

Infrastructure Investment and Jobs Act Progress Report—Year Three

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To find out more about the U.S. Environmental Protection Agency Office of Inspector General activities related to the Infrastructure Investment and Jobs Act, visit our [website](#).

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Abbreviations

CWSRF	Clean Water State Revolving Fund
DWSRF	Drinking Water State Revolving Fund
EPA	U.S. Environmental Protection Agency
FY	Fiscal Year
IJA	Infrastructure Investment and Jobs Act
OIG	Office of Inspector General
Pub. L.	Public Law
SRF	State Revolving Fund

Cover Image

Three images that represent U.S. Environmental Protection Agency programs receiving Infrastructure Investment and Jobs Act funding. The images show a sign at a Superfund site that reads “WARNING! NO TRESPASSING! CONTAMINATED AREA. AVOID CONTACT WITH SOIL AND WATER,” a group of low-emission school buses, and drinking water flowing from a faucet into a glass. (EPA OIG images)

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Foreword

Under the Infrastructure Investment and Jobs Act, or IIJA, the U.S. Environmental Protection Agency was provided with over \$60 billion in appropriations for Agency programs, including the Clean Water and Drinking Water State Revolving Fund Programs, the Superfund Program, geographic programs, and more. Since the IIJA's enactment, the EPA Office of Inspector General has been conducting timely and relevant oversight to ensure that IIJA funds—taxpayer dollars—are used effectively. Our third annual IIJA progress report covers February 1, 2024, through January 31, 2025, and provides an update on our oversight of the EPA's use of IIJA funds.

During the period covered in the report, the OIG issued six audit reports, seven evaluation reports, and three management implication reports that focused on protecting the taxpayer dollars being spent under the IIJA and on promoting economy, efficiency, and effectiveness in IIJA programs and operations. I had the opportunity to highlight some of this work when I [testified](#) before Congress about the longstanding internal control issues that are now affecting the EPA's IIJA programs. For example, the OIG has repeatedly flagged challenges related to data quality and the oversight of federal funding recipients.

These persistent issues have surfaced in new and costly ways within the EPA's IIJA operations—particularly in the Clean School Bus Program and the Agency's distribution of IIJA funds to replace lead service lines. One audit found that the EPA was not adequately ensuring that Clean School Bus funds were properly allocated and accounted for, identifying over \$800 million that the EPA was not properly monitoring. Meanwhile, an evaluation revealed that the EPA relied on inaccurate and unverified data to allocate IIJA funding for lead service line replacements, leading to nearly \$1 billion in funding being misallocated or at risk of being misallocated. Together, these two oversight projects identified a potential monetary impact of nearly \$2 billion.

Further, our Data Analytics Directorate issued two management implication reports that highlighted the EPA's need to improve how the Agency collects and stores its data to enable the OIG's proactive oversight of IIJA-funded contracts and grants. In addition, during the same period, our Office of Investigations more than tripled the number of preliminary inquiries and cases it opened related to IIJA oversight.

At the OIG, we strive to drive change not only by detecting fraud, waste, and abuse but also by preventing fraud, waste, and abuse in the first place. To this end, we continued our proactive outreach to Agency staff and other stakeholders who will manage, receive, or oversee IIJA funds. Our auditors, evaluators, and investigators have held dozens of IIJA fraud awareness briefings, working groups, and interviews with grant recipients, law enforcement partners, state environmental agencies, and EPA program offices. Through these engagements, which were attended by thousands of participants, we raised awareness about fraud prevention and fraud mitigation strategies and highlighted the OIG Hotline as a means for reporting suspected wrongdoing or mismanagement.

We will continue to provide robust, transparent oversight to help ensure that the EPA uses its IIJA funds efficiently and effectively.



