

Great Lakes Restoration Initiative Grants Documented Most Achievements, but the EPA Could Improve Monitoring and Reporting

June 3, 2024 | Report No. 24-P-0043



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Abbreviations

C.F.R.	Code of Federal Regulations
EPA	U.S. Environmental Protection Agency
FY	Fiscal Year
GLNPO	Great Lakes National Program Office
GLRI	Great Lakes Restoration Initiative
OCIR	Office of Congressional and Intergovernmental Relations
OIG	Office of Inspector General
Pub. L.	Public Law
U.S.C.	United States Code

Key Definitions

Please see Appendix A for key definitions

Cover Image

A view of the Great Lakes from space. (EPA image)

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At a Glance

Great Lakes Restoration Initiative Grants Documented Most Achievements, but the EPA Could Improve Monitoring and Reporting

Why We Did This Audit

The U.S. Environmental Protection Agency Office of Inspector General conducted this audit to determine the extent to which the Great Lakes Restoration Initiative grants support the EPA's program goals for the Great Lakes.

In September 2023, we issued a related report, EPA OIG Report No. [23-P-0034](#) to address whether the EPA awarded and monitored GLRI grants in accordance with federal laws, regulations, policies, and procedures.

The Great Lakes Restoration Initiative is a partnership among 16 federal agencies, including the EPA, that funds the restoration of the Great Lakes ecosystem. From fiscal year 2010 through 2021, the initiative distributed \$3.2 billion in grants.

To support this EPA mission-related effort:

- *Partnering with states and other stakeholders.*

To address these top EPA management challenges:

- *Integrating and implementing environmental justice.*
- *Managing grants, contracts, and data systems.*

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

[List of OIG reports.](#)

What We Found

The Great Lakes Restoration Initiative, or GLRI, grants we reviewed documented contributions to the EPA's program goals for the Great Lakes including protection of habitats, reduction of discharges of untreated stormwater, and management of invasive species. However, the GLRI grant recipients did not always include environmental justice outputs and outcomes in their final reports.

Grant recipients have the option to include environmental justice outputs and outcomes in their work plans. If included, recipients are required by the grant agreement to report all results, including environmental justice-related results, in their progress and final project reports. Fourteen, or around 47 percent, of the 30 GLRI grants we reviewed included expected outputs and outcomes for environmental justice goals in the work plans. Of this subset, only four, or roughly 29 percent, of the 14 grants clearly documented the achievement of these results in the final project reports. GLRI grant recipients did not always report whether they achieved environmental justice-related activities in their final project reports, nor did EPA project officers monitor whether the GLRI grant recipients included all outputs and outcomes in their final project reports.

The Clean Water Act requires that the Agency submit annual reports detailing the GLRI's progress and spending to Congress. At the beginning of our audit, we observed that the Agency submitted annual reports for FYs 2010 through 2017, but it had not issued reports for FYs 2018 through 2021. The delayed issuance of the FY 2018 required report was complicated by several administrative factors outside the Agency's control, to include changes in administration, which delayed issuance of subsequent required reports. The Agency did subsequently submit reports to Congress for FYs 2018 and 2019 in December 2021 and September 2022, respectively. In April 2023, the Agency submitted a combined GLRI report to Congress for FYs 2020 and 2021.

By improving reporting of environmental results, the EPA can better show how GLRI money is spent to protect and restore the Great Lakes ecosystem.

Recommendations and Planned Agency Corrective Actions

We recommend that the regional administrator for EPA Region 5 require periodic training and provide learning resources for project officers, update the final report template and guidance for grant recipients, evaluate and report environmental justice-related outputs and outcomes of GLRI grants, and submit annual reports to Congress as required by the Clean Water Act. We also recommend that the associate administrator for Congressional and Intergovernmental Relations implement a process to verify that required reports to Congress are tracked and submitted in a timely manner. The EPA agreed with all recommendations and provided planned corrective actions and milestones that meet the intent of Recommendations 1, 3, and 4. The EPA completed corrective actions for Recommendations 2 and 5.



