



U.S. ENVIRONMENTAL PROTECTION AGENCY

OFFICE OF INSPECTOR GENERAL



EPA Can Improve Its Reporting of Dollars Leveraged From the American Recovery and Reinvestment Act Brownfields Program

Report No. 12-R-0898

September 27, 2012



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Abbreviations

ACRES	Assessment, Cleanup and Redevelopment Exchange System
EPA	U.S. Environmental Protection Agency
OBLR	Office of Brownfields and Land Revitalization
OIG	Office of Inspector General
RLF	Revolving Loan Fund

Cover photo: A remediated brownfields site in Howland, Maine, that led to dollars leveraged.
(EPA photo)

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At a Glance

Why We Did This Review

We conducted this audit to determine whether the results reported for the U.S. Environmental Protection Agency (EPA) American Recovery and Reinvestment Act (Recovery Act) brownfields assessment, cleanup, and revolving loan fund grants were timely and accurately reported, and the grants achieved their intended goals in terms of outputs and outcomes. The Recovery Act provided \$100 million for brownfields activities. EPA awarded \$87.3 million in brownfields assessment, cleanup, and revolving loan fund grants to state agencies, tribes, non-profits, local communities and commissions, and other entities. EPA anticipated assessing 500–750 properties, making 500–750 acres ready for reuse, cleaning up 30–50 properties, and leveraging \$450–\$600 million by 2012.

This report addresses the following EPA Goal or Cross-Cutting Strategy:

- *Cleaning up communities and advancing sustainable development*

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

The full report is at:
www.epa.gov/oig/reports/2012/20120927-12-R-0898.pdf

EPA Can Improve Its Reporting of Dollars Leveraged From the American Recovery and Reinvestment Act Brownfields Program

What We Found

EPA project officers verified grant recipient reported outputs and outcomes for Recovery Act brownfields assessments completed, acres ready for reuse, and cleanups completed, but did not always verify dollars leveraged. Dollars leveraged are additional non-EPA resources invested in the project as a result of the use of grant funds. EPA guidance includes requirements for grant recipients to report, and for EPA project officers to review, grant output and outcome information in its on-line data management system—the Assessment, Cleanup and Redevelopment Exchange System (ACRES). However, the guidance does not specify the documentation needed to support dollars leveraged. Recipients were unclear as to what could be counted as dollars leveraged, and some project officers were not aware of the requirement to verify reported dollars leveraged. As a result, EPA's Office of Brownfields and Land Revitalization (OBLR) and others may not be able to rely on the dollars leveraged data in ACRES, which is reported to Congress and the public.

OBLR may not meet its Recovery Act dollars leveraged goal. Dollars leveraged may not be realized until after grants are completed, and EPA has to rely on recipients to report this information after their grants are completed, which may be as late as the end of 2014. As a result, the dollars leveraged that EPA reports to Congress and the public may continue to change for several more years.

Recommendations and Planned Agency Corrective Actions

We recommend that the Assistant Administrator for Solid Waste and Emergency Response instruct the OBLR Director to create a checklist for grant recipients and project officers that defines dollars leveraged, and identifies specific types of supporting documents needed. We also recommend that the Assistant Administrator instruct the OBLR Director to include a letter in closeout packages reminding recipients of their responsibility to continue to report dollars leveraged as they are realized. EPA agreed with our recommendations and provided intended corrective actions to develop and distribute a checklist and develop a letter for closeout packages. EPA estimated that these corrective actions would be completed by December 31, 2012. The Agency's actions, when implemented, will address the recommendations.

Noteworthy Achievements

The Brownfields program exceeded its Recovery Act goals for properties assessed, cleaned up, and acres made ready for reuse.



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

THE INSPECTOR GENERAL

September 27, 2012

MEMORANDUM

SUBJECT: EPA Can Improve Its Reporting of Dollars Leveraged From the American Recovery and Reinvestment Act Brownfields Program Report No. 12-R-0898

FROM: Arthur A. Elkins, Jr.

A handwritten signature in black ink, appearing to read "Arthur A. Elkins, Jr.", is written over the printed name.

TO: Mathy Stanislaus
Assistant Administrator for Office of Solid Waste and Emergency Response

This is our report on the subject audit conducted by the Office of Inspector General (OIG) of the U.S. Environmental Protection Agency (EPA). This report contains findings that describe the problems the OIG has identified and corrective actions the OIG recommends.