Nicole N. Murley
Acting Inspector General

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The IIJA Provides the EPA with Over \$60 Billion

On November 15, 2021, the Infrastructure Investment and Jobs Act, or IIJA, Pub. L. 117-58, was signed into law. The purpose of the IIJA, as it applies to the U.S. Environmental Protection Agency, is to advance public health and safety by improving the nation’s drinking water, wastewater, and stormwater infrastructure; cleaning up legacy pollution; and investing in environmental and geographic programs. The Act appropriates over \$60 billion to the EPA for fiscal years 2022 through 2026, providing funds to 19 EPA programs. The supplemental funding appropriated under the IIJA represents a significant increase in funding for the EPA, which had annual appropriations that ranged from about \$8.2 billion to \$10.14 billion from FY 2014 through FY 2024. Figure 1, which is on the next page, shows the EPA’s expected IIJA appropriations by program.

The EPA Has Obligated Over \$31 Billion in IIJA Funds

As of January 31, 2025, the EPA had obligated over \$31 billion in IIJA funding. An obligation is a promise made by the government to spend money, whereas an outlay is when money is actually paid. The EPA obligated about 86 percent of the funds to state and tribal assistance grants, about 11 percent to Superfund, and about 3 percent to environmental programs and management.

The spending data show that while the EPA had obligated about 51 percent of the over \$60 billion in IIJA funds as of January 31, 2025, the EPA had only expended 16 percent of the total appropriated funds. Table 1 shows the EPA’s IIJA obligations and outlays.

Table 1: The EPA’s IIJA obligations and outlays as of January 31, 2025

Description	Amount
EPA obligations	\$31.1 billion
Percent of obligations to total appropriations	51%
EPA outlays	\$9.5 billion
Percent of outlays to total appropriations	16%

Source: OIG analysis of EPA data. (EPA OIG table)

Figure 1: IIJA funding by program

\$60.9 BILLION IN IIJA FUNDING

\$55.4 BILLION

STATE AND TRIBAL GRANTS



- Clean Water State Revolving Fund Traditional: \$11.7B
- Drinking Water State Revolving Fund Traditional: \$11.7B
- Lead Service Lines Drinking Water State Revolving Fund: \$15B
- Emerging Contaminants Clean Water State Revolving Fund: \$1B
- Emerging Contaminants Drinking Water State Revolving Fund: \$4B
- Emerging Contaminants Small & Disadvantaged: \$5B
- Underground Injection Control Grants: \$50M
- Brownfields: \$1.5B
- Save Our Seas 2.0: \$275M
- Pollution Prevention: \$100M
- RECYCLE Act: \$75M
- Clean School Buses: \$5B



\$3.5 BILLION

SUPERFUND



- Remedial Cleanups: \$3.5B



\$2 BILLION

ENVIRONMENTAL PROGRAMS AND MANAGEMENT



- Geographic Programs: \$1.7B
- National Estuary Program: \$132M
- Gulf of America and Mississippi and Ohio Rivers Hypoxia: \$60M
- Class VI Wells/Underground Injection Control: \$25M
- Battery Recycling Best Practices: \$10M
- Battery Recycling Labeling: \$15M



Notes: B = Billion. M = Million. RECYCLE = Recycling Enhancements to Collection and Yield through Consumer Learning and Education.

Source: The IIJA. (EPA OIG image)

The OIG's Oversight of the IJA Funds

The Office of Inspector General is an independent office of the EPA charged with promoting efficiency and economy in Agency operations and detecting and preventing fraud, waste, abuse, mismanagement, or misconduct related to the EPA's programs and operations. For FYs 2022 through 2026, the IJA provides us with funding for oversight of the Agency's IJA-funded programs and operations. Most of the funding is available until expended, commonly referred to as "no-year funds."

As part of our oversight role, we assess whether the EPA is using its IJA funds in accordance with congressionally designated purposes. Our oversight focuses on the execution of IJA funds; the efficiency and effectiveness of the programs receiving IJA funds; and the proactive detection and prevention of fraud, waste, and abuse.

The OIG's IJA-Related Spending and Hiring Efforts

As of January 31, 2025, we had obligated about \$59.5 million and expended about \$59.1 million, or about 22 percent, of our \$270 million in appropriated IJA funds. The no-year funds allow us the flexibility to ramp up our resources and perform oversight of the EPA's IJA implementation over several years.

We continue to evaluate our staffing needs to effectively carry out and support our IJA oversight mission. Additionally, we continuously review and assess our expenditures to ensure accurate accounting and appropriate use of funds received. As the EPA's expenditure of IJA funds increases, and our IJA oversight activities and operations further mature, we will regularly reiterate and refine guidance to our personnel to ensure the propriety of our IJA expenditures.