OFFICE OF INSPECTOR GENERAL
U.S. ENVIRONMENTAL PROTECTION AGENCY

June 3, 2024

MEMORANDUM

SUBJECT: Great Lakes Restoration Initiative Grants Documented Most Achievements, but the EPA Could Improve Monitoring and Reporting
Report No. 24-P-0043

FROM: Sean W. O'Donnell, Inspector General *Sean W O'Donnell*

TO: Debra Shore, Regional Administrator
Region 5

Tim Del Monico, Associate Administrator
Office of Congressional and Intergovernmental Relations

This is our final 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-FY21-0227](#). This report contains findings that describe the problems the OIG has identified and corrective actions the OIG recommends. Final determinations on matters in this report will be made by EPA managers in accordance with established audit resolution procedures.

EPA Region 5 is responsible for the overall supervision of the Great Lakes National Program Office, which implements the Great Lakes Restoration Initiative. The associate administrator for Congressional and Intergovernmental Relations oversees the process used to issue annual reports to Congress, such as the GLRI report, that are required by environmental statute.

In accordance with EPA Manual 2750, the Great Lakes National Program Office completed corrective actions for Recommendation 2 and the Office of Congressional and Intergovernmental Relations completed corrective actions for Recommendation 5. The Great Lakes National Program Office also provided acceptable planned corrective actions and estimated milestone dates in response to Recommendations 1, 3, and 4. These recommendations are resolved, and no final response pertaining to these recommendations is required; however, if you submit a response, it will be posted on the OIG's website, along with our memorandum commenting on your response.

Your response should be provided as an Adobe PDF file that complies with the accessibility requirements of section 508 of the Rehabilitation Act of 1973, as amended. The final response should not contain data

that you do not want to be released to the public; if your response contains such data, you 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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Chapter 1

Introduction

Purpose

The U.S. Environmental Protection Agency Office of Inspector General [initiated](#) this performance audit to determine (1) whether the EPA awarded and monitored the Great Lakes Restoration Initiative, or GLRI, grants in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. part 200, commonly known and hereafter referred to as the [Uniform Guidance](#), and other applicable federal laws, regulations, policies, and procedures and (2) the extent to which EPA GLRI grants support the Agency's program goals for the Great Lakes. This report is limited to the objective to determine the extent to which EPA GLRI grants support the Agency's program goals for the Great Lakes. We issued a separate report, EPA OIG Report No. [23-P-0034](#), to address the first objective on September 26, 2023.

Top management challenges addressed

This audit addresses the following top management challenges for the Agency, as identified in *The EPA's Fiscal Year 2024 Top Management Challenges [report](#)*, issued November 15, 2023:

- Integrating and implementing environmental justice.
- Managing grants, contracts, and data systems.

Background

The Great Lakes represent a vital economic and environmental resource to the United States and compose the largest surface freshwater ecosystem in the world. According to the Congressional Research Service, agricultural activity, coupled with urban and industrial development, has degraded the natural habitat of the Great Lakes. This development has contributed to changes in terrestrial and aquatic habitats, such as the introduction of nonnative species, the contamination of sediments, and the listing of dozens of species in the ecosystem as threatened or endangered. These challenges prompted the federal government to implement restoration activities within the Great Lakes.

Great Lakes Quick Facts

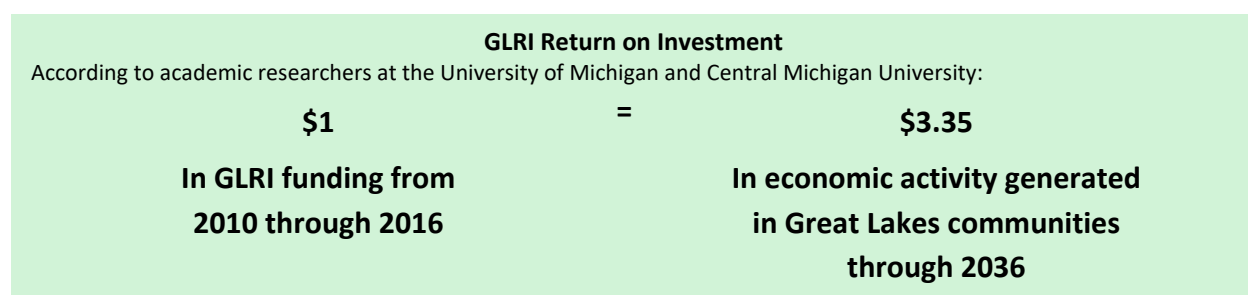
The Great Lakes:

