

## The EPA's Fiscal Year 2024 Top Management Challenges

## What Are Management Challenges?

The Reports Consolidation Act of 2000 requires each inspector general to prepare an annual statement summarizing what the inspector general considers to be "the most serious management and performance challenges facing the agency" and briefly assessing the agency's progress in addressing those challenges.

To identify these top challenges for fiscal year 2024, the U.S. Environmental Protection Agency Office of Inspector General considered the body of our work, as well as our objective and professional observations, work conducted by the U.S. Government Accountability Office, Congress's interests, and Agency documentation and statements.

Our <u>report</u>, *The EPA's Fiscal Year* 2023 *Top Management Challenges*, published October 2022, identified eight top management challenges facing the Agency. For fiscal year 2024, we retained five of these challenges, with some modifications, and we substantially revised the others, combining them into two challenges. In total, we identified seven top management challenges.

Address inquiries to our public affairs office at (202) 566-2391 or OIG.PublicAffairs@epa.gov.

List of OIG reports.

## What We Found

We identified seven top management challenges for the EPA for fiscal year 2024:

- 1. Mitigating the causes and adapting to the impacts of climate change. The EPA has prioritized addressing climate change as a core aspect of its mission to protect human health and the environment. To do this, the EPA should understand and address the threats posed by climate change.
- 2. Integrating and implementing environmental justice. Achieving environmental justice, which remains a whole-of-government focus, will require the EPA to harness agencywide coordination and change its culture to make cross-program decisions that weigh cumulative risks and impacts to the communities that the EPA serves.
- **3. Safeguarding the use and disposal of chemicals.** The public must be able to depend on the EPA's ability to identify the risks of using chemicals, including pesticides, and to provide safeguards for and verification of proper disposal, management, or remediation of toxic substances.
- 4. Promoting ethical conduct and protecting scientific integrity. The public entrusts the EPA to implement its programs in a fair and impartial manner and to base its decision-making on sound science that is free of inappropriate influence. Failure to adhere to ethical and scientific integrity principles jeopardizes program integrity and could undermine public trust in the EPA.
- 5. Managing grants, contracts, and data systems. The influx of \$100 billion in supplemental appropriations to fund EPA programs under the Infrastructure Investment and Jobs Act and Inflation Reduction Act increases the risk of fraud, waste, abuse, and noncompliance with funding requirements. Effective management of grants, contracts, and related data is critical to reducing these risks.
- 6. Maximizing compliance with environmental laws and regulations. The EPA's enforcement resources have declined 23 percent from fiscal year 2006 through 2023. This, along with variability in permitting, management of delegated state programs, and incorporation of environmental justice concerns, presents challenges to maximizing compliance and enforcement actions.
- 7. Overseeing, protecting, and investing in water and wastewater systems. The EPA has oversight responsibility for strengthening and securing the cyber and physical infrastructure at tens of thousands of public drinking water systems and publicly owned wastewater treatment systems. This critical infrastructure faces various threats from cyberattack, theft, vandalism, and other risks that can affect public health and leave communities vulnerable to the loss of clean water.

We have identified these as the most serious management and performance challenges facing the EPA. They represent vulnerabilities to waste, fraud, abuse, and mismanagement or the most significant challenges to the EPA accomplishing its mission.