The OIG's Infrastructure Oversight Work

Since our second IJA progress report, we have focused on reporting on the EPA's ability to execute available IJA funds; the efficiency and effectiveness of the programs receiving IJA funds; and the detection and prevention of fraud, waste, and abuse. Our internal IJA working group focuses on project coordination, overall IJA program management, outreach strategies, IJA spending trends, and reporting. Our year three IJA oversight work included the issuance of 16 reports—six audit reports, seven evaluation reports, and three management implication reports.¹ The reports focused on various topics, including state revolving funds, or SRFs; Clean School Bus Program funding; Superfund; and the importance of data reliability for proper grants oversight. These reports resulted in 38 recommendations. As of January 31, 2025, there were 12 completed, 19 resolved or open, and seven unresolved recommendations.² Additionally, in our FY 2024 consolidated financial statement audit

¹ A management implication report is a memorandum detailing findings and concerns associated with EPA programs or management.

² As of the release of this report, four of the previously unresolved recommendations were resolved, and three of the previously open recommendations were closed.

report, we found two material weaknesses and one instance of noncompliance with laws and regulations related to the EPA's IJJA-funded Clean School Bus Program. Those resulted in five recommendations, and as of January 31, 2025, one of those recommendations was completed and four were resolved. Implementing corrective actions is an important part of the process to improve the quality and efficiency of program performance, ensure accountability, and safeguard public resources. If the Agency does not take corrective action to address its open and unresolved recommendations, IJJA-funded programs could be more susceptible to fraud, waste, abuse, and mismanagement. Updates on the progress of open and unresolved recommendations can be found in the OIG's annual *Compendium of Open and Unresolved Recommendations*.

Completed recommendations are those upon which the EPA and the OIG agree on both the recommendation and proposed corrective actions, and the EPA has fully completed them.

Resolved recommendations, also called open recommendations, are those on which the responsible office and the OIG agree, but the agreed-upon corrective actions have not yet been completed, regardless of whether their expected due dates are in the past or the future.

Unresolved recommendations are those that the responsible office disagrees with; has not provided a formal, complete, written response to; or has proposed corrective actions for that it and the OIG have not agreed upon.

Completed Projects

In February 2024, we issued our first year three IJJA-related [report](#), which detailed the results of our project, *Evaluation of the Drinking Water State Revolving Fund Agencies' Perspectives on Their Capacity to Manage IJJA Funds*. The report noted that most state Drinking Water State Revolving Fund, or DWSRF, administrators agreed that their agencies had the financial capacity to manage the IJJA DWSRF funds awarded to their states, but a few administrators reported concerns about meeting state match requirements and identifying eligible projects. In particular, state DWSRF administrators indicated that it was difficult to identify projects eligible for lead-service-line-replacement funds. A few state DWSRF administrators said that their agencies did not have sufficient guidance or staff to manage IJJA DWSRF funds. State DWSRF administrators identified workforce management and a lack of coordination with the EPA as common obstacles that limit their agencies' capacity to manage IJJA DWSRF funds.

In March 2024, we issued a management implication [report](#), *The EPA Has Insufficient Internal Controls for Detection and Prevention of Procurement Collusion*, that raised concerns regarding the EPA Office of Acquisition Solutions' lack of internal control methods for identifying and preventing collusion and anticompetitive behavior with respect to Agency procurement records stored in the EPA Acquisition System. The EPA did not consistently use the FedConnect web portal to extract datapoints from proposals, which resulted in unstructured data being stored in the EPA Acquisition System.³ We raised these concerns because they adversely impacted our ability to effectively provide oversight of the EPA's

³ FedConnect is a private web portal that connects federal agencies and vendors to help streamline the procurement process.

procurement processes, especially our oversight related to the detection and prevention of collusive vendor behavior.