- Include Lake Erie, Lake Huron, Lake Michigan, Lake Ontario, and Lake Superior.
- Are bordered by eight states: Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, and Wisconsin.
- Account for 84 percent of North America's surface freshwater.
- Provide approximately 10 percent of the U.S. population with drinking water.
- Generated \$3.2 trillion in gross domestic product, representing nearly 16 percent of the U.S. gross domestic product according to National Oceanic and Atmospheric Administration data for 2017.
- Generate \$15 billion annually from water-related outdoor recreational activities according to U.S. Fish and Wildlife Service data for fiscal year 2000.

The History of the GLRI

The Agreement between Canada and the United States on Great Lakes Water Quality was signed in 1972 and subsequently amended. It is a commitment between the two countries to restore and protect the Great Lakes. Commonly referred to as the Great Lakes Water Quality Agreement, it provides a framework for identifying binational priorities and implementing actions that improve water quality. Since the signing of the agreement, the U.S. federal government has worked to restore and maintain the integrity of the Great Lakes. The EPA coordinates U.S. activities under the agreement.

In addition to coordinating U.S. activities under the agreement, the EPA is also responsible for managing, distributing, and overseeing the use of GLRI funding. In fiscal year 2010, Congress authorized \$475 million to create the GLRI. The GLRI is a partnership among 16 federal agencies—including the EPA, the Fish and Wildlife Service, and the National Oceanic and Atmospheric Administration. This partnership provides funds to states, tribes, and nongovernmental organizations to help advance the Great Lakes Water Quality Agreement goals to control pollution and to restore and maintain the chemical, physical, and biological integrity of the Great Lakes ecosystem.



From FY 2010 through 2021, the EPA and its federal partners collectively distributed \$3.2 billion in GLRI funds to almost 600 recipients, for an average of approximately \$270 million each year. The EPA directly oversaw the distribution of \$1.2 billion, or roughly 38 percent, of the GLRI funds. The GLRI provided these funds through grants and interagency agreements. The EPA awarded GLRI funds to recipients located in all eight Great Lakes states, with 31 percent of EPA-funded GLRI projects located in Michigan. In addition, the Infrastructure Investment and Jobs Act, Pub. L. 117-58, made available \$1 billion in funding for the GLRI in equal amounts for each fiscal year from FY 2022 through 2026. The Great Lakes Restoration Initiative Act of 2019, Pub. L. 116-294, also authorized GLRI appropriations for FYs 2022 through 2026, and Congress appropriated \$348 million and \$368 million for the GLRI in annual appropriations legislation for FYs 2022 and 2023, respectively.

The GLRI Action Plans, Grants, and Required Reports to Congress

Every five years, the GLRI Regional Working Group and the Great Lakes Interagency Task Force, both led by the EPA Great Lakes National Program Office, or GLNPO, prepare an action plan to help achieve the GLRI's long-term goals for the Great Lakes ecosystem. As shown in Figure 1, the GLRI Regional Working Group and the Great Lakes Interagency Task Force prepared three action plans since 2010 to track progress toward goals and performance measures established under five focus areas: (1) toxic

substances and areas of concern; (2) invasive species; (3) nonpoint source pollution and nearshore health; (4) habitats, wildlife, and species; and (5) other activities that contribute to the success of future restoration actions, such as partnerships and education.

