



# At a Glance

*Catalyst for Improving the Environment*

## Why We Did This Review

We conducted this review to evaluate how the U.S. Environmental Protection Agency (EPA) is ensuring that Brownfields Assessment grantees adhere to all appropriate inquiries (AAI) requirements.

## Background

Grantees awarded EPA Brownfields Assessment grants must meet AAI requirements. AAI is the process of evaluating a property for potential environmental contamination and assessing potential liability for contamination. To ensure a proper investigation, grantees must conduct AAI in compliance with federal regulations put into effect by EPA on November 1, 2006, and issue a report on findings.

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

The full report is at:  
[www.epa.gov/oig/reports/2011/20110214-11-P-0107.pdf](http://www.epa.gov/oig/reports/2011/20110214-11-P-0107.pdf)

## ***EPA Must Implement Controls to Ensure Proper Investigations Are Conducted at Brownfields Sites***

### **What We Found**

EPA does not review AAI reports submitted by grantees to assure that they comply with federal requirements. Rather, EPA has relied on the environmental professional conducting the AAI to self-certify that requirements are met. Of the 35 AAI reports we reviewed, from three EPA regions, none contained all the required documentation elements. This occurred because the Agency does not have management controls requiring EPA project officers to conduct oversight of AAI reports. Management controls regarding EPA oversight of Brownfields grants funded by the American Recovery and Reinvestment Act of 2009 (ARRA) are also missing. EPA has issued specific guidance and management controls for ARRA grant activities. However, the guidance and controls do not address oversight of AAI reports.

Because of EPA's lack of oversight and reliance on environmental professionals' self-certifications, AAI investigations not meeting federal requirements may go undetected by Agency staff. The Office of Inspector General found instances of noncompliance that were not detected by Agency staff. Improper AAI investigations introduce risk that the environmental conditions of a property have not been properly or adequately assessed, which may lead to improper decisions about appropriate uses of brownfields properties. Ultimately, threats to human health and the environment could go unrecognized.

Noncompliant AAI investigations may result in future grant denials and possible government reimbursement. The AAI reports the OIG reviewed were generated from \$2.14 million in grant awards. If conditions merit, EPA is authorized to take back funds from noncompliant grantees. The OIG questions the value of the reports we reviewed.

### **What We Recommend**

We recommend that EPA establish accountability for compliant AAI reports, to include those conducted under ARRA Brownfields grants; develop a plan to review AAI reports to determine the reports' compliance with AAI documentation requirements; and establish criteria to determine whether noncompliant grantees should return federal grant money. The Agency did not clearly agree or disagree with OIG recommendations. In its final response to the report, the Agency needs to agree or disagree with recommendations and, as appropriate, provide a corrective action plan to address the recommendations.