discretionary</b>		
<b>NONE</b>		

## Forensic Directorate

The Forensic Directorate is responsible for conducting audits of EPA assistance agreements and contracts to identify potentially fraudulent actions. This directorate also determines the acceptability of costs claimed under specific financial instruments. Forensic audits apply auditing skills to situations with legal consequences and use risk assessment tools to represent the first line of defense against fraud, waste and abuse in agency programs.

*Point of Contact:* John Trefry (202) 566-2474

Title	Primary objectives	Estimated/actual start date
<b>Carryover</b>		
Salary Overpayment and Debt Forgiveness Waiver Process (OA-FY18-0084)	To determine whether the agency is properly collecting salary overpayments from its employees.	Second Quarter 2018
Amendment Process for Assistance Agreements Related to Brownfields (OA-FY18-0077)	To determine whether the EPA followed agency procedures when amending assistance agreements.	First Quarter 2018
Splitting/Combining Time-Off and Monetary Awards (OA-FY18-0090)	To determine whether the agency is inappropriately splitting/combining time-off and monetary awards to circumvent regulations.	Second Quarter 2018
EPA Office of Criminal Enforcement, Forensics and Training Law Enforcement Availability Pay Reporting (OA-FY18-0075)	To determine whether Criminal Investigators assigned to the EPA's Office of Criminal Enforcement, Forensics and Training properly record Law Enforcement Availability Pay hours in compliance with federal requirements and EPA-established policies and procedures.	First Quarter 2018
Congressional Request Audit – EPA's Adherence to Policies, Procedures and Oversight Controls Pertaining to the Administrators Travel (OA-FY17-0382)	To address three requests pertaining to concerns about Administrator Scott Pruitt's travel—primarily his frequent travel to and from his home state of Oklahoma at the taxpayers' expense.	Fourth Quarter 2018
Office of Investigations Support – City of Houston, Texas' Compliance with Clean Water State Revolving Fund Requirements (OA-FY17-0380)	To assist the OIG Office of Investigations in addressing irregularities in the city of Houston's Clean Water State Revolving Fund program, we are reviewing whether the city used the fund for eligible projects, contracts were awarded in compliance with applicable eligibility requirements, and the city adequately monitored and reported the results of its prime contractors' use of Minority and Women Business Enterprises.	Fourth Quarter 2017
Office of Air and Radiation Timekeeping Practices (OA-FY17-0090)	To evaluate the Office of Air and Radiation's timekeeping practices to determine whether they comply with agency policies and procedures, as well as relevant regulations.	Second Quarter 2017
<b>Mandated</b>		
FY 2019 Single Audit Program	The OIG Single Audit Team reviews and processes single audit reports (mandated under the Single Audit Act) that are prepared by Certified Public Accountant firms and state audit organizations.	Fourth Quarter 2019



Title	Primary objectives	Estimated/actual start date
<b>New Discretionary</b>		
Clean Water and Drinking Water State Revolving Funds	To determine whether an opportunity exists to decrease or eliminate funding now that State Revolving Fund programs have been capitalized and revolving for decades.	First Quarter 2019
Audit(s) of Congressionally Mandated Projects – Air Quality Grants Awarded in California	To determine whether costs claimed under the grants are reasonable, allowable and allocable in accordance with the applicable laws, regulations and grant terms and conditions; and whether the objectives of the grants are being met.	Fourth Quarter 2019
Indian Tribal Grants	To determine whether the costs claimed under selected individual Indian tribal grants are reasonable, allocable and allowable in accordance with applicable laws, regulations, and grant terms and conditions.	Second Quarter 2019
Diesel Emissions Reduction Act Harbor Authority Grants	To determine whether the costs claimed under this grant are reasonable, allocable and allowable in accordance with applicable laws, regulations, and grant terms and conditions.	Third Quarter 2019
EPA's Use of Intergovernmental Personnel Act Agreements and Details	To determine whether the EPA is using the Intergovernmental Personnel Act Agreements and Detail instruments to achieve the results intended.	First Quarter 2019

## Information Resources Management Directorate

The Information Resources Management Directorate reviews the economy, efficiency and effectiveness of EPA and CSB investments in systems for achieving environmental goals and ensuring the integrity of data used for decision-making. The directorate also reviews strategies for setting priorities and develops plans to accomplish priorities and measure performance.