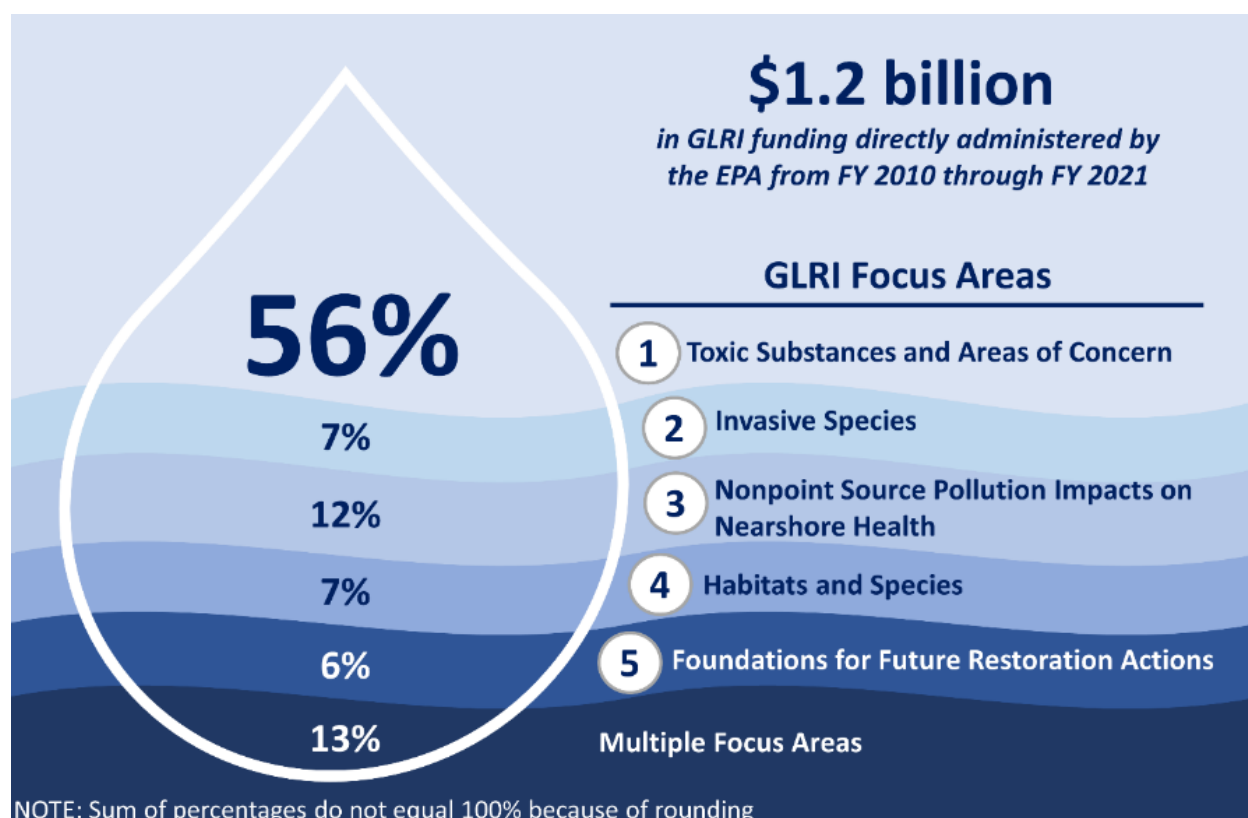
Figure 1: The GLRI's five-year action plans establish focus areas, goals, and performance measures



Source: GLRI action plan covers. (EPA OIG image)

The focus areas in the action plans help the Great Lakes Interagency Task Force prioritize how and where to distribute GLRI funds. As shown in Figure 2, \$155 million, or nearly 13 percent, of \$1.2 billion of GLRI funds awarded by the EPA from FY 2010 through 2021 addressed multiple focus areas. Roughly \$687 million, or around 56 percent, of GLRI funds awarded by the EPA fell under focus area 1, which addresses toxic substances and areas of concern. *Great Lakes Restoration Initiative Action Plan II* focuses on FYs 2015 through 2019 and pertains to the grants we reviewed. In *Action Plan II*, focus area 1 included two measures of progress. The first measure of progress was the number of beneficial use impairments removed from geographic areas designated by the agreement where impairments have occurred because of human activities, also known as **areas of concern**. **Beneficial use impairments** are changes in the chemical, physical, or biological integrity of the Great Lakes ecosystem sufficient to cause significant environmental degradation. The second measure of performance was the number of areas of concern in which all management actions necessary for delisting have been implemented.

