




OFFICE OF INSPECTOR GENERAL
U.S. ENVIRONMENTAL PROTECTION AGENCY

October 16, 2024

MEMORANDUM

SUBJECT: Notification:
Audit of Environmental Finance Centers, funded by annual and Infrastructure
Investment and Jobs Act of 2021 Appropriations
Project No.OA-FY25-0015

FROM: Michael D. Davis, Director 
Environmental Investment and Infrastructure Directorate
Office of Audit

TO: Bruno Pigott, Acting Assistant Administrator
Office of Water

Jeaneanne Gettle, Acting Regional Administrator
Region 4

The U.S. Environmental Protection Agency Office of Inspector General plans to begin an audit of the Environmental Finance Center Grant Program. This audit is part of the OIG's forthcoming oversight plan for fiscal year 2025. This audit also addresses the following fiscal year 2024 top [management challenges](#) for the Agency: overseeing, protecting, and investing in water and wastewater systems; managing grants, contracts, and data systems; and integrating and implementing environmental justice.

Our objective is to determine whether the Environmental Finance Centers, funded by annual and Infrastructure Investment and Jobs Act of 2021 appropriations and that perform work in EPA Region 4 states are accomplishing the outputs and outcomes established in their cooperative agreements. We plan to conduct work at EPA headquarters, at EPA Region 4, and within Region 4 states. We will use applicable generally accepted government auditing standards to conduct our audit. The anticipated benefits of this audit include improved Environmental Finance Center program use of federally appropriated funds and compliance with cooperative agreements.

We will contact you to arrange a mutually agreeable time to discuss our objective. At that time, we can discuss any concerns that you may have and answer any questions about the audit process, reporting procedures, methods used to gather and analyze data, and what we should expect of each other during the audit. Throughout the audit, we will provide updates on a regular basis.

To expedite our audit, please provide the following information at your earliest convenience but no later than the entrance conference:

- EPA performance evaluations of the Region 4 and national Environmental Finance Center grants:
 - University of North Carolina at Chapel Hill: AI-02D44623.
 - University of North Carolina at Chapel Hill: 4Q-02D44523.
 - Urban Sustainability Directors Network: AI-02D44723.
 - Southeast Rural Community Assistance Project, Inc.: 4Q-02D44823.
 - Sand County Foundation: 4Q-84059201.
 - Rural Community Assistance Partnership, Inc.: 4Q-84059501.
 - U.S. Water Alliance: 4Q-84059301.
 - Moonshot Missions: 4Q-84059101.
- Quarterly reports associated with the following Environmental Finance Center grants:
 - University of North Carolina at Chapel Hill: AI-02D44623.
 - Urban Sustainability Directors Network: AI-02D44723.
 - Sand County Foundation: 4Q-84059201.
 - Rural Community Assistance Partnership, Inc.: 4Q-84059501.
 - Southeast Rural Community Assistance Project, Inc.: 4Q-02D44823.
- Training material, guidance, and standard operating procedures used by EPA headquarters or regional staff to review Environmental Finance Centers quarterly reports.
- Guidance used to stand up and manage the Environmental Finance Center Grant Program awards that followed the passage of the Infrastructure Investment and Jobs Act of 2021.

We would like to thank the Office of Water staff who have already met with us to answer preliminary questions regarding Environmental Finance Centers and provided some quarterly reports and other related information.

We respectfully note that the Inspector General Act of 1978, as amended, authorizes the OIG to have timely access to personnel and all materials necessary to complete our objective. Similarly, EPA Manual 6500, *Functions and Activities of the Office of Inspector General* (1994), requires that each EPA employee cooperate with and fully disclose information to the OIG. Additionally, Administrator Michael S. Regan, in a June 17, 2024 email to EPA employees, stated that “it is the duty of all EPA personnel to cooperate fully with the OIG and to provide information the office needs to fulfill its oversight responsibilities.” He also indicated that the “OIG’s independent oversight of our agency makes it an indispensable partner in our efforts to protect public health and the environment.” If an Agency employee or contractor refuses to provide requested materials to the OIG or otherwise fails to cooperate with the OIG, we will request that you immediately resolve the situation. Consistent with the Inspector General Act, we may report unresolved access matters to the administrator and to Congress.

We will post this memorandum on our public website at www.epaoig.gov. Anyone with knowledge of potential fraud, waste, abuse, misconduct, or mismanagement related to this audit should contact the OIG Hotline at (888) 546-8740 or via an electronic form on the "OIG Hotline" [webpage](#).

cc: Jane Nishida, Acting Deputy Administrator
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