In March 2024, our *Audit of the EPA's Oversight of the Clean Water State Revolving Fund* project resulted in a [report](#) that detailed how the EPA Office of Water did not consistently ensure that the EPA regional offices adhered to the Clean Water State Revolving Fund, or CWSRF, annual review guidance. The EPA will receive about \$12.7 billion in IIJA funds for CWSRF grants, in addition to an estimated \$4.2 billion in regular annual appropriations. In addition, the Office of Water's annual review guidance on CWSRF audit requirements was inconsistent with program regulations that implement the Clean Water Act audit requirements. Without proper oversight of the annual review process, the CWSRF Program may be at risk.



Beach with water infrastructure and discharge. (EPA image)

In April 2024, we completed our project, *Audit of the Climate Change Resiliency in Clean Water State Revolving Fund Intended Use Plans*, issuing a [report](#) that found that the EPA prioritized climate adaptation and provided guidance to states during the development of their annual CWSRF intended use plans. However, half the states did not include climate adaptation or related resilience efforts, such as those addressing natural disasters, in their CWSRF intended use plans.⁴ Of the available \$3 billion in CWSRF funds from annual and IIJA appropriations in FY 2022, the EPA awarded \$1.2 billion to states that did not include resilience in their intended use plans, potentially putting federal funds at risk.

⁴ This work was conducted as oversight of the EPA's compliance with Executive Order 13990, which was revoked by Executive Orders 14154 and 14148.



A combined sewer overflow discharge point along Boston's Charles River. (EPA OIG image)

Our project titled *Effectiveness of IJA Funding at American Creosote Works, Inc. Superfund Site in Pensacola, Florida* resulted in an April 2024 [report](#), which detailed that the EPA did not establish sufficient institutional controls at the American Creosote Works Superfund site in Pensacola, Florida, to prevent potential exposure to contaminated soil and groundwater. Institutional controls are legal and administrative tools that help minimize the potential for human exposure to contamination and protect the integrity of the engineered remedy by limiting land or resource use and guiding human behavior. Under the IJA, Congress appropriated about \$3.5 billion to clean up Superfund sites like the American Creosote Works site. The EPA allocated about \$40 million in IJA funds for the final remediation of that site.



Soil of unclear origin or contamination status outside the perimeter fence of the American Creosote Works Superfund site. Several community members stated that the soil is from an area resident who removed the soil from the resident's yard for a home improvement project and deposited it here, making it possibly contaminated. The EPA contests this, stating the soil was deposited here for road repairs and is not contaminated. (EPA OIG image)

In May 2024, we completed our project, *The EPA's Build America, Buy America Act Waivers on Infrastructure Projects*, and we [reported](#) that the EPA had, as of December 2023, issued 11 Build America, Buy America Act waivers. However, the EPA did not track the use of ten of these waivers across EPA-funded infrastructure projects. Even with a waiver tracking dashboard, the EPA was unable to identify how many award recipients had used the approved waivers in their projects or to quantify how many infrastructure projects were subject to a waiver. With about \$60 billion in IJA projects potentially subject to Build America, Buy America Act requirements, the EPA needed to develop and implement a method to track all waiver use. Without tracking the use of waivers, the EPA risks being unable to

determine whether it is meeting the intent of the Build America, Buy America Act to bolster America's industrial base, protect national security, and support high-paying jobs.



Water infrastructure site. (EPA image)

Because our *Evaluation of the EPA's 7th Drinking Water Infrastructure Needs Survey and Assessment and the Resulting Fiscal Year 2023 IIJA Allocation for Lead Service Line Replacements* project was still in progress, we issued a [memorandum](#) in May 2024 to provide timely notification to the Agency about the risk of using unreliable data to allot IIJA funds for lead service line replacements. The memorandum described how a lack of internal controls may have caused the EPA to base its FY 2023 allotment of almost \$3 billion in IIJA funds for lead service line replacements on inaccurate data. As such, there was a risk that the EPA did not allot the FY 2023 IIJA funds, and would not allot future IIJA funds, according to states' lead-service-line-replacement needs. On May 1, 2024, after receiving our draft report, the EPA released the FY 2024 IIJA lead-service-line-replacement allotments and adjusted some of the allotment amounts from FY 2023.