*Point of Contact:* Rudolph Brevard (202) 566-0893

Title	Primary objectives	Estimated/actual start date
<b>Carryover</b>		
EPA's Processes for Preserving Emails and Text Messages and Responding to Freedom of Information Act Requests (OA&E-FY18-0217)	To determine whether the EPA took action to complete OIG recommendations regarding the preservation of email and text messages, and the improvement of the agency's Freedom of Information Act process.	Third Quarter 2018
EPA Processes for Purchasing Software Provided by the Working Capital Fund – OIG Hotline (OA&E-FY18-0261)	To determine whether the EPA follows documented policies and procedures for providing software purchased under the Working Capital Fund. (We plan to conduct very limited field work to complete this project.)	Fourth Quarter 2018
EPA's Compliance with the Federal Information Security Modernization Act for FY 2018 (OA&E-FY18-0194)	To determine whether the EPA implemented an information systems security management program that is compliant with the Federal Information Security Modernization Act of 2014.	Third Quarter 2018
CSB's Compliance with the Federal Information Security Modernization Act for FY 2018 (OA&E-FY18-0195)	To determine whether the CSB implemented an information systems security management program that is compliant with the Federal Information Security Modernization Act of 2014.	Third Quarter 2018
EPA's Processes for Managing Background Investigations and Plans of Action and Milestones (OA-FY17-0139)	To determine whether the EPA has established a process to verify that background investigations are conducted for those individuals (federal employees and contractors) with privileged access permissions to the agency's information systems and network, and to what extent the EPA is managing and remediating known technical vulnerabilities to reduce cybersecurity risks to the agency's information system infrastructure.	Second Quarter 2017
Information System Security Controls for EPA's Budget Systems (OA-FY18-0065)	To determine whether the Office of the Chief Financial Officer identified and tested all inherited security controls for the EPA's Budget Automation System and took steps to require the contractor for the replacement budget system to comply with federal requirements for testing information systems security controls.	First Quarter 2018
Pesticide Registration Fees, Vulnerability Mitigation and Database Security Controls for EPA's FIFRA and PRIA Systems (OA-FY17-0091)	To conduct a network vulnerability assessment of the information technology resources that protect the confidentiality, integrity and availability of the network infrastructure used to process the registration service fees for specific pesticide registrations, amended registrations, and associated tolerance actions as required by the Pesticide Registration Improvement Act of 2003.	Second Quarter 2017

Title	Primary objectives	Estimated/actual start date
<b>Mandated</b>		
CSB's Compliance with the Federal Information Security Modernization Act for FY 2019	To determine whether the CSB implemented an information systems security management program that is compliant with the Federal Information Security Modernization Act of 2014.	Second Quarter 2019
EPA's Compliance with the Federal Information Security Modernization Act for FY 2019	To determine whether the EPA implemented an information systems security management program that is compliant with the Federal Information Security Modernization Act of 2014.	Second Quarter 2019
<b>New Discretionary</b>		
<b>NONE</b>		

## Land Cleanup and Waste Management Directorate

The Land Cleanup and Waste Management Directorate is responsible for conducting assignments to assess EPA programs, activities and initiatives to protect human health and the environment through cleanup and waste management, accident prevention and emergency response.

*Point of Contact:* Tina Lovingood (202) 566-2906

Title	Primary objectives	Estimated/actual start date
<b>Carryover</b>		
Superfund Enforcement (OA&E-FY18-0019)	To determine whether the EPA is enforcing Potentially Responsible Parties' compliance with EPA Superfund Comprehensive Environmental Response, Compensation, and Liability Act Response Settlements and Unilateral Administrative Orders.	Third Quarter 2018
Superfund Task Force (OA&E-FY18-0291)	To determine whether the EPA followed applicable criteria (e.g., laws and rules) in creating the Superfund Task Force and the development of its report and recommendations, and whether the EPA appropriately responded to a Freedom of Information Act request from July 2017 regarding the Superfund Task Force. This project would focus on communication, the decision-making process and documentation.	Fourth Quarter 2018
Land Application of Sewage Sludge (OPE-FY17-0019)	To determine whether the EPA has implemented appropriate controls over the land application of sewage sludge that protect human health and the environment.	Fourth Quarter 2017
<b>Mandated</b>		
<b>NONE</b>		
<b>New Discretionary</b>		
Superfund Site Visits – Verification of the Effectiveness of Institutional Controls	To determine whether the EPA's Superfund Institutional Controls achieve their stated goal of preventing human exposure at Superfund sites.	Fourth Quarter 2019
Identifying Risks of Closed Hazardous Waste Units with No Viable Funding Company	To determine whether the EPA is identifying and addressing liabilities for closed hazardous waste units (mostly landfills) that have no viable company to fund continued monitoring and corrective action.	Second Quarter 2020
Superfund Cost Recovery	To determine whether the EPA fully recovers costs incurred to clean up Superfund sites, and whether the EPA is achieving Superfund cost recovery program goals.	Third Quarter 2019

