




**OFFICE OF INSPECTOR GENERAL**  
U.S. ENVIRONMENTAL PROTECTION AGENCY

September 18, 2023

**MEMORANDUM**

**SUBJECT:** Office of Inspector General Report No. 23-N-0019, *The EPA Could Not Readily Identify More Than \$162 Million in Water Infrastructure Improvements for the Nation Act Grant Funds*, issued June 20, 2023

**FROM:** Katherine Trimble, Assistant Inspector General   
Office of Audit

**TO:** Benita Best-Wong, Deputy Assistant Administrator  
Office of Water

In November 2022, the U.S. Environmental Protection Agency Office of the Inspector General initiated Project No. [OA-FY23-0037](#) to determine whether the EPA distributed Water Infrastructure Improvements for the Nation, or WIIN, Act funds to replace lead service lines in disadvantaged communities in adherence with applicable guidance. While conducting the audit, the EPA OIG identified a matter that warranted the timely issuance of a management alert on June 20, 2023.<sup>1</sup> Specifically, we raised concerns about the EPA's ability to monitor and report the use of grant funds pursuant to the WIIN Act. In the management alert, we noted that the EPA Office of Ground Water and Drinking Water could not readily provide us with information on the amount of grant funds awarded in fiscal year 2018 through 2021 under the EPA's Small, Underserved, and Disadvantaged Communities and Reducing Lead in Drinking Water grant programs pursuant to WIIN Act sections 2104 and 2105, respectively. An extended period of data collection, follow-up, and clarification ensued between us and the Office of Ground Water and Drinking Water, and we were forced to acquire information from multiple EPA sources. This extended process and inability to collect timely information from a single source led to the concerns that triggered the issuance of the management alert.

On July 13, 2023, you provided us with a memorandum responding to the subject management alert. Your memorandum contained new information, as well as clarification of the information your office gave us during our audit. After careful consideration and review of this additional information, we determined that some of the management alert's terminology and illustrations may have led readers to misinterpret our message; furthermore, a management alert is no longer warranted. Therefore, we decided to retract our management alert. As our audit work on the overall project is ongoing, we will conduct additional analysis of the EPA's tracking and monitoring of grant funds under the WIIN Act and include the results in our final audit report.

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<sup>1</sup> A management alert is used to convey significant, time-critical issues to Agency management.

Transparent reporting is critical to safeguarding taxpayer dollars, ensuring that the EPA and grant award recipients use grant funds for their intended purpose, and tracking the progress of community infrastructure improvements. We appreciate the EPA's commitment to engaging and collaborating with the OIG; however, it is critical that we receive timely responses to our requests for information to ensure that we can carry out our oversight mission as efficiently and effectively as possible. Further, we look forward to continuing to work with the EPA on our ongoing audit. We expect to issue the final audit report in the spring of 2024.

We will post this memorandum on our public website at [www.epaoig.gov](http://www.epaoig.gov) to notify our stakeholders that the management alert was removed.

cc: Michael S. Regan, Administrator

Janet McCabe, Deputy Administrator

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