Figure 2: Distribution of the EPA's GLRI funding by focus area



Source: OIG analysis of GLRI data as of September 30, 2021. (EPA OIG image)

GLRI Achievements

Since its creation in 2010, the GLRI has accelerated the removal of beneficial use impairments, which contributed to the delisting of areas of concern. Before 2010, only ten beneficial use impairments had been removed and only one U.S. area of concern—Oswego, New York—had been fully delisted. From 2010 through 2022, GLRI-funded projects contributed to the removal of 103 beneficial use impairments and the delisting of five additional U.S. areas of concern: Presque Isle, Pennsylvania; Deer Lake, Michigan; White Lake, Michigan; Lower Menominee, Michigan/Wisconsin; and Ashtabula River, Ohio.

The GLRI Grant Award Process

Generally, the EPA issues a *Request for Applications* to announce the availability of GLRI funds and to solicit applications from nonfederal entities for competitive grants.¹ As part of the application package, each applicant submits a work plan to the EPA that describes the purpose and activities of the proposed project; specifies work components, associated costs, and deliverables; justifies financial and resource needs; and outlines the expected environmental results of the project. EPA Region 5 grant specialists and GLNPO project officers review the submitted application packages and award GLRI grants to applicants that meet the criteria established in the *Request for Applications* and other applicable

¹ The scope of our assignment focused on GLRI grants, although the EPA may also distribute GLRI funds through interagency agreements and contracts.

regulations, such as the Uniform Guidance. After the EPA approves the proposals, the applicants enter into grant agreements with the Agency to perform the work in accordance with the terms and conditions of the grant, which includes reporting on the progress made toward all expected environmental results of the project. The expected environmental results can include outputs and outcomes. Program offices must review the submitted progress and final reports to determine whether the recipient achieved the environmental outputs and outcomes contained in the work plan.

The GLRI and Environmental Justice

The GLRI recognizes in its action plans that the cleanup of areas of concern has led to community revitalization, which is especially important in environmentally overburdened, underserved, and economically distressed communities. As shown in Figure 3, environmental justice has been a priority of the EPA for nearly 30 years. Beginning in 1994, Executive Order 12898, *Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations*, directed each federal agency to make achieving environmental protection part of its mission for all communities, especially those with minority and low-income populations. In 2021, Executive Order 14008, *Tackling the Climate Crisis at Home and Abroad*, established the Justice40 Initiative, which aims to advance environmental justice by committing at least 40 percent of the overall benefits of federal investments in applicable programs to overburdened and underserved communities. The EPA identified Office of Water geographic programs, including the GLRI, as Justice40 Initiative programs in June 2022. Additionally, GLNPO issued a new *Request for Applications* in May 2023 to create Great Lakes Environmental Justice Grant Programs. These programs will fund GLRI grants for environmental restoration and protection projects in underserved communities on a basinwide or more localized basis.²

