



Audit Follow-Up: Changes to Grant Information in the EPA's Grants Management System

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Background, Scope, and Methodology

The U.S. Environmental Protection Agency Office of Inspector General [conducted](#) an audit of the EPA's reporting of fiscal year 2022 financial and award data in USAspending.gov. During that audit, we identified grant information that was inexplicably changed in the EPA's grants management system, raising concerns about the overall integrity of the system.

The EPA uses its grants management system—called the Next Generation Grants System, or NGGS—to develop, review, approve, and maintain grant documents. The NGGS also connects with other Agency systems, including the EPA's financial system. This information is, in turn, used to support program decision-making, facilitate status reporting, and identify workload challenges. To comply with the National Institute of Standards and Technology, the EPA considers the NGGS a major information system with a moderate impact, meaning that a loss of confidentiality, integrity, or availability related to the NGGS could have a serious adverse effect on organizational operations, assets, or individuals.

We conducted our work for this report from December 2024 through March 2025. While we did not follow generally accepted government auditing standards or the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*, we did follow the OIG's quality-control procedures for ensuring that the information in this report is accurate and supported.

To follow up on the concerns we identified in our prior audit, we reviewed the EPA's NGGS configuration and security documents. For the specific grant of concern, we reviewed the official grant file and a log of changes made in the NGGS, and we interviewed the project officer and grant specialist.

Finding

During a prior audit, we found that several data fields for a \$2 million grant were changed in the NGGS after the grant was awarded. This included changes to the grant number; the project title, period, and applicable assistance program; and the grant recipient's Unique Entity Identifier, Employer Identification Number, address, and points of contact. During our audit follow-up, we could not determine a valid reason for the changes. EPA grant staff were also not able to explain why the changes were made.

Criteria



The U.S. Government Accountability Office's *Standards for Internal Control in the Federal Government*, also known as the Green Book, states that management should implement controls to safeguard systems from improper changes. Implementing these controls would protect data and program integrity from error or malicious intent, such as committing fraud.

Cause



The NGGS does not have adequate controls, such as requiring justifications or approval for changes, to prevent or detect improper changes to grant information.

Because the NGGS lacks adequate controls to prevent or detect changes to grant information, a single individual was able to make significant changes to the information for this \$2 million grant. Changes like these can compromise the integrity of the information within the NGGS. If the EPA cannot rely on the information in the NGGS, its ability to effectively administer and oversee its grants portfolio—which, as of the fall of 2024, totaled 8,713 grants with a value of more than \$73 billion—is hampered. Furthermore, inadequate controls within the NGGS increase the EPA's susceptibility to fraud. Improper changes could also impact the other EPA systems that the NGGS connects with.

We are notifying you of this issue so that the Agency may take whatever steps it deems appropriate. These steps may include determining whether the changes to this \$2 million grant were made for valid reasons and assessing whether additional controls are needed to prevent or detect similar changes to other grants in the NGGS.