The Office of Brownfields and Land Revitalization staff are to be commended for the prompt action that was taken to develop corrective actions to address the findings and recommendations.

Action Required

In responding to the draft report, the Agency provided a corrective action plan for addressing the recommendations with milestone dates. Therefore, a response to the final report is not required. The Agency should track corrective actions not implemented in the Management Audit Tracking System. We have no objections to the further release of this report to the public. This report will be available at <http://www.epa.gov/oig>.

If you or your staff have any questions regarding this report, please contact Melissa Heist, Assistant Inspector General for Audit, at (202) 566-0899 or heist.melissa@epa.gov; or Janet Kasper, Director, Contracts and Assistance Agreements Audits, at (312) 886-3059 or kasper.janet@epa.gov.

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Chapter 1

Introduction

Purpose

Congress appropriated \$100 million under the American Recovery and Reinvestment Act of 2009 (Recovery Act) to assist in identification and cleanup of brownfields sites. The U.S. Environmental Protection Agency (EPA) Office of Inspector General (OIG) conducted this audit to determine whether results from EPA Recovery Act brownfields assessment, cleanup, and revolving loan fund grants were timely and accurately reported, and that grants achieved their intended goals in terms of outputs and outcomes.

Background

Brownfields are real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. The Brownfields Revitalization and Environmental Restoration Act of 2001 promotes the cleanup and reuse of brownfields and provides assistance for brownfields revitalization. EPA's Office of Brownfields and Land Revitalization (OBLR) provides grant funding to states, communities, and other stakeholders to prevent, inventory, assess, safely clean up, and sustainably reuse brownfields. OBLR provides funding for four types of grants:

- Environmental Assessment
- Cleanup
- Revolving Loan Fund (RLF)
- Job Training¹

Environmental assessment grants provide funding to inventory, characterize, assess, and conduct planning and community involvement related to brownfields sites. Cleanup grants provide the funding needed to carry out cleanup activities at the sites. These types of grants have 3-year performance periods.

RLF grants provide funding for a grant recipient to capitalize a revolving fund and make loans, and provide subgrants to carry out cleanup activities at brownfields sites. The performance period for revolving loan fund grants is 5 years.

¹ Job training grants have different outcomes from the other types of grants and were not evaluated as part of this review.

The Recovery Act provided \$100 million for EPA’s Brownfields Program. EPA competitively awarded communities \$87.3 million in brownfields grants. EPA awarded 89 Recovery Act environmental assessment grants, 37 cleanup grants, and 45 RLF grants.

The Assessment, Cleanup and Redevelopment Exchange System (ACRES) is an online data management system that OBLR uses to track selected outputs and outcomes from grants. Grant recipients electronically submit a *Property Profile Form* to report outputs and outcomes. Outputs are environmental activities, efforts, and/or associated work products related to an environmental goal or objective that will be produced or provided over a period of time or by a specified date. Outputs reported in ACRES include number of properties assessed, cleanups completed, and additional cleanup funding leveraged. Outcomes are the result, effect, or consequence that will occur from carrying out activities under the grant. Outcomes reported include minimization of the public’s exposure to contaminants, the number of acres made ready for reuse, and funds leveraged through the economic redevelopment and reuse of properties.

The Government Performance and Results Act of 1993 requires strategic planning and performance measurement in the federal government. EPA identified five goals in its strategic plan. The Brownfields Program is included under EPA’s healthy communities’ goal. In its efforts to achieve sustainable and livable communities, EPA established strategic measures for its Brownfields Program (see table 1). The results for these measures are consolidated and included in EPA’s Annual Performance and Accountability Report and congressional justification.

Table 1: Brownfields performance measures

Measure	Definition
Properties Assessed	Number of properties that have been environmentally assessed using EPA brownfields funding.
Properties Cleaned Up	Number of properties that have been cleaned up to a regulatory-based standard using EPA brownfields funding.
Dollars Leveraged	Number of additional dollars leveraged at brownfields properties as a result of EPA brownfields grant activities.
Acres Made Ready for Reuse	Acres associated with properties benefiting from EPA brownfields that have been assessed and determined not to require cleanup, or where cleanup has been completed and institutional controls are in place, if required.

Source: Brownfields Program Measure Definitions, May 2009.

