



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

SEP - 3 2014

THE INSPECTOR GENERAL

MEMORANDUM

SUBJECT: Evaluation of EPA's Response to OIG Report No. 14-P-0245, *EPA Compliance With Retention Incentive Regulations and Policies*, Issued May 2, 2014

FROM: Arthur A. Elkins Jr.

A handwritten signature in cursive script, appearing to read "Arthur A. Elkins Jr.", is written over the printed name.

TO: Nanci Gelb, Acting Assistant Administrator
Office of Administration and Resources Management

David Bloom, Acting Chief Financial Officer
Office of the Chief Financial Officer

The Office of Inspector General (OIG) of the U.S. Environmental Protection Agency (EPA) would like to thank you for your July 2, 2014, response and the supplemental information that you provided related to the subject report. Your response included a corrective action plan that addressed the findings and related recommendations. Specifically, the Office of Administration and Resources Management (OARM) and the Office of the Chief Financial Officer (OCFO) indicated:

- They will continue to search for relevant evidence of initial incentive agreements and renewal certifications, and determine whether any recovery action is warranted. The OARM will complete document review by December 31, 2014.
- If recovery actions are warranted, OARM/OCFO, as appropriate, will begin pursuing unauthorized retention incentive payments made to EPA employees. This action will begin by April 1, 2015.

In accordance with EPA Manual 2750, we will close this report in the OIG tracking system. The EPA is required to monitor and report on the implementation of any ongoing corrective actions in its Management Audit Tracking System. 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; or Robert Adachi, Director of Forensic Audits, at (415) 947-4537 or adachi.robert@epa.gov.

cc: Bernadette Dunn, Agency Follow-Up Coordinator
Brandon McDowell, Audit Follow-Up Coordinator, Office of Administration and Resources Management
Barbara Freggens, Audit Follow-Up Coordinator, Office of the Chief Financial Officer