Definition of Grant Agreement, Outcomes, and Outputs

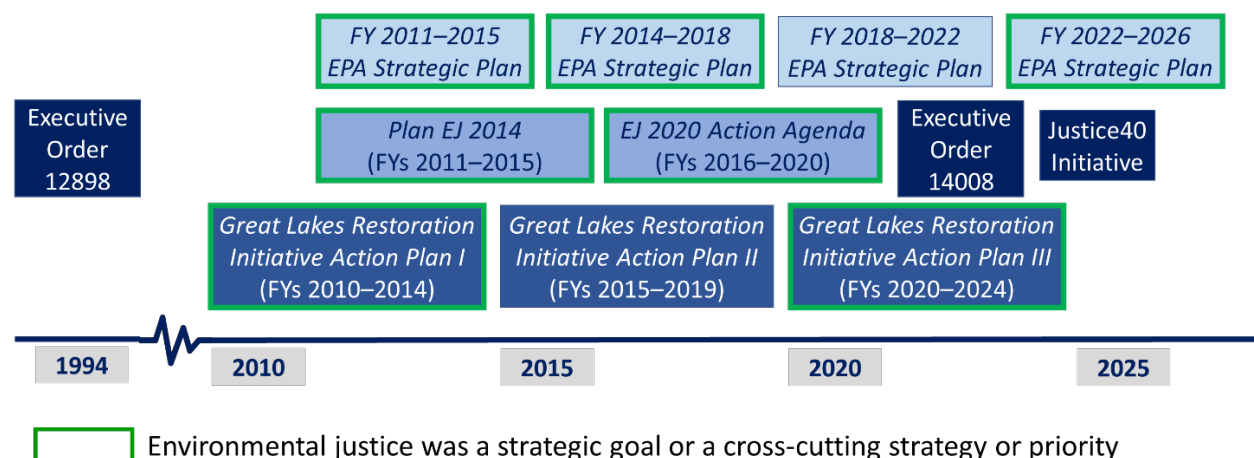
Grant Agreement: A legal instrument of financial assistance that includes the terms and conditions that the entity must follow when it accepts the GLRI funds, such as providing GLNPO with semiannual progress reports and a final report with project results.

Outcomes: The results or effects of the environmental program or activity on the GLRI goals.

Outputs: The environmental activities or products achieved during the GLRI assistance agreement funding period.

² Applications to the Great Lakes Environmental Justice Grant Programs grant were accepted through August 11, 2023. The “Great Lakes Restoration Initiative FY 2023 Request for Applications (RFA) to Create Great Lakes Environmental Justice Grant Programs (GLEJGPs)” [website](#) has more information on this topic.

Figure 3: Environmental justice as an EPA and GLRI priority for FYs 1994 through 2026



Note: EJ = Environmental justice.

Source: OIG analysis of EPA environmental justice-related planning documents. (EPA OIG image)

The Requirements for GLRI Grant Recipients to Report Progress and Final Outcomes

The GLRI's five-year action plans outline the GLRI's strategic direction for restoring and protecting the Great Lakes and include the objectives, commitments, and measures of progress for each of the five focus areas. Per the terms and conditions of the GLRI grant agreement, each grant recipient agrees to submit progress reports that include (1) a comparison of the project's accomplishments to the outputs and outcomes established in the work plan and (2) the reasons why the established outputs and outcomes were not achieved, if applicable.

The grant recipient must submit progress reports to the GLNPO project officer no later than April 30 and October 30 of each year that the project is active. The grant recipient must also submit a final report that details the project outputs; summarizes the project's nature and extent, employed methodologies, and significant events and experiences; presents a compilation of the data collected; and summarizes the project's cumulative achievements. If grant recipients included optional environmental justice outputs and outcomes in their work plans, they are required by the terms and conditions of their grant agreements to report these results in their progress and final reports. Those outputs and outcomes will vary by project but could include project-related benefits provided to the community and engagement with local organizations.

EPA Order 5700.7A1, *Environmental Results under EPA Assistance Agreements*, requires Agency program offices to ensure that outputs and outcomes are appropriately addressed in the work plans and progress reports, to review the results from the completed projects, and to report whether the projects advanced the Agency's mission of protecting human health and the environment. The program office must also review the project's progress and final reports to determine whether the recipient achieved the environmental and human health outputs and outcomes contained in the work plan.

