



Office of Inspector General U.S. Environmental Protection Agency **At a Glance**

22-P-0033
March 31, 2022

Why We Did This Audit

The Office of Inspector General conducted this audit to determine whether the corrective actions taken by the U.S. Environmental Protection Agency's Office of Brownfields and Land Revitalization, under the Office of Land and Emergency Management, effectively addressed the program deficiencies identified in [OIG Report No. 17-P-0368, *Improved Management of the Brownfields Revolving Loan Program Is Required to Maximize Cleanups*](#), issued August 23, 2017.

The prior OIG report included 23 recommendations—17 addressed to the Office of Land and Emergency Management and six addressed to EPA Regions 1 and 10. The Agency agreed to implement corrective actions to address all 23 recommendations.

This audit supports EPA mission-related efforts:

- *Operating effectively and efficiently.*
- *Cleaning up and revitalizing land.*

This audit addresses a top EPA management challenge:

- *Managing infrastructure funding and business operations.*

Address inquiries to our public affairs office at (202) 566-2391 or OIG_WEBCOMMENTS@epa.gov.

[List of OIG reports.](#)

Brownfields Program-Income Monitoring Deficiencies Persist Because the EPA Did Not Complete All Certified Corrective Actions

What We Found

EPA Regions 1 and 10 effectively completed all corrective actions for their six recommendations in OIG Report No. 17-P-0368. Of the 17 recommendations addressed to the Office of Land and Emergency Management, the Office of Brownfields and Land Revitalization, or OBLR, did not fully complete the agreed-to corrective actions for five, despite certifying that those actions were completed, and program-income monitoring deficiencies persist. Corrective actions for three of those five recommendations were not completed because the Agency had not determined an appropriate level of program-income tracking and oversight. Corrective actions for the two other recommendations were not completed because the EPA's guidance did not include program-income tracking and post-closeout reporting. Office of Management and Budget and EPA policies require the Agency to take corrective actions promptly.

The OBLR did not complete all certified corrective actions and still lacks current and accurate information needed to monitor an estimated \$46.6 million of program income.

As a result, the EPA continues to lack current, accurate, and complete data necessary for effective post-closeout monitoring of program income. Without such data, the OBLR is unable to determine whether an estimated \$46.6 million of program income under closed cooperative agreements was used timely and for the purposes authorized under the closeout agreements, as required by federal regulation, or whether actions are needed to address noncompliance with closeout agreement terms and conditions.

Recommendations and Planned Agency Corrective Actions

We make six new recommendations in this report. We recommend that the assistant administrator for Land and Emergency Management develop a policy and implement procedures to reduce the balances of available program income and establish a time frame for the use or return of funds, implement a method for tracking program income and compliance with reporting requirements, expand existing guidance to include a post-closeout annual report submission deadline and program-income tracking requirements, and provide training on the tracking method and expanded guidance. We also recommend that the assistant administrator assess whether any of the \$46.6 million of program income under closeout agreements should be returned to the government.

We updated our recommendation to assess whether any unused program income should be returned to the government, based on the Agency's response to the draft report. The Agency provided acceptable corrective actions for all six of our recommendations but did not provide the required estimated completion dates for some or all corrective actions for four of the recommendations. As a result, two recommendations are resolved with corrective actions pending, while four are unresolved.