Noteworthy Achievements

For the performance measures of properties assessed, cleanups completed, and acres ready for reuse, the results EPA reported were generally accurate.² Project officers or recipients were able to provide the specific required supporting documentation for the accomplishments reported in ACRES. The project officers verified the accuracy of the information in ACRES. As indicated in table 2 below, as of March 31, 2012, the Brownfields Program had either met or exceeded three of its four Recovery Act goals:

Table 2: Performance results

Expected Output/Outcome	Goal	Actual
Properties Assessed	500 -750 properties	1080 properties
Cleanups Completed	30 – 50 properties	55 properties
Acres Made Ready for Reuse	500 – 750 acres	785 acres
Dollars Leveraged	\$450 to \$600 million	\$275 million

Sources: EPA Recovery Act Program Plan, Brownfields and Land Revitalization, May 15, 2009, and U.S. EPA American Recovery and Reinvestment Act Quarterly Performance Report FY 2012 Second Quarter.

The OBLR was able to achieve these results even before some of the grants' project periods start to expire on September 30, 2012.

Scope and Methodology

We conducted this performance audit from October 2011 to August 2012 in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

We reviewed relevant federal regulations and guidance, the Office of Solid Waste and Emergency Response's Federal Manager's Financial Integrity Act Assurance Letter, the EPA Recovery Act Stewardship Plan, and the EPA strategic plan. We interviewed OBLR staff and regional brownfields project officers. We also contacted several grant recipients to collect supporting documentation for project results.

To determine whether the results EPA reported from brownfields grants were timely and accurate, we selected a stratified random sample of 20 grants from 171 Recovery Act assessment, cleanup, and RLF grants. We included at least one

² We identified some minor discrepancies during our review but these were not significant enough to impact the overall results EPA reports for the program.

grant from each region. For each of the sampled grants, the team reviewed project officer files and ACRES data. The reviews included:

- Analyses of supporting documentation for assessments completed, cleanups completed, dollars leveraged, and acres made ready for reuse accomplishments.
- Comparisons of accomplishments reported in ACRES with brownfields cooperative agreement quarterly progress reports that recipients submitted to regional project officers.

We reviewed EPA's Recovery Act quarterly reports to determine whether the assessment, cleanup, and RLF grants achieved their intended goals. We verified the information in EPA's quarterly reports to ACRES.

We reviewed EPA OIG reports for related prior audit coverage. EPA OIG issued Report No. 11-P-0107, *EPA Must Implement Controls to Ensure Proper Investigations Are Conducted at Brownfields Sites*, on February 14, 2011. However, the recommendations cited in the report were not relevant to the objectives of this audit.

Chapter 2

Dollars Leveraged Data Reported in ACRES Were Not Always Accurate

EPA project officers verified recipient reported outputs and outcomes for Recovery Act brownfields assessments completed, acres ready for reuse, and cleanups completed, but did not always verify dollars leveraged. EPA guidance includes requirements for grant recipients to report, and for EPA project officers to review, grant output and outcome information in ACRES. However, the guidance does not specify the documentation needed to support dollars leveraged. Recipients were unclear as to what could be counted as dollars leveraged, and some project officers were not aware of the requirement to verify reported dollars leveraged. As a result, OBLR and others may not be able to rely on the dollars leveraged data in ACRES, which is reported to Congress and the public in EPA's Annual Performance and Accountability Report.

Project Officers Are to Review Recipient Reported Data in ACRES

The *Proposal Guidelines for Assessment, Cleanup, and RLF Grants* (guidelines) state that EPA must report on the success of its Brownfields Program through measurable outputs and outcomes. Some of these include acres ready for reuse, assessments completed, and dollars leveraged. The guidelines require recipients to report site-specific accomplishments on *Property Profile Forms* and submit them electronically to the EPA's ACRES reporting system. The *Instructions for Completing Brownfields Property Profile Form* requires project officers to review the submissions in ACRES. Grant recipients provided the information used in EPA's annual performance plan and congressional justification. The annual report stated that regional EPA project officers reviewed the data to verify activities and accomplishments.

Project Officers Did Not Always Review Supporting Documentation for Dollars Leveraged

Generally, we found that EPA project officers received and verified appropriate supporting documentation for cleanups completed, acres ready for reuse, and assessments completed. However, project officers did not always verify dollars leveraged data that recipients reported in ACRES. In our sample of 20 grants, 6 grant recipients reported dollars leveraged. For four of those six grants, EPA project officers did not review support for the dollars leveraged reported in ACRES. For two of the four grants, EPA project officers approved ACRES submissions, although neither the project officer nor the grant recipient had appropriate documentation for the \$7.6 million in leveraged funds.