## Toxics, Chemical Management and Pollution Prevention Directorate

The Toxics, Chemical Management and Pollution Prevention Directorate is responsible for conducting assignments to assess the EPA's management of chemical risks and programs to prevent pollution.

*Point of Contact:* Jeffrey Harris (202) 566-0831

Title	Primary objectives	Estimated/actual start Date
<b>Carryover</b>		
EPA's Implementation and Enforcement of the Lead-Based Paint Renovation Repair and Painting Rule (OA&E-FY18-0162)	To determine whether the EPA has an effective strategy to implement and enforce the Lead-Based Paint Renovation, Repair and Painting Rule.	Second Quarter 2018
Implementation of Executive Order 13771 (OA&E-FY18-0177)	To evaluate the EPA's management controls for implementing Executive Order 13771: Reducing Regulation and Controlling Regulatory Costs.	Third Quarter 2018
Effectiveness of EPA's Tribal Pesticide Enforcement Cooperative Agreements, FIFRA Section 23(a)(1)	To determine whether EPA/tribal pesticide enforcement program (FIFRA) cooperative agreements are effective in promoting compliance and protecting vulnerable populations.	Fourth Quarter 2018
<b>Mandated</b>		
<b>NONE</b>		
<b>New Discretionary</b>		
EPA Oversight of the States' Managed Pollinator Protection Plans	To determine the effectiveness of the EPA's oversight of the states' Managed Pollinator Protection Plans designed to mitigate the acute risk to bees from pesticides products.	First Quarter 2019
Border 2020 Program	To determine the effectiveness of Border 2020 program controls implemented in response to a 2008 OIG review, we will evaluate: 1. Whether current program controls (strategic plan, performance measures, EPA Regions 6 and 9 action plans, grantee/partner guidance on project documentation and data quality) are sufficient for verifying that program objectives/activities are accomplished and are linked to the achievement of desired environmental and human health goals/benefits. 2. What progress the program can demonstrate toward achieving environmental objectives (e.g., promote access to safe drinking water for 5,000 households, maintain effective air monitoring networks) in its strategic plan that were scheduled for completion in 2014, 2015 and 2018.	Fourth Quarter 2019
Lautenberg Act Resource Planning and Management	To determine whether the Office of Chemical Safety and Pollution Prevention and its Office of Pollution Prevention and Toxics has met all Lautenberg Act deadlines to date, and whether the Office of Pollution Prevention and Toxics has developed management plans and internal management controls to meet the ongoing statutory requirements of the law.	Fourth Quarter 2019

## Water Directorate

The Water Directorate is responsible for conducting assignments to assess the EPA’s protection and restoration of healthy aquatic communities and waters that sustain human health.

