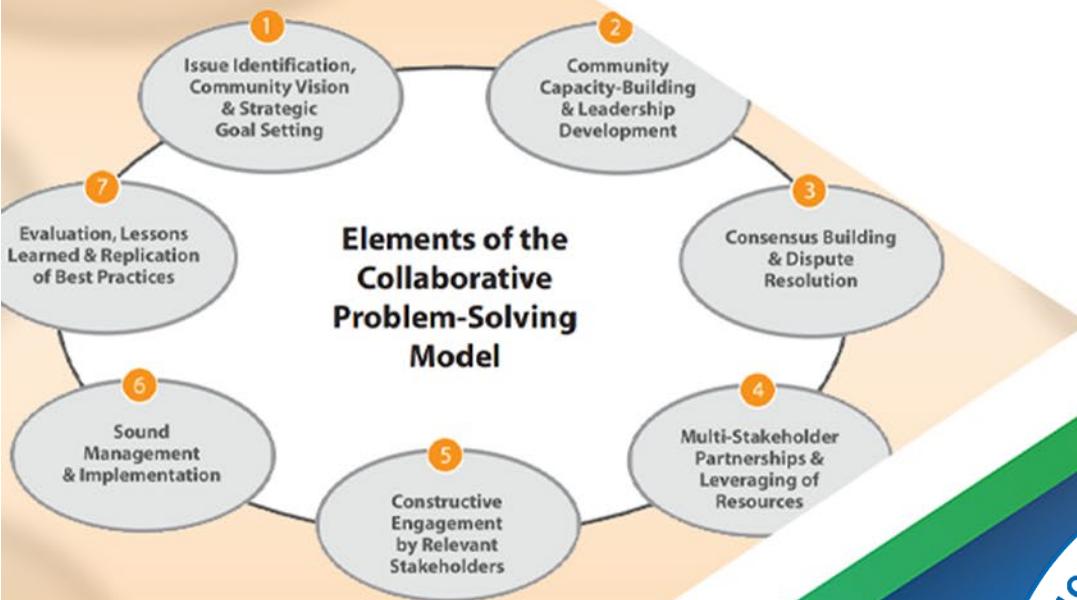


Audit of the EPA's Fiscal Year 2021 Environmental Justice Collaborative Problem-Solving Cooperative Agreements

August 6, 2025 | Report No. 25-P-0046



Abbreviations

EJCPS	Environmental Justice Collaborative Problem-Solving
EPA	U.S. Environmental Protection Agency
FY	Fiscal Year
OEJECR	Office of Environmental Justice and External Civil Rights
OIG	Office of Inspector General

Cover Image

A graphic with the title “Elements of the Collaborative Problem-Solving Model” surrounded by seven numbered ovals naming the seven elements: (1) “Issue Identification, Community Vision & Strategic Goal Setting”; (2) “Community Capacity-Building & Leadership Development”; (3) “Consensus Building & Dispute Resolution”; (4) “Multi-Stakeholder Partnerships & Leveraging of Resources”; (5) “Constructive Engagement by Relevant Stakeholders”; (6) “Sound Management & Implementation”; and (7) “Evaluation, Lessons Learned & Replication of Best Practices.” (EPA OIG modification of image from the EPA’s *Environmental Justice Collaborative Problem-Solving Model*, dated June 2008)

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OFFICE OF INSPECTOR GENERAL
U.S. ENVIRONMENTAL PROTECTION AGENCY

August 6, 2025

MEMORANDUM

SUBJECT: Audit of the EPA's Fiscal Year 2021 Environmental Justice Collaborative Problem-Solving Cooperative Agreements
Report No. 25-P-0046

FROM: Nicole N. Murley, Acting Inspector General *Nicole N. Murley*

TO: Theresa Segovia, Principal Deputy Assistant Administrator
Office of Environmental Justice and External Civil Rights

This is our report on the subject audit conducted by the U.S. Environmental Protection Agency Office of Inspector General. The project number for this audit was OA-FY25-0004. This report contains findings that describe the problems the OIG has identified. Final determinations on matters in this report will be made by EPA managers in accordance with established audit resolution procedures.