- For one grant in Region 8, the recipient claimed \$75.5 million dollars leveraged. The grant recipient stated that the costs to the city were approximately \$68 million, which left \$7.5 million in unsupported leveraged funds reported in ACRES. The project officer explained that ACRES submissions are reviewed and approved based upon the project officers' knowledge of the sites, but project officers do not verify leveraging results.
- For one grant in Region 9, neither the EPA project officer nor the recipient had documents supporting \$141,000 in leveraged funds. According to the grant recipient, the reported \$141,000 was a mistake—it actually represented the expenses incurred under the grant.

EPA project officers also approved the ACRES submissions of approximately \$464,600 in leveraged funds without first reviewing supporting documents.

- For one grant in Region 1, the grant recipient originally reported \$42,600 dollars leveraged. After the OIG requested support for the dollars leveraged, the EPA project officer contacted the recipient for the supporting documentation. Upon review, the EPA project officer discovered that this amount was not accurate. The recipient changed the dollars leveraged amount to \$2,600, but the EPA project officer did not provide documentation to support or verify the revised amount. The grant recipient subsequently provided to the OIG the supporting documentation for the \$2,600 in dollars leveraged.
- For one grant in Region 5, the EPA project officer did not verify \$462,000 in leveraged funds that the recipient reported in ACRES. The recipient provided the OIG the documentation to support the amount. When asked how the project officer verified dollars leveraged, he replied that there was no mechanism in place to verify this information.

Dollars Leveraged Guidance Was Not Clear

The guidance provided to recipients was not always clear on what could be counted as dollars leveraged. The *Property Profile Form General Instructions* (general instructions) provide recipients with instructions for completing the *Property Profile Forms*, and list specific documents needed to support properties assessed and cleanups completed. For example, a Phase I assessment report is final when an environmental professional or state official has signed and dated the report as required by Title 40 Code of Federal Regulations Section 312.21(c).

However, the general instructions were not clear on what documents EPA project officers should review before approving dollars leveraged information entered into ACRES. The general instructions defined dollars leveraged as:

[T]hose non-EPA brownfields cooperative agreement funds and activities that have some link or nexus to the efforts of an EPA cooperative agreement-funded activity, or where the EPA cooperative agreement-funded activity was a catalyst for the leveraged accomplishments.

Though the general instructions did not provide specific examples of the types of documents that would support claimed dollars leveraged, it provided the following examples of sources of leveraged funds:

- Other Federal (e.g., U.S. Department of Housing and Urban Development Community Development Block Grants, U.S. Department of Housing and Urban Development Brownfields Economic Development Initiative Grants)
- State/Tribal Funding (e.g., state brownfields cleanup grants, state economic development grants)
- Local Government (e.g., local bond/tax increment financing)
- Private/Other (e.g., company X, developer Y, non-profit Z)

Some project officers did not review supporting documents for the dollars leveraged because they did not believe there was a requirement to perform that review. OBLR officials agreed with the OIG that it could develop specific guidelines for more consistent reporting and review of dollars leveraged.

ACRES Dollars Leveraged Data May Not Be Accurate

OBLR cannot rely on the dollars leveraged data in ACRES if project officers do not always review supporting documentation and validate the information reported in ACRES. This information is used to measure progress against the goals identified in EPA's strategic plan. The results of these goals are reported to Congress and the public in EPA's Annual Performance and Accountability Report. EPA's ability to achieve its goal of \$450 to \$600 million in dollars leveraged by 2012 is jeopardized when the information that recipients report is inaccurate.

Recommendation

We recommend that the Assistant Administrator for Solid Waste and Emergency Response require the OBLR Director to:

1. Create and distribute a checklist to grant recipients and project officers that defines dollars leveraged, and identifies specific types of supporting documents needed to support claimed dollars leveraged.

Agency Comments and OIG Evaluation

EPA's OBLR generally agreed with the accuracy of the findings and recommendations in the report. OBLR is confident that the data reported by their grantees are generally accurate and reflect the tremendous leveraging that follows the brownfields funding. The office plans to develop a checklist for distribution to grant recipients and project officers for Recovery Act awards. The checklist, scheduled for completion by December 31, 2012, will define dollars leveraged and identify specific types of supporting documents needed to support claimed dollars leveraged. The Agency's actions, when implemented, will address the recommendation.

