



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

SEP 17 2013

THE INSPECTOR GENERAL

MEMORANDUM

SUBJECT: Response to Office of Inspector General Final Report No. 13-R-0206
"Audit of American Recovery and Reinvestment Act-Funded Cooperative Agreement
2S-96099601 Awarded to the Idaho Department of Environmental Quality," dated March
28, 2013

FROM: Arthur A. Elkins Jr.
Inspector General

A handwritten signature in blue ink that reads "Arthur A. Elkins Jr.".

TO: Armina Nolan, Manager
Grants and Interagency Agreement Unit
Action Official for Assistant Agreement Audits

We have reviewed U.S. Environmental Protection Agency (EPA) Region 10's response, dated September 9, 2013, for the subject audit report. The region's response is complete. Accordingly, this report is closed in the EPA Office of Inspector General's (OIG) assignment management system as of the date of this memorandum.

The region has completed corrective actions for all of the recommendations, with the exception to recommendations 3 and 4c regarding the accidental and catastrophic loss insurance requirement under 40 CFR §35.6590(b). Based on researches conducted by the agency and the recipient, the region has determined that implementation of these recommendations is not feasible or necessary. The region plans to address these recommendations by obtaining a cooperative agreement-specific waiver from the 40 CFR §35.6590(b) requirement by the end of January 2014. Once the waiver is approved, the region will provide a copy to the OIG.

In accordance with EPA Manual 2750, corrective actions must be tracked in the agency's audit tracking system until all actions are completed.

If you have any questions, please contact Richard Eyer mann, acting assistant inspector general for the Office of Audit, at (202) 566-0565 or eyer mann.richard@epa.gov; or Robert Adachi, product line director, at (415) 947-4537 or adachi.robert@epa.gov.

cc: Bob Phillips, Audit Follow-up Coordinator, Region 10
Robert Adachi, Product Line Director