



# At a Glance

## Why We Did This Review

The U.S. Environmental Protection Agency (EPA), Office of Inspector General (OIG), conducted this audit to answer the following questions:

- Does the EPA ensure that grantees are effectively administering Puget Sound grants throughout the life of the grants?
- Does the EPA monitor project progress and collect data or indicators to determine whether proposed project outputs and outcomes are achieved?

The Greater Puget Sound Basin is defined as all watersheds draining into the United States waters of Puget Sound, including the southern Georgia Basin and the Strait of Juan de Fuca. The Puget Sound is one of the most ecologically diverse ecosystems in North America.

**This report addresses the following EPA goals or cross-agency strategies:**

- *Protecting America's waters.*
- *Embracing EPA as a high-performing organization.*

For further information, contact our public affairs office at (202) 566-2391.

The full report is at:  
[www.epa.gov/oig/reports/2014/20140715-14-P-0317.pdf](http://www.epa.gov/oig/reports/2014/20140715-14-P-0317.pdf)

## ***EPA Should Improve Oversight and Assure the Environmental Results of Puget Sound Cooperative Agreements***

### What We Found

Overall, the OIG found that EPA Region 10 is effectively administering cooperative agreements and monitoring project progress to determine whether proposed outputs and outcomes were achieved. However, we noted that improvements should be made in both the administration and monitoring of recipient activities. We found that Region 10:

- Documented activities conducted but did not consistently ensure that Puget Sound cooperative agreements met administrative requirements.
- Was aware of subaward monitoring activities conducted by recipients, but should improve oversight of subaward monitoring policies and activities, and lead organization oversight of subawards.

**EPA should improve the administration and monitoring of Puget Sound cooperative agreements.**

### Recommendations and Planned Corrective Actions

We recommend that the Region 10 Administrator meet with project officers and grant specialists to discuss the results of this review and reinforce compliance with agency policies for documenting, following up and resolving oversight activities. We recommend that the Region 10 Administrator ensure that grant specialists and project officers receive training on their responsibilities for subawards, collaborate to periodically review subaward monitoring policies, and lead organizations' monitoring activity records to protect federal funds. We also recommend that Region 10 provide training to recipients regarding subaward monitoring responsibilities, as well as evaluating Puget Sound resource allocations.

In addition, we recommend that the Assistant Administrator for the Office of Administration and Resources Management (OARM) review existing grants policies to determine whether policies need to be updated to clarify project officer and grant specialist subaward responsibilities, and recipient responsibilities for subaward monitoring.

The EPA agreed with all of the recommendations and provided corrective action plans and completion dates to address all of the draft report's recommendations.

### Noteworthy Achievements

Region 10 developed the Financial and Ecosystem Accounting Tracking System report for the Puget Sound program. The reports enable project officers to more easily determine the status of outputs and deliverables for tasks and subtasks, as well as determine actions taken by the recipients. The reports also help to ensure that negotiated work plan tasks are being accomplished and funds are being spent in a timely manner and within the approved budget.