

QUARTERLY UPDATE

JULY
2026



U.S. EPA OFFICE OF INSPECTOR GENERAL

The EPA OIG expects to issue the following reports in fourth quarter fiscal year 2026. Click on the report title to learn more about the report objective.

- [Audit of the EPA's Compliance with the Federal Information Security Modernization Act for Fiscal Year 2025](#)
- [Audit of the U.S. Chemical Safety and Hazard Investigation Board's Compliance with the Federal Information Security Modernization Act for Fiscal Year 2025](#)
- [Summary Report: Infrastructure Investment and Jobs Act Clean Water State Revolving Fund Capacity Review](#)
- [Audit of the EPA's Management of its High-Value Asset Program](#)
- [Audit of the EPA Award of Drinking Water and Clean Water Earmark Grants](#)
- [Evaluation of the EPA's e-Manifest System](#)
- [Audit of the EPA's Fiscal Year 2025 Compliance with the Payment Integrity Information Act of 2019](#)
- [Audit of the CSB's Fiscal Year 2025 Compliance with the Payment Integrity Information Act of 2019](#)
- [Audit of the Community-Based Organization Set-Aside Grants Awarded Pursuant to the Enhanced Air Quality Monitoring for Communities Grant Program](#)
- [Independent Audit of the EPA's Fiscal Years 2023 and 2022 Toxic Substances Control Act Service Fee Fund Financial Statements](#)
- [Independent Audit of the EPA's Fiscal Years 2024 and 2023 Toxic Substances Control Act Service Fee Fund Financial Statements](#)

The OIG initiated the following new projects during third quarter fiscal year 2026. Click on the project title to learn more about the objective.

- [Evaluation of Trends in Clean Air Act State-Level Enforcement Data](#)
- [Independent Audit of the EPA's Fiscal Years 2026 and 2025 Consolidated Financial Statements](#)
- [Independent Audit of the EPA's Fiscal Year 2025 Hazardous Waste Electronic Manifest System Fund Financial Statements](#)
- [Independent Audit of the EPA's Fiscal Year 2025 Toxic Substances Control Act Service Fee Fund Financial Statements](#)
- [Independent Audit of the EPA's Fiscal Year 2025 Pesticide Reregistration and Expedited Processing Fund and Pesticide Registration Fund Financial Statements](#)
- [Audit of the Infrastructure Investment and Jobs Act-Funded Solid Waste Infrastructure for Recycling Grant Program Recipient City of Seattle](#)
- [Audit of the CSB's Fiscal Year 2026 Financial Statements](#)
- [Audit of the EPA's Contract Universe](#)

The OIG continues its long-standing fight against fraud in EPA and CSB programs and operations. Here's the latest.

Money laundering conspiracy. Multiple recent federal sentencings have capped a sweeping investigation in which OIG investigators helped expose and dismantle a sophisticated money laundering network. The scheme funneled over \$20 million in fraud proceeds through shell companies, layered transactions, and encrypted communications to conceal funds stolen from government agencies, nonprofits, and private organizations. Working with federal law enforcement partners, the investigation has so far led to 11 convictions, significant prison sentences, and \$57.2 million in restitution and \$7.2 million in forfeiture. This case marks a major enforcement success in the broader effort to fight fraud and transnational financial crimes. We recently published a "[fraudcast](#)" on the case to promote fraud awareness.

Illegal Dumping. OIG investigators helped drive a joint [investigation](#) that secured guilty pleas from two water facility officials who admitted to conspiring to bypass waste pretreatment safeguards, dump untreated waste into the Nashville sewer system, and tamper with monitoring equipment.

Falsified Test Results. Following another joint [investigation](#), three Texas residents admitted that they faked wastewater test results for years—covering up dangerous pollution levels and violating the Clean Water Act. OIG investigators helped identify that the three were falsifying data submitted to the EPA and state regulators to ensure that water treatment facilities did not exceed pollutant limits in state-issued discharge permits.

Fraud awareness briefings. To help prevent fraud, waste, and abuse, OIG investigators regularly conduct fraud awareness briefings for the EPA and its stakeholders. During third quarter, they provided six briefings to 186 attendees.

