



# At a Glance

*Catalyst for Improving the Environment*

## Why We Did This Review

The Office of Inspector General (OIG) undertook this review to determine (1) the status of corrective actions responding to OIG report recommendations for selected water reports, and (2) how complete and up-to-date is the Management Audit Tracking System (MATS) report information for selected OIG water reports.

## Background

Audit followup is essential to good management and is a shared responsibility of agency managers and audit organizations. The U.S. Environmental Protection Agency (EPA) has audit followup procedures and designated officials who manage this process. EPA is required to report to Congress on audit followup, including any reasons for delays in taking corrective actions that have not been implemented within 1 year of issuing an audit report.

**For further information, contact our Office of Congressional and Public Liaison at (202) 566-2391.**

**To view the full report, click on the following link:**  
[www.epa.gov/oig/reports/2007/20070524-2007-P-00025.pdf](http://www.epa.gov/oig/reports/2007/20070524-2007-P-00025.pdf)

## ***EPA Can Improve Its Oversight of Audit Followup***

### **What We Found**

EPA is generally undertaking actions for the nine water-related reports in our review— seven directed to the Office of Water (OW) and two directed to the Office of Enforcement and Compliance Assurance (OECA). However, several actions in response to individual recommendations were delayed past milestone dates agreed to by the OIG.

Both program offices and the Office of the Chief Financial Officer (OCFO), in its oversight role, can do more to monitor the audit followup process and ensure that timely and appropriate corrective actions are taking place. OCFO's annual audit followup reporting to Congress did not present required information on specific audit recommendations or reasons for delays in taking corrective actions. The Agency's audit tracking system, MATS, was also incomplete and contained mistakes. While OW's official files were generally complete, OECA did not have files for OIG reports prior to January 2006, including the two reports we reviewed. Both OW and OECA did not follow the processes specified in EPA Order 2750 for certifying the completion of implementing corrective actions. The OIG will also improve its followup on audit and evaluation reports.

### **What We Recommend**

We recommend that OW and OECA implement EPA Order 2750 and biannually review audit management information for accuracy and completeness. We also recommend that OW and OECA follow the certification process for closing out reports, maintain a list of corrective actions taken, and obtain OIG approval for significant changes to corrective action plans.

We recommend that the Chief Financial Officer take several steps, including:

- Monitoring EPA Order 2750 compliance throughout the Agency.
- Reporting to Congress the report names and reasons for delay past 365 days for completing corrective actions as required under EPA Order 2750 and the IG Act.
- Ensuring the validity and reliability of data in MATS by documenting a quality assurance plan, issuing necessary guidance, and providing refresher training to Audit Followup Coordinators.

The Agency generally concurred with all of our recommendations.