Chapter 3

EPA's Ability to Meet Dollars Leveraged Goal Is Uncertain

OBLR may not meet its Recovery Act dollars leveraged goal. EPA uses the information reported in ACRES to measure its success against its goals, but we found that ACRES information was not always accurate. Because dollars leveraged data may not be realized until after grants are completed, EPA must rely on recipients to report this information after their grants are completed, which may be as late as 2014. As a result, it may not be until 2014 or later that EPA will know whether its Recovery Act dollars leveraged goal is met. Meeting the goal will also be contingent upon grant recipients accurately reporting, and EPA staff verifying, the accuracy of the reported information.

Data on Dollars Leveraged Are Not Complete

The fiscal year 2009 Brownfields Cleanup Grant Guidelines states that EPA must report on the success of its Brownfields Program through measurable outputs and outcomes, such as the amount of funding leveraged. The *Proposal Guidelines for Assessment, Cleanup, and RLF Grants* state that many activities occur beyond the grant period, and EPA may contact the recipient well after the grant period of performance to collect this information. EPA reports on Brownfields Program progress in the Annual Performance and Accountability Report.

According to information in ACRES as of March 31, 2012, 61 percent of the dollars leveraged goal for Recovery Act brownfields grants was met.

Table 3: Dollars leveraged goal

	Goal	Actual as of March 31, 2012	Percent of goal as of March 31, 2012
Dollars Leveraged	\$450 to \$600 million	\$275 million	61

Sources: EPA Recovery Act Program Plan, Brownfields and Land Revitalization, May 15, 2009, and U.S. EPA American Recovery and Reinvestment Act Quarterly Performance Report FY 2012 Second Quarter, ending March 31, 2012.

EPA developed its Recovery Act brownfields dollars leveraged strategic goal based on OBLR's \$900 million non-Recovery Act performance goal. OBLR staff wanted Recovery Act measures and goals to be similar to those for their non-Recovery Act grants. Based on the type and number of Recovery Act grants awarded, OBLR staff selected a goal of 50–67 percent of the non-Recovery Act goal.

There are several reasons why EPA may not meet its goal for dollars leveraged. As detailed in chapter 2, the guidance provided to recipients was not always clear on what could be counted as dollars leveraged, which resulted in ACRES data inaccuracies. In addition, EPA staff stated that the dollars leveraged from redevelopment of brownfields sites will not be realized until after the grant is completed, which for some of our Recovery Act sampled brownfields grants will not be until September 30, 2014. OBLR relies on recipients to continue to report results after grants have closed, even though there is currently no requirement for recipients to do so. OBLR staff indicated that there was no legal mechanism in place to enforce reporting after the grant is closed, even though the proposal guidelines stated that EPA may contact the recipient for the information after the grant is completed. Therefore, it may not be until 2014 or later that EPA will know whether the dollars leveraged goal is met, and only if the recipients accurately report and EPA staff verify the accuracy of the information. If EPA reports that it did not meet its dollars leveraged goal, taxpayers may believe that the Recovery Act did not fully meet all of its objectives.

Recommendation

We recommend that the Assistant Administrator for Solid Waste and Emergency Response require the OBLR Director to:

2. Include a letter in closeout packages sent to grant recipients reminding them of their responsibility to continue to report dollars leveraged as they are realized.

Agency Comments and OIG Evaluation

OBLR generally agreed with the recommendation, but emphasized that EPA's legal relationship with cooperative agreement recipients generally ends when the cooperative agreement period of performance expires. The nature of how brownfields projects attract leveraged funding often results in leveraged resources coming to projects years after the initial assessment and cleanup activity have ended. By December 31, 2012, OBLR said it intends to develop a letter, to include in closeout packages for Recovery Act awards, reminding recipients of their responsibility to continue to report dollars leveraged as they are realized. The Agency's actions, when implemented, will address the recommendation.

Status of Recommendations and Potential Monetary Benefits

RECOMMENDATIONS						POTENTIAL MONETARY BENEFITS (in \$000s)	
Rec. No.	Page No.	Subject	Status ¹	Action Official	Planned Completion Date	Claimed Amount	Agreed-To Amount
1	7	Require the OBLR Director to create and distribute a checklist to grant recipients and project officers that defines dollars leveraged, and identifies specific types of supporting documents needed to support claimed dollars leveraged.	O	Assistant Administrator for Solid Waste and Emergency Response	12/31/12		
2	10	Require the OBLR Director to include a letter in closeout packages sent to grant recipients reminding them of their responsibility to continue to report dollars leveraged as they are realized.	O	Assistant Administrator for Solid Waste and Emergency Response	12/31/12		