A response to this report is not required because the report contains no recommendations. If your office submits a response, however, it will be posted on the OIG's website, along with our memorandum commenting on the response. The response should be provided as an Adobe PDF file that complies with the requirements of section 508 of the Rehabilitation Act of 1973, as amended. The final response should not contain data that your office does not want released to the public; if the response contains such data, your office should identify the data for redaction or removal along with corresponding justification.

We will post this report to our website at www.epaoig.gov.



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Background, Scope, & Methodology

In response to a congressional request, our objective was to determine whether the fiscal year 2021 Environmental Justice Collaborative Problem-Solving, or EJCS, Program was achieving project objectives and whether the U.S. Environmental Protection Agency's monitoring of these projects ensured that funds were used as intended. For FY 2021, the EJCS Program awarded about \$6.8 million to 34 applicants for projects that address environmental and public health issues stemming from air pollution and unsafe drinking water.

The Agency awards funds via cooperative agreements when substantial EPA program involvement with recipients of the funds is anticipated during their projects. Since September 2022, the EPA Office of Environmental Justice and External Civil Rights, or OEJEER, has overseen the EJCS Program, while each EPA region manages the cooperative agreements within its purview. Previously, the Office of Environmental Justice, located in the Office of Policy under the EPA Office of the Administrator, oversaw this work. In March 2025, the EPA announced that it would terminate the Environmental Justice and Diversity, Equity, and Inclusion arms of the Agency. This termination included cancelling all EJCS cooperative agreements, with about \$40 million remaining in unspent funds.

We conducted this performance audit from October 2024 to May 2025 in accordance with generally accepted government auditing standards, except for assessing internal controls. Specifically, we were unable to fully assess internal controls because the EPA terminated all EJCS cooperative agreements. We believe that this departure from the standards had no adverse effect on the evidence obtained and that the evidence provides a reasonable basis for our findings and conclusions based on our audit objective. To answer our objective, we judgmentally selected six FY 2021 EJCS cooperative agreements with a combined awarded amount of \$1.15 million across three EPA regions. We reviewed the EPA's request for applications and project files, interviewed the EPA's regional project officers, and conducted site visits to EJCS cooperative agreement recipients.

Finding

We were unable to determine whether the EJCS cooperative agreements we reviewed fully achieved the project objectives described in work plans, as well as whether the EPA's monitoring of these projects ensured that the funding was being used as intended. Specifically, (1) four of six work plans did not consistently contain well-defined measurable outputs and expected outcomes, (2) three of six recipients' performance reports lacked details to fully measure progress, and (3) the project officers for four of six projects did not document their review of recipients' performance reports.

Criteria



EPA Order 5700.7A1, *Environmental Results under EPA Assistance Agreements*, states that:

- EPA program offices must ensure that work plans contain well-defined outputs and, to the maximum extent practicable, expected outcomes.
- Outputs must be measurable during the assistance agreement funding period.
- EPA program offices must review recipients' performance reports and document this assessment.

Cause



The OEJEER did not provide sufficient guidance to supplement EPA Order 5700.7A1 for the EJCS Program to implement during its approval of work plans and monitoring of cooperative agreements.

Without measurable objectives—outputs and outcomes—the EPA cannot assess project success or ensure that the expended amount of almost \$1.1 million of cooperative agreement funds that we reviewed were used as intended. Further, if project officers do not document their reviews of recipient performance reports, the EPA may lack critical information to ensure that project objectives are being met. As a result, recipients may not be held accountable for the success of their projects.

Because of the pending changes in OEJEER operations, we are notifying management of this issue. We are aware of recent efforts to improve guidance and oversight tools, such as the October 2024 standard operating procedure to review performance reports. However, as the Agency determines which offices will assume the OEJEER's functions, it should take appropriate action to address the issue that we identified. If your office does so, we would appreciate notification of that action.



Whistleblower Protection

U.S. Environmental Protection Agency

The whistleblower protection coordinator's role is to educate Agency employees about prohibitions against retaliation for protected disclosures and the rights and remedies against retaliation. For more information, please visit the OIG's whistleblower protection [webpage](#).

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