



February 12, 2026

MEMORANDUM FOR: DAVID B. CASTILLO
Chief Financial Officer

A handwritten signature in blue ink that appears to read "Laura B. Nicoletti".

FROM: LAURA B. NICOLOSI
Assistant Inspector General
for Audit

SUBJECT: Audit of DOL's FY 2025 Compliance with the
Payment Integrity Information Act of 2019,
Project No. 22-P26-003-13-001

Please be advised that the Office of Inspector General is initiating an audit of the Department of Labor's programs and activities for Fiscal Year 2025 that might be susceptible to significant improper payments. This work is being performed in accordance with the Payment Integrity Information Act of 2019 and requirements contained in the Office of Management and Budget's Circular A-123, Appendix C, Requirements for Payment Integrity Improvement.

We have contracted with an independent certified public accounting firm, KPMG LLP (KPMG), to conduct this audit. We will monitor KPMG's work to ensure it meets professional standards and contractual requirements.

We conducted an entrance conference on February 11, 2026, to discuss the audit's objective, scope, methodology, and timeframes.

cc: Kevin Brown, Deputy CFO, OCFO
Chris Polen, Director, Financial Policy, OCFO
Neil Starzynski, Audit and Enterprise Risk Management Liaison, OCFO
Henry Mack, Assistant Secretary, ETA
Michelle Beebe, Administrator, Office of Unemployment Insurance, ETA
Gregory Hitchcock, Audit Liaison/Special Projects, ETA
James Macy, Director, OWCP
Doug Pennington, Deputy Director, OWCP
Jennifer Valdivieso, Director of Federal Employees' Compensation,
OWCP
Eric Sanders, Chief, Fiscal Operations, Division of Federal Employees'
Compensation, OWCP
Jatin Wahi, Audit Liaison, OWCP