¹ O = recommendation is open with agreed-to corrective actions pending
 C = recommendation is closed with all agreed-to actions completed
 U = recommendation is unresolved with resolution efforts in progress

Agency Comments to Draft Report

MEMORANDUM

SUBJECT: Response to Office of Inspector General Draft Report, “EPA Can Improve Its Reporting of Dollars Leveraged From the American Recovery and Reinvestment Act Brownfields Program” Project No. OA-FY11-0696

FROM: Mathy Stanislaus
Assistant Administrator

TO: Melissa Heist
Assistant Inspector General for Audit

Thank you for the opportunity to respond to the issues and recommendations outlined in the subject audit report. Following is a summary of the Agency’s overall position, along with its position on each of the report recommendations. For those report recommendations with which the Agency agrees, we have provided high-level intended corrective actions and estimated completion dates to the extent that we can. For those report recommendations with which the Agency does not agree, we have explained our position and proposed alternatives to recommendations.

AGENCY’S OVERALL POSITION

In response to the OIG’s Draft Report: “EPA Can Improve Its Reporting of Dollars Leveraged From the American Recovery and Reinvestment Act Brownfields Program,” EPA’s Office of Brownfields and Land Revitalization (OBLR) basically agrees with the findings and recommendations in this report. OBLR is confident that the data reported by our grantees is generally accurate and reflects the tremendous leveraging that follows the Brownfields funding. Brownfields funds leverage additional assessment monies, which leverage cleanup monies which leverage redevelopment monies, all from both public and private sources. Brownfields assessment and cleanup funding is often the first money in a project. These funds, along with the protections afforded by the Brownfields statute, help provide the risk assessment knowledge, and necessary assurances needed to attract other sources of funds.

It is also important to note that EPA’s legal relationship with a cooperative agreement recipient generally ends when the cooperative agreement period of performance expires, and so reporting of leveraged resources may lag well beyond the end of the cooperative agreement. Also, the nature of how brownfields projects attract leveraged funding often results in leveraged resources coming to projects years after the initial assessment and cleanup activity has ended. These facts are mentioned in the report, but are understated. While we have confidence in the Program’s

overall leveraged dollar outcomes, given the extensive information collected throughout the history of the Program, the OIG’s research has highlighted ways OBLR can strengthen our data collection efforts in this area. In response to the recommendations, we will work to improve the information that we provide to cooperative agreement recipients and project officers regarding consistent reporting of dollars leveraged.

OBLR agrees with the first recommendation that the Assistant Administrator for Solid Waste and Emergency Response instruct the OBLR Director to include a letter in closeout packages reminding recipients of their responsibility to continue to report dollars leveraged as they are realized.

OBLR also generally agrees with the second recommendation that the Assistant Administrator for Solid Waste and Emergency Response require the OBLR Director to create and distribute a checklist to grant recipients and project officers that defines dollars leveraged, and identifies specific types of supporting documents needed to support claimed dollars leveraged. We will implement the recommended letter. As a condition of retaining and utilizing program income beyond the grant period of performance, EPA does require that Revolving Loan Fund (RLF) recipients continue to provide periodic updates to EPA post grant closeout. As stated above, while EPA can strongly encourage our non-RLF recipients to continue reporting outcomes through the ACRES database after the period of performance has expired, there is no way to enforce compliance.

AGENCY’S RESPONSE TO REPORT RECOMMENDATIONS

Agreements

No.	Recommendation	Intended Corrective Action(s)	Estimated Completion by Quarter and FY
1.	Director of OBLR to create and distribute a checklist to grant recipients and project officers that defines dollars leveraged and identifies specific types of supporting documents need to support claimed dollars leveraged	The Brownfields program will develop a checklist for distribution to recipients and project officers for ARRA awards.	FY 2013 – End of Q1
2.	Require the Director of OBLR to include a letter in closeout packages sent to grant recipients reminding them of their responsibility to continue to report dollars leveraged as they are realized.	The Brownfields program will develop a letter to include in closeout packages for ARRA awards.	FY 2013 – End of Q1

Disagreements

No.	Recommendation	Agency Explanation/Response	Proposed Alternative

CONTACT INFORMATION

If you or your staff have any questions regarding this response, please contact David Lloyd at 202-566-2731 or Lloyd.DavidR@epa.gov or Gail Cooper, Deputy Director at 202-566-0168 Cooper.GailAnn@epa.gov.

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