In June 2024, we completed our project, *Evaluation of the Financial Capacity of New Mexico's Clean Water State Revolving Fund Program to Manage IIJA Funding*, issuing a [report](#) that concluded that the New Mexico Environmental Department was sufficiently meeting the financial and organizational dimensions of capacity to manage and use its infrastructure funds, had consistently met or exceeded its financial match requirements, and had made several structural and policy changes to increase visibility of its CWSRF Program and its pool of potential loan recipients. Further, both its staff and EPA Region 6 indicated that the department's administrative fund can meet operational needs. Nonetheless, the department faced stakeholder- and human-capital-related challenges that limited its capacity to effectively manage and use its CWSRF IIJA funding. Limited capacity can hinder the department's success in implementing its CWSRF IIJA funding, meaning that New Mexico would not fully benefit from the funds available for public health and water quality improvements.



White Rock Overlook Park, facing northeast from the overlook platform. The overlook is 0.4 miles from the White Rock Wastewater Treatment Plant in White Rock, New Mexico. (EPA OIG image)

Our project, *Evaluation of the Effectiveness of IIJA Funding at Escambia Wood Treating Company Superfund Site*, resulted in a June 2024 [report](#), which explained that physical access controls, such as fencing and signage, were in poor condition or missing at the Escambia Wood Treating Company, a Superfund site funded in part by IIJA appropriations. Institutional controls, such as land-use restrictions prohibiting residential or recreational land use, were not being enforced. Insufficient oversight of soil-related institutional and engineering controls at the site raised concerns regarding the protectiveness of the remedy on which the Agency had already spent \$140 million. Planned groundwater remediation, for which the EPA had allocated an additional \$40 million in IIJA funds, will be at risk if institutional control deficiencies continue.



From left to right: A locked gate with a gap large enough for a person to enter the Escambia Wood Superfund site, and a portion of fence missing at the site. (EPA OIG images)

In July 2024, we completed our project, *Evaluation of the EPA's Selection of Recipients of the IIJA Funding for Clean School Buses*, and issued a [report](#) that outlined how the EPA followed six of the seven requirements to select recipients of Clean School Bus Program funds but did not have sufficient internal controls in place to ensure that it selected recipients with eligible school buses. The EPA did not require sufficient documentation to demonstrate that recipients' existing school buses met the fuel, weight, and operational status requirements or that the replacement buses would provide a school district with bus service for at least five years. Additionally, the EPA did not provide oversight to verify that applicants requesting funds have school districts with suitable local conditions for these types of buses. Taxpayer dollars could be wasted if the Agency does not follow all requirements for selecting recipients and establish procedures to verify that zero-emission school bus replacements are suitable for the applicant's school district.



New electric school buses in South Carolina. (EPA OIG image)

In September 2024, we issued a management implication [report](#), *Some States Failed to Conduct Required Financial Audits of Their State Revolving Funds*, notifying the Agency of issues that we encountered regarding mandatory audits of SRFs. The statutes creating the SRFs require states to conduct financial and compliance audits of their SRFs. The EPA's implementing regulations expressly or implicitly require, among other things, that the states send these audits to us and that we review the audits. Until we requested each SRF's most recent regulatorily required audits in April 2023, the states had not submitted their audits to us so that we could determine whether those audits met regulatory requirements. At least nine states did not provide audit reports for their CWSRF and DWSRF programs that, at a minimum, specifically identified the state's CWSRF and DWSRF financial information. We raised these concerns so that the Agency could take whatever steps it deemed appropriate to address state compliance with the regulations requiring SRF audits.

Our project titled *Audit of the Brownfields Program Implementation of Justice40 Initiative Goals and Related Requirements for Infrastructure Investment and Jobs Act-Funded Projects* resulted in another September 2024 [report](#), which found that the EPA's Brownfields Projects Program, a subset of the overall Brownfield's Program, met the reporting requirements for fiscal year 2022 Infrastructure Investment and Jobs Act-funded projects.⁵ However, the Agency overestimated the percentage of benefits going to disadvantaged communities for FY 2022. We recommended that the EPA revise its benefits projections so that the public has more accurate information on the percentage of benefits that will go to communities.