*Point of Contact:* Kathlene Butler (404) 562-9736

Title	Primary objectives	Estimated/actual start Date
<b>Carryover</b>		
Public Notification of Drinking Water Quality (OPE-FY17-0020)	To determine how Safe Drinking Water Act primacy states ensure the notification of customers when public water systems exceed maximum contaminant/action levels for contaminants, and whether the EPA should enhance its role to catalyze robust communication of drinking water quality/risks.	Fourth Quarter 2017
Hurricane Response for 2017 Storms in Regions 6, 4 and 2 (OPE-FY18-0005)	To determine how the EPA's preparedness and response efforts during three 2017 hurricanes protected human health and water resources from storm-related drinking and surface water contamination.	First Quarter 2018
<b>Mandated</b>		
<b>NONE</b>		
<b>New Discretionary</b>		
Analysis of EPA Enforcement Results (2006-2018)	To determine trends in enforcement results stemming from EPA enforcement actions (injunctive relief, supplementary environmental projects and penalties) over time (2006–2018); and the key factors explaining differences in enforcement results stemming from EPA enforcement actions over time, among EPA regions, and among environmental statutes.	First Quarter 2019
EPA's Addressing Harmful Algal Blooms Under Clean Water Act and Safe Drinking Water Act Authorities	To determine whether the EPA is using its authorities under the Clean Water Act and Safe Drinking Water Act to protect human health and the environment from harmful algal blooms.	Second Quarter 2019
EPA's Actions Addressing Per- and Polyfluoroalkyl Substances (PFAS) in Drinking Water	To determine how the EPA's actions in addressing Per- and Polyfluoroalkyl Substances (PFAS) in drinking water protect public health.	First Quarter 2019
Microplastic Pollution and the Effectiveness of EPA's Research Efforts to Assess and Reduce Microplastics in U.S. Waters	To identify the extent to which the EPA's existing Clean Water Act programs and Office of Research and Development research initiatives address threats and risks to public health and the environment from microplastic pollution.	Third Quarter 2019
Ohio Concentrated Animal Feeding Operations – Hotline	Determine what actions EPA Region 5 took in response to the November 2011 citizen petition regarding Ohio's Concentrated Animal Feeding Operations permitting program, and whether Region 5 has given final approval for Ohio's Concentrated Animal Feeding Operations National Pollutant Discharge Elimination System permit program transfer to Ohio's Department of Agriculture.	First Quarter 2019

## Immediate Office

The OA&E's Immediate Office is responsible for (1) conducting new and follow-up audits to assess agency programs and functions and (2) determining whether sufficient controls are in place to reduce the agency's risk of fraud, waste and abuse in its operations. The Immediate Office also develops, coordinates and reports on OIG-identified agency management challenges and internal control weaknesses.

*Points of Contact:* Jerri Dorsey-Hall (919) 541-3601  
 Janet Kasper (312) 886-3059  
 Eric Lewis (202) 566-2664

Title	Primary objectives	Estimated/actual start date
<b>Carryover</b>		
<b>NONE</b>		
<b>Mandated</b>		
Quality Control Review of EPA OIG Reports Issued in FY 2018	OA&E quality assurance staff annually assess whether there are systemic issues during referencing, compliance monitoring reviews, and compliance with generally accepted government auditing standards and OIG policy.	First Quarter 2019
CSB FY 2019 Management Challenges	To identify issues the OIG determines to be the CSB's major management challenges for FY 2019.	First Quarter 2019
EPA FY 2019 Management Challenges	To identify issues the OIG determines to be the EPA's major management challenges for FY 2019.	First Quarter 2019
<b>New Discretionary</b>		
<b>NONE</b>		



# The Plan: Office of Investigations

## FY 2019 Focus

The OIG's Office of Investigations (OI) is responsible for investigating allegations of criminal activity and serious misconduct in EPA and CSB programs and operations. The OI often collaborates with other law enforcement entities and external stakeholders to enhance the effectiveness of its work. The OI participates in interagency task forces and working groups as well as in OIG outreach programs by providing fraud awareness briefings to educate agency employees and external organizations that receive EPA funds on potential indicators of fraud.

The Inspector General Act identifies the Assistant Inspector General for Investigations as responsible for developing and implementing an investigative program that furthers OIG objectives. The Assistant Inspector General for Investigations' primary responsibilities include investigating possible violations of criminal statutes relating to EPA and CSB programs and activities; investigating allegations of serious misconduct by EPA and CSB employees; interfacing with the U.S. Department of Justice on OIG-related criminal matters; and coordinating investigations and OIG initiatives with other federal, state, local and tribal investigative agencies.

The OIG's investigative process is mostly reactive, and the OI performs its proactive work strategically as opportunities and resources allow. Reactive work begins with the receipt of an allegation that impacts the agency, one of its employees, a grantee or a program area. Proactive work is generated through various means, including analysis of EPA and CSB funding distribution, as well as outreach with internal and external stakeholders.

Due to the reactive nature of the OI's work, investigations are opened in accordance with priorities set forth in the OIG Strategic Plan for FYs 2018–2022 and in consideration of prosecutorial guidelines established by U.S. Attorneys. OIG investigations are governed by the *Attorney General Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority* and by the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Investigations*, as well as other federal statutes and regulations.

