



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

APR 15 2014

THE INSPECTOR GENERAL

**MEMORANDUM**

**SUBJECT:** OIG Evaluation of Management Decision on Report Number 12-4-0224, Examination of Costs Claimed Under Cooperative Agreement X7-83325501 Awarded to Kathleen S. Hill, Chiloquin, Oregon, Dated January 23, 2012

**FROM:** Arthur A. Elkins Jr. 

**TO:** Howard Corcoran, Director  
Office of Grants and Debarment

We have reviewed your management decision letter to Ms. Kathleen Hill, dated March 31, 2014, regarding the recommendations in the subject report. Your letter stated that the agency disallowed \$33,781 of the \$80,721 costs questioned and accepted our recommendations to verify the recipient's financial management system meets federal standards prior to any future awards and the recipient's final financial status report is supported by accounting records. The management decision is complete. Accordingly, we are closing the recommendations in the Office of Inspector General's assignment tracking system. However, in accordance with EPA Manual 2750, corrective actions must be tracked in the agency's audit tracking system until all actions are completed.

If you or your staff have any questions regarding this memorandum, please contact Kevin Christensen, acting Assistant Inspector General for Audit, at (202) 566-1007 or [christensen.kevin@epa.gov](mailto:christensen.kevin@epa.gov); or Robert Adachi, Product Line Director, at (415) 947-4537 or [adachi.robert@epa.gov](mailto:adachi.robert@epa.gov).

cc: Assistant Administrator, Office of Administration and Resources Management  
Assistant Administrator, Office of Water  
Director, Grants and Interagency Agreements Management Division  
Agency Follow-Up Official (the CFO)  
Agency Follow-Up Coordinator  
Audit Follow-Up Coordinator, Office of Administration and Resources Management  
Audit Follow-Up Coordinator, Office of Water  
Audit Follow-Up Coordinator, Office of Grants and Debarment