Also in September 2024, we issued a [report](#) that followed up on our *Audit of the EPA's Oversight of the Clean Water State Revolving Fund* project.⁶ The September 2024 report described how some states omitted required fee information from the intended use plan or the annual report for their CWSRFs. Most states that charged fees to CWSRF loan recipients did not provide some fee information that the EPA requires them to supply in their intended use plans or annual reports for 2022. Robust state support from the EPA and adherence to statutory, regulatory, and EPA policy requirements are critical for ensuring the success of the programmatic intent of the unprecedented funding increases to the CWSRF Program.

⁵ This work was conducted as oversight of the EPA's compliance with Executive Order 14008, which was later revoked by Executive Orders 14148 and 14154.

⁶ The September 2024 report was initiated from audit findings issued in a March 2024 [report](#).

In October 2024, we completed our project, *Evaluation of the EPA’s 7th Drinking Water Infrastructure Needs Survey and Assessment and the Resulting Fiscal Year 2023 IIJA Allocation for Lead Service Line Replacements*, issuing a final [report](#) that supplemented our May [memorandum](#). The final report found that the design and execution of the 7th Drinking Water Infrastructure Needs Survey and Assessment did not result in allotments of lead service line funds that accurately reflected the lead-service-line-replacement needs in each state. Flawed data and questioned allotments for Texas and Florida alone carry financial implications for the entire country, as an inflated projection for just one state means that less IIJA funding is available to other states. Figure 2 shows the flaws in reporting of lead service lines in Texas, likely leading to a nearly \$117.6 million error. All told, for the IIJA lead-service-line-replacement appropriation, we identified \$943.82 million in questioned costs and funds that could be put to better use.

Figure 2: Reported lead service lines in Texas



Note: LSL = Lead Service Line.

Source: OIG analysis of Texas lead service line data. (EPA OIG image)

Our management implication [report](#) titled *Poor Data Management Hinders Oversight of State Clean and Drinking Water State Revolving Fund Programs*, which we issued in October 2024, identified concerns regarding how some states collect and store subrecipient and contractor data for the CWSRF and DWSRF programs. According to the results of our survey, namely that states were not uniformly collecting and storing CWSRF and DWSRF subrecipient and contractor data in structured machine-readable formats. Data that are collected and stored in paper formats or nonmachine-readable formats significantly limit the ability to conduct data analytics for proactive oversight of the SRF programs. Thousands of subrecipients, such as local governments, have received CWSRF and DWSRF awards in recent years. To provide robust oversight of the awards process, project performance, and contractor payments for annually appropriated and IIJA funds, it is essential to analyze losing and winning bid data, contract agreements, and billing and invoice information to identify mismanagement within the program.

In November 2024, we completed our project, *Audit of the EPA’s Fiscal Years 2024 and 2023 Consolidated Financial Statements*, issuing a [report](#) that identified two material weaknesses related to IIJA funding. We found that the EPA failed to implement internal controls to make sure IIJA funding was

properly allocated for the 2022 Clean School Bus Rebates Program. Additionally, we found that the EPA used insufficient documentation to develop its process to calculate the Clean School Bus Rebates Program accrual for FYs 2024 and 2023. Significant errors impact the credibility of the EPA's financial statements, reducing reliance on them as a fair representation of the Agency's financial condition and activity. For the IIJA Clean School Bus Rebates Program, we identified \$827.99 million in questioned funds that could be put to better use.

Finally, in December 2024, we completed our *Audit of the EPA's Clean School Bus Program Rebate Recipient's Use of Funds* project, [reporting](#) that the EPA did not monitor bus deployment status and recipient use of over \$836 million of 2022 Clean School Bus Program rebates, despite the Agency stating it would do so in the *2022 Clean School Bus Rebates Program Guide*. Specifically, the EPA had not conducted site reviews, requested deployment status, or issued guidance to recipients on how to manage program funds. The Agency's lack of oversight of this rebate program puts the funds at increased risk.

Emerging Projects

As of January 31, 2025, we have 12 IIJA projects in the planning phase and 17 ongoing, but our planning efforts are not static, and we will modify or add projects in response to challenges, crises, and stakeholder concerns that arise throughout the year. We call these **emerging** projects. Water infrastructure continues to be a priority since over 70 percent of the IIJA appropriations are dedicated to the SRFs, which pass funds down through grants.