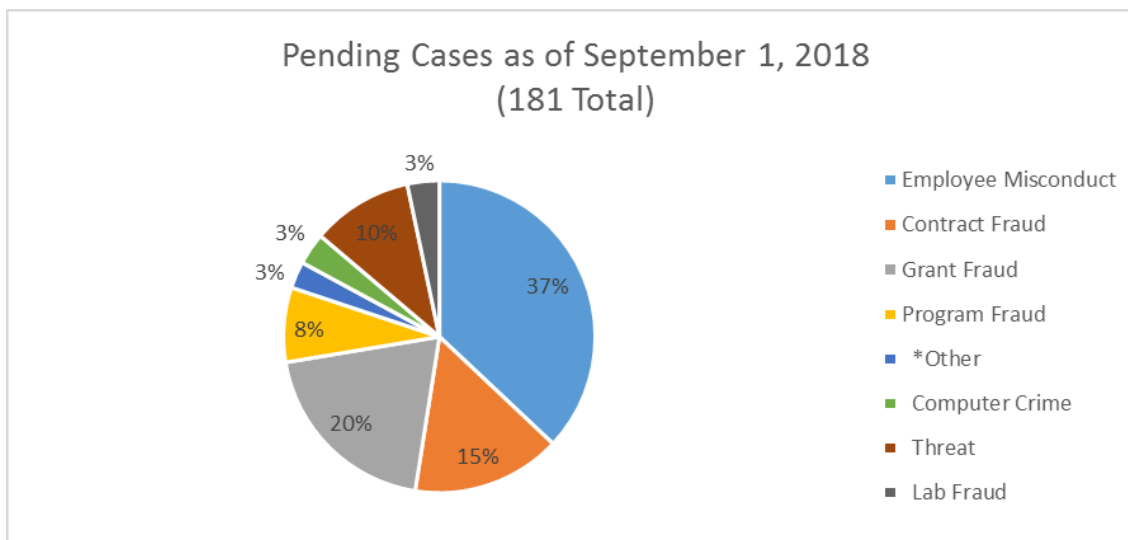
Investigative efforts often lead to criminal convictions, administrative sanctions or civil monetary penalties. Investigations are initiated as a result of allegations or referrals from private citizens; OIG audits and evaluations; EPA and CSB employees; Congress; other federal, state, local and tribal law enforcement agencies; and proactive efforts directed at areas with high potential for fraud, waste and abuse.

*Point of Contact:* Allan Williams (202) 566-2386

### Pending Investigative Activities

The OIG plays a critical oversight role helping to ensure that EPA and CSB funds are properly expended and not subject to fraud, waste or abuse. Pending cases as of September 1, 2018, totaled 181. The following pie chart shows that, of the 181 pending cases, 84 (or 46 percent) are

fraud-related. Employee misconduct is also high, representing 67 cases (37 percent). Potentially, these cases have been on the rise due to recent attention from Congress and the attention garnered from our investigative successes being publicized by the media. The pie chart below provides a summary of EPA OIG investigative activity by case type.



\* The "Other" category covers investigations such as Falsifying Official Documents/Forgery, Misuse of Government Property (by non-employee) and Destruction of Government Property (by non-employee).

## FY 2019 OI Annual Plan

### **GOAL 1: Contribute to improved EPA and CSB programs and operations that protect human health and the environment and enhance safety.**

The OI will conduct investigations into allegations of fraud and other crimes involving EPA grants and contracts that provide assistance to state, local and tribal governments; universities and nonprofit recipients. The OI will play a critical role in ensuring that these funds are expended properly and are not subject to fraud, waste or abuse. The following list details our FY 2019 priorities:

- Financial fraud (grants and contracts).** These investigations may involve multiple agencies and focus on criminal activities related to agency grants, state revolving funds, interagency agreements and cooperative agreements that provide assistance to state, local and tribal governments; universities and nonprofit recipients. Collectively, these programs account for about half of the EPA's budget. These investigations also focus on acquisition management, contracts and procurements. The OI focuses on fraudulent activities such as mischarging, defective pricing, defective products, kickbacks and collusion.
- Program fraud.** These investigations focus on activities that could undermine the integrity of agency programs involving safety and public health and undermine or erode the public trust and confidence in the EPA's pursuit of its mission, programs or

employees. This range includes serious misconduct or criminal activity (i.e., criminals misrepresenting themselves as EPA employees in furtherance of a scheme or artifice to defraud; or the fraudulent use of EPA seals, certifications, letterhead or logos in furtherance of a scheme to defraud). These investigations also focus on criminal activity that relies on, takes advantage of, or exploits systematic weaknesses or vulnerabilities of the agency for personal gain (i.e., fraudulent assertions of “EPA approved” training, products or services in furtherance of a scheme to defraud).

