



# At a Glance

## Audit of the EPA's Fiscal Years 2022 and 2021 (Restated) Pesticides Reregistration and Expedited Processing Fund Financial Statements

### Why We Did This Audit

#### To accomplish this objective:

The Food Quality Protection Act requires that the U.S. Environmental Protection Agency Office of Inspector General perform an annual audit of the financial statements for the Pesticides Reregistration and Expedited Processing Fund.

The EPA is responsible for reassessing the safety of older pesticide registrations against modern health and environmental testing standards. This process is known as reregistration.

To expedite the reregistration process, Congress authorized the EPA to collect fees from pesticide manufacturers. The EPA deposits these fees into the Pesticides Reregistration and Expedited Processing Fund. Each year, the Agency's Office of the Chief Financial Officer prepares financial statements that present information about the fund and the EPA's progress in reregistering pesticides.

#### To support this EPA mission-related effort:

- *Operating efficiently and effectively.*

#### To address this top EPA management challenge:

- *Managing business operations and resources.*

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### The EPA Received an Unmodified Opinion for Fiscal Years 2022 and 2021 (Restated)

We rendered an unmodified opinion on the EPA's fiscal years 2022 and 2021 (restated) Pesticides Reregistration and Expedited Processing Fund, also known as the Federal Insecticide, Fungicide, and Rodenticide Act, or FIFRA, Fund, financial statements, meaning that the statements were fairly presented and free of material misstatement.

**We found the fund's financial statements to be fairly presented and free of material misstatement.**

### Material Weakness and Significant Deficiency Noted

We noted the following material weakness: the EPA did not allocate expenses totaling approximately \$1.2 million to the FIFRA Fund that it paid to the U.S. General Services Administration for the use of government facilities and to the U.S. Department of Homeland Security for federal protective services.

We noted the following significant deficiency: the EPA miscalculated the restatement balances for Software in Development for the FIFRA Fund financial statements note 15, "Restatements," overstating the balance by \$66,622.

### Compliance with Applicable Laws, Regulations, Contracts, and Grant Agreements

We did not identify any noncompliance that would result in a material misstatement to the audited financial statements. In addition, the Agency was in compliance with the statutory performance measures.

### Recommendations and Planned Agency Corrective Actions

We recommend that the chief financial officer record an adjustment to recognize rent and federal protective services expenses for the FY 2022 FIFRA Fund financial statements and correct the restatement amount for the Software in Development to accurately capture the amounts for note 15, "Restatements."

The EPA agreed with the recommendations and completed the corrective actions.