



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

OFFICE OF MISSION SUPPORT

SUBJECT: Follow-up to the Office of Inspector General Final Report No. 20-P-0126: *“EPA Did Not Accurately Report Under the Grants Oversight and New Efficiency Act and Needs to Improve Timeliness of Expired Grant Closeouts,”* dated March 31, 2020

FROM: Donna J. Vizian, Principal Deputy Assistant Administrator

TO: Kathlene Butler, Acting Assistant Inspector General
 Office of Inspector General

The final report for the Office of the Inspector General audit 20-P-0126, *“EPA Did Not Accurately Report Under the Grants Oversight and New Efficiency Act and Needs to Improve Timeliness of Expired Grant Closeouts,”* notes that there are two unresolved recommendations for the Office of Mission Support. The purpose of this memorandum is to transmit OMS’s revised corrective action plan that fully addresses the concerns in the final report.

| No. | Recommendation | High-Level Corrective Actions | Estimated Completed Date |
|-----|---|--|--------------------------|
| 3 | Implement controls as required by EPA Order 5700.6 A2 CH2 to obtain closeout strategies when Grants Management Offices are not meeting the closeout metrics for grant awards. | To better implement controls as required by EPA Order 5700.6 A2 CH2, OGD will collect and review each region’s Post Award Monitoring Plan (PAMP) and will review to verify that each one includes an acceptable corrective action plan according to the criteria established in the policy for closeouts as applicable. OGD issued its annual PAMP guidance on December 20, 2019, which included a section on closeout metrics. The guidance stated that PAMPs must address closeouts and include a corrective action plan from each GMO that did not meet the FY19 closeout metrics by the end of the year. To ensure the receipt of each region’s PAMP, OGD will track the responses and contact any region’s SRO if it is not received by the deadline. If OGD determines that a region’s PAMP does not include an acceptable corrective closeout plan, OGD will work with the SRO to develop an acceptable plan. Once an acceptable plan is in place, OGD will institute the following controls to ensure effective implementation of the plan: track closeout data quarterly and follow up as | June 15, 2020 |

| No. | Recommendation | High-Level Corrective Actions | Estimated Completed Date |
|-----|--|--|--------------------------|
| | | <p>necessary with the appropriate SRO to facilitate progress towards meeting the metric.</p> <p>OGD will ensure closeout plans for this fiscal year are in place for all applicable GMOs by June 15, 2020. OGD will include the requirement in the PAMP Guidance issued each year in November as part of its annual process.</p> | |
| 4 | <p>Develop and implement Office of Grants and Debarment policy, specific to grants closeouts that have been delayed 1 year or longer, to escalate such instances to the Office of Grants and Debarment for action in support of closeout efforts (regardless of future collection of funds, audits or reviews; and property management and disposition processes).</p> | <p>OGD will develop and issue a stand-alone Policy Notice emphasizing the SRO's responsibilities for closeout of regional grants, and the OGD Director's responsibility for closeout of HQ grants. As part of OMS' Quarterly Mission Measure (QMM) reviews, the Regional Mission Support Division Directors will report to OMS senior management (OMS PDAA, OMS-ARM DAA and OGD Office Director) all awards for which closeout is delayed for over 1 year. At these QMM reviews, OMS senior leadership will determine if OGD assistance, such as technical assistance with audit and questioned cost resolution and/or sending enforcement letters to uncooperative recipients, is necessary to close out the grant.</p> | June 30, 2020 |

Cc: Alexandra Zapata-Torres
Eileen Collins
Khadija Walker
Madeline Mullen
Michael Petscavage
Lynnann Hitchens
Marilyn Braxton
Daniel Coogan
Jan Jablonski
Monisha Harris
Marilyn Armstrong
Mitchell Hauser
Michael Osinski
Bruce Binder
Laurice Jones
Kenneth Sylvester
Kysha Holliday
Brandon McDowell
Annette Morant
Andrew LeBlanc