



OFFICE OF FINANCE AND ADMINISTRATION  
WASHINGTON, D.C. 20460

February 13, 2026

**MEMORANDUM**

**SUBJECT:** Response to the Office of Inspector General Final Report, Report No. 26-P-0005, “*Audit of the EPA’s Post-Award Oversight of the Grants Awarded Under the Infrastructure Investment and Jobs Act*” dated December 16, 2025.

**FROM:** C. Paige Hanson, Chief Financial Officer and Chief Administrative Officer *C. Paige Hanson*

**TO:** Nicole N. Murley, Deputy Inspector General and Senior Official Performing the Duties of the Inspector General  
Office of Inspector General

Thank you for the opportunity to respond to the issues and unresolved recommendations in the subject final audit report. Following is a summary of the U.S. Environmental Protection Agency’s overall position, along with its position on each of the report’s recommendations. We have provided an alternative High-Level Corrective Action.

**AGENCY’S OVERALL POSITION**

The final report contains eight recommendations for the Office of Finance and Administration. In response to the draft report, the Agency agreed to seven of the recommendations and disagreed with Recommendation 7. Prior to the issuance of the final report, the Agency completed the corrective action for Recommendation 3 and has since submitted documentation to the OIG to complete the corrective action for Recommendation 5.

The Office of Finance and Administration agrees with the intent of Recommendation 7 to verify that baseline monitoring reports are completed; documentation is maintained and supports the conclusions made; and recommendations for award amendment, advanced monitoring, or other higher-level reviews are completed. While supervisory review of 100% baseline monitoring reports is untenable and an ineffective use of resources given staffing levels and the high volume of active grants and completed baselines, the Agency will expand on the internal controls already in place in its post award monitoring program to meet the intent of the recommendation.

The Agency believes that the agreed corrective action for Recommendation 6 to update the baseline questions and to provide additional guidance to ensure that grant specialists and project officers

sufficiently document and support administrative and programmatic progress will ensure recommendations for award amendment, advanced monitoring, or other-higher level reviews, like an OIG referral, are effectively documented. EPA Order 1130.2a – Senior Resource Officials, identifies the Senior Resource Official (SRO) as the senior executive within a region or program office accountable for management of extramural resources including grants, assistance agreements, and cooperative agreements. The Office of the Chief Grants Officer’s annual Post Award Monitoring Plan (PAMP) guidance includes a requirement for the SRO to attest that annual programmatic and administrative baselines are completed in accordance with EPA Order 5700.6. To fully meet the intent of Recommendation 7, the Agency will develop and implement a process to provide further assurance that recommendations for additional review by Agency grants personnel or referral to the OIG are documented and completed appropriately.

**AGENCY’S RESPONSE TO FINAL AUDIT RECOMMENDATIONS**

**Proposed Alternative**

| <b>No.</b> | <b>Recommendation</b>  | <b>Proposed High-Level Corrective Action(s)</b>   | <b>Est. Completion Date</b> |
|------------|--|---|-----------------------------|
| 7          | Develop and implement a process for supervisory review of baseline monitoring reports, including whether the documentation used to complete a baseline monitoring report supports the conclusions and recommendations made for award amendment, advanced monitoring, or other higher-level reviews. Requiring supervisory review of baseline monitoring reports will help the Office of Finance and Administration ensure that documentation used to support grantee performance is maintained and recommendations for additional review receive the proper oversight by regional office or OIG personnel. | Consistent with the Agency’s response to Recommendation 6, the Office of Finance and Administration will update the administrative and programmatic baseline questions and provide guidance and training to project officers and grants specialists on the requirements on documentation to support conclusions made in the baseline reports. Further, the Agency will develop and implement a process to provide assurance that recommendations for additional review by Agency grants personnel or referral to the OIG are completed appropriately. | June 30, 2027               |

## CONTACT INFORMATION

Thank you again for the opportunity to review the report. If you have any questions regarding this response, please contact Afreeka Wilson, Audit Follow-up Coordinator, of the Office of Resources and Information, (202) 564-0867 or [wilson.afreeka@epa.gov](mailto:wilson.afreeka@epa.gov).

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