- **Laboratory fraud.** These investigations deal with contract laboratory fraud relating to water quality and Superfund data, as well as payments made by the EPA for erroneous environmental testing data. Cases also include investigating results that could undermine the basis for EPA decision-making, regulatory compliance and enforcement actions.
- **Threats directed against EPA and CSB employees, facilities and assets.** These investigations involve the physical safety of EPA and CSB employees, agency contractors, and all property and data. Investigations include the identification of attacks against the EPA’s computer and network systems and the protection of resources, infrastructure and intellectual property. The OI coordinates these investigations with the Federal Bureau of Investigation; the U. S. Attorney’s Offices; the U.S. Department of Homeland Security; and other federal, state and local law enforcement agencies as appropriate.

## **GOAL 2: Conduct audits and investigations that enable EPA and CSB to improve business practices and accountability.**

- **Employee integrity and alleged criminal conduct or serious administrative misconduct.** These investigations involve allegations made against EPA and CSB employees that could threaten the credibility of the agency and the integrity of its resources. If an employee misconduct case does not conclude with a judicial action, the OI prepares a report of investigation for the EPA to handle the case administratively. The OI also tracks corrective or disciplinary actions taken by the EPA. To communicate and collaborate on employee misconduct cases, the OI participates in biweekly meetings with the EPA’s Office of General Counsel and Office of Mission Support. Additionally, the OI is an active participant in the EPA’s Insider Threat Program.
- **Travel/Purchase card fraud.** These investigations may involve coordinating with the EPA’s Office of the Chief Financial Officer to investigate instances of abuse involving individual travel cards issued to agency employees, and purchase cards issued for the procurement of supplies and equipment.
- **Small business innovative research and Guardian Task Force work.** The OI provides investigative support to and participates as needed in various multiagency criminal task forces on evolving national issues to prevent and detect fraud, waste and abuse.
- **Stakeholder outreach.** The OI provides fraud awareness briefings to educate employees and groups about potential fraud indicators. The OI also works with the EPA to help educate employees on how to prepare for an active threat situation.

- **Disaster relief spending oversight.** These are investigations that involve examining disaster relief spending for fraud, waste and abuse. The OI also participates with the EPA OIG's OA&E and other federal OIGs on the Federal Disaster Assistance Fraud Task Force.

# Appendix A: Overview of the Office of Inspector General Strategic Plan 2019–2023

## VISION

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

## MISSION

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 U.S. Environmental Protection Agency and the U.S. Chemical Safety and Hazard Investigation Board.

## GOALS

Contribute to improved EPA and CSB programs and operations protecting human health and the environment, and enhancing safety.

Conduct audits, evaluations and investigations that enable the EPA and the CSB to improve business practices and accountability.

Improve OIG processes, resource allocation and accountability to meet stakeholder needs.

## OBJECTIVES

- Influence actions and change that contribute to improved human health, safety and environmental quality.
- Produce results that contribute to the identification, reduction or elimination of environmental risks and challenges.

- Protect the integrity of programs and operations through criminal, civil and administrative investigations.
- Influence actions and identify best practices to improve efficiency and accountability, and achieve monetary benefits.
- Reduce risk of loss by detecting and achieving monetary benefits.
- Reduce risk of loss by detecting and preventing fraud, waste, abuse, mismanagement and misconduct.

- Ensure that our products and services are timely, responsive and relevant, and maximize protection of human health and the environment and return on investment.
- Ensure that our processes and actions are efficient and effective through continuous improvement.
- Recruit, develop and retain an innovative, high-performing and diverse workforce that is valued, appreciated and respected.
- Enhance constructive relationships and foster collaborative solutions.

**Core Value:** Be the best in public service

Customer Service

Integrity

Accountability