Completed and Ongoing Investigations

In year three of IIJA oversight, the OIG Office of Investigations opened 11 IIJA-related cases and nine IIJA-related preliminary inquiries. We continue to see vulnerabilities and the potential for fraud related to the Clean School Bus Program. Additionally, the Office of Investigations focused on the vast amount of IIJA funding in the water sector, in both the CWSRF and DWSRF programs. As new risks to American taxpayer dollars emerge and evolve, the Office of Investigations will innovate its approaches, using data to fight fraud.

The OIG Encourages Continued IIJA Stakeholder Engagement

In year three of IIJA oversight, we continued our outreach efforts with external stakeholders. Most notably, in a September [hearing](#) before the U.S. House of Representatives Energy and Commerce Committee's Subcommittee on Environment, Manufacturing, and Critical Materials, our former inspector general testified about the progress of the OIG's oversight of IIJA funds, challenges facing the EPA's IIJA programs, and impediments to our oversight capabilities for the significant amount of Inflation Reduction Act funding to the EPA. This testimony highlighted the OIG's oversight work, as well as our ability to tackle fraud, waste, and abuse before it even begins.

Our offices have also conducted outreach with stakeholders regarding IIJA oversight. For example, in 2024, our Office of Audit and Office of Special Review and Evaluation engaged in more than

80 outreach activities with the Agency, the Council of the Inspectors General on Integrity and Efficiency, the U.S. Government Accountability Office, and the public. The outreach activities included involvement in IJA working groups, briefings, interviews, Gold Standard meetings,⁷ and conferences.



U.S. Capitol building. (National Park Service photo)

As of January 31, 2025, the Office of Investigations had hosted 49 IJA-related fraud briefings, reaching more than 2,733 attendees. For example, in October 2024, our investigators, in partnership with the U.S. Department of Justice and other Council of the Inspectors General on Integrity and Efficiency partners, conducted a nationwide fraud presentation on the important work of inspectors general in Indian Country, which focused on the OIG community’s oversight role of IJA funds. Our investigators coordinated and engaged with several grant fund recipients and law enforcement partners, such as state environmental agencies and programmatic departments, including brownfields programs, air programs, SRFs, state water development boards, state offices of attorney general, and state OIGs. The office also coordinated and engaged with several task forces and working groups, including the Council of the Inspectors General on Integrity and Efficiency IJA Investigations working group and the U.S. Department of Justice’s Procurement Collusion Strike Force, a multiagency task force dedicated to identifying, deterring, investigating, and prosecuting antitrust crimes related to procurement and grant fraud.

The OIG Embarks on the “Year of Innovation”

In January 2025, we released our 2024 Year in [Review](#), which highlighted successes in our oversight campaign to enhance efforts to combat fraud in EPA programs, including those receiving more than \$100 billion in supplemental appropriations under the IJA and Inflation Reduction Act. Included in this release was one of a series of “fraudcasts,” in which we dubbed 2025 the “Year of Innovation.” Throughout 2024, we leveraged innovative, data-driven methods through a whole-of-office approach to root out vulnerabilities to fraud, waste, and abuse. With over 60 reports released in 2024 alone, the EPA OIG safeguarded taxpayer dollars by identifying over \$2 billion in monetary impacts. We will continue to maximize innovative approaches by encouraging staff to be creative, explore new tools, and leverage expertise to enhance our oversight capabilities.

⁷ “Gold Standard meetings” refers to the joint program review meetings discussed in Office of Management and Budget Memorandum [M-22-12](#), *Advancing Effective Stewardship of Taxpayer Resources and Outcomes in the Implementation of the Infrastructure Investment and Jobs Act*, dated April 29, 2022. This memorandum requires each agency to engage with the Office of Management and Budget and the agency’s inspector general to discuss program design, risk mitigation, financial controls, data, tracking, and reporting for implementing the IJA.



Whistleblower Protection

U.S. Environmental Protection Agency

The whistleblower protection coordinator's role is to educate Agency employees about prohibitions against retaliation for protected disclosures and the rights and remedies against retaliation. For more information, please visit the OIG's whistleblower protection [webpage](#).

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