



At a Glance

Why We Did This Review

We conducted this review of the U.S. Environmental Protection Agency's (EPA's) Pollution Prevention (P2) grant activities to determine how the EPA has ensured pollution prevention goals are achieved through P2 grants.

The Pollution Prevention Act of 1990 authorizes the EPA to award grants to states and tribes. The intent of this effort is to encourage businesses to adopt environmental strategies and solutions that significantly reduce or eliminate waste and result in cost savings and improved pollution controls. The EPA has awarded over \$122 million in P2 grants in the last 26 years. P2 results by grantees are reported to, and adjusted by, EPA regions and headquarters before their release to the public. P2 grant results are used to substantiate EPA performance on several Government Performance and Results Act goals.

This report addresses the following EPA goal or cross-agency strategy:

- *Ensuring the safety of chemicals and preventing pollution.*

Send all inquiries to our public affairs office at (202) 566-2391 or visit www.epa.gov/oig.

The full report is at: www.epa.gov/oig/reports/2015/20150904-15-P-0276.pdf

EPA Needs Accurate Data on Results of Pollution Prevention Grants to Maintain Program Integrity and Measure Effectiveness of Grants

What We Found

The EPA is unable to determine the extent to which P2 grants achieved pollution prevention goals. Neither headquarters nor the regions we reviewed consistently implemented EPA quality control guidance and practices when compiling P2 grant results. In addition, we found reporting and transcription errors. Because of the lack of controls to ensure that results are reported accurately and consistently, we found that:

Inaccurate reporting of results misrepresents the impacts of pollution prevention activities provided to the public, and misinforms EPA management on the effectiveness of its investment in the program.

- Due to errors and inconsistent regional reporting, EPA headquarters significantly modified results reported by the grantees to EPA regions. For example, in our sample year of fiscal year 2011, the regions reported over \$200 million saved by incorporating pollution prevention practices. We found headquarters reduced this amount of dollars saved by businesses by 58 percent. EPA headquarters revised initial results again 2 years later.
- Errors in the reporting of grants results occurred. For example, one region reported 17,000 gallons of water saved to headquarters instead of the 17,000,000 gallons actually reported by the grantee.
- Reporting guidance was not applied consistently. For example, reported fiscal year 2011 results associated with one state P2 leadership program were reported at 10 percent, whereas in the following fiscal year the results from the same activities were reported at 40 percent.

Inconsistent and arbitrary application of the measurement guidance hampers the agency's ability to accurately report reliable grant program results. This creates a risk for the integrity and value of the EPA's reported P2 achievements and weakens confidence that the agency's pollution prevention goals have been achieved.

Recommendations and Planned Agency Corrective Actions

We recommend that the Assistant Administrator for Chemical Safety and Pollution Prevention: (1) implement the P2 GrantsPlus database to begin the process for enhancing the reporting and recording of its P2 grants, and (2) develop and implement controls to ensure accurate reporting of regional results to headquarters and documentation of revisions made by headquarters.

The EPA agreed with our recommendations and proposed acceptable corrective actions. All recommendations are resolved and no further response from the agency is needed.