Per the *GLNPO Project Officers Toolkit for Managing Grant Agreements*, the project officer must communicate approval of or identify issues that the grant recipient needs to resolve in the submitted progress report. The project officer is also responsible for reviewing the final report to ensure that the grant recipient completed all work plan activities. After reviewing the final report, the project officer completes the Final Report Review Form to indicate approval of the final report or identifies outstanding issues that the grant recipient must resolve in the final report.

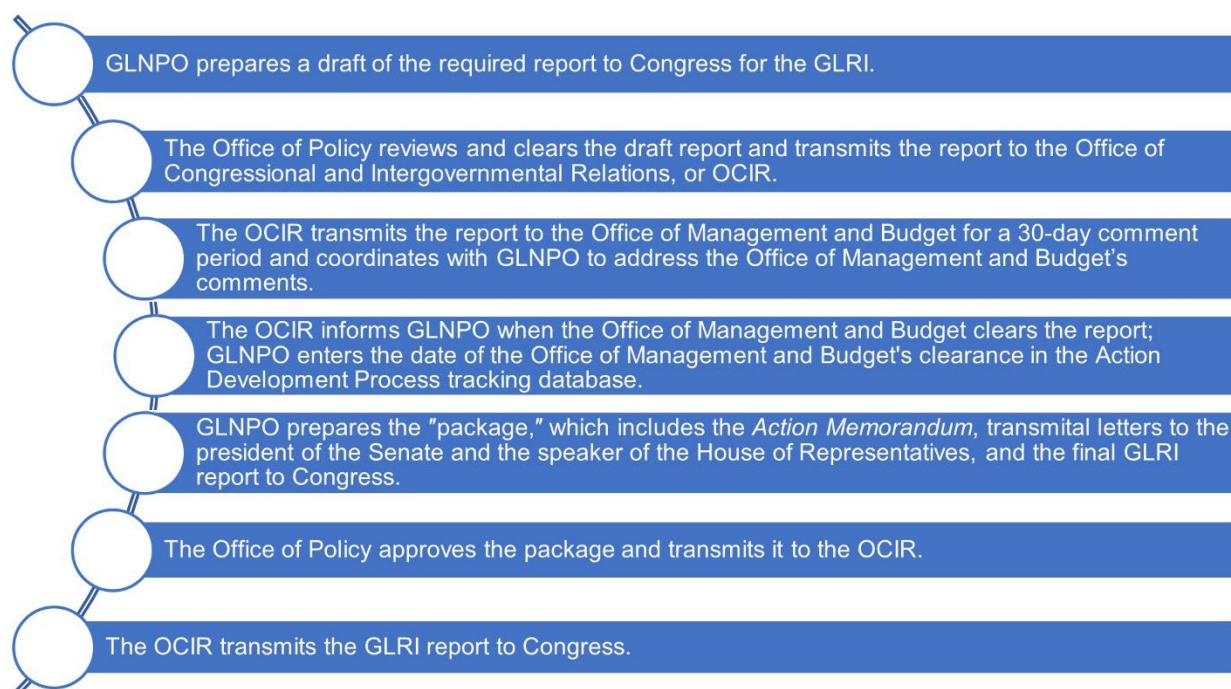
The Annual Reports to Congress that Describe GLRI Funding and Progress

The conference report to the Department of the Interior, Environment, and Related Agencies Appropriations Act of 2010, referred to as the 2010 appropriations conference report from here forward, required the EPA to provide annual reports to Congress that describe the yearly GLRI accomplishments and compare specific funding levels for the Agency and its 15 federal GLRI partners for FYs 2011 through 2016.³ Since FY 2016, section 118(c)(7)(H)(iii) of the Clean Water Act has required the EPA to provide an annual report on GLRI progress to the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works. This annual report must provide a detailed description of the GLRI's progress and of the funds transferred to participating federal departments and agencies.

The EPA's Action Development Process outlines the procedures that program offices use for developing, reviewing, and approving Agency actions, including issuing reports to Congress. The EPA's Action Development Process classifies reports to Congress as nonregulatory actions, which are typically more routine or less contentious than other types of Agency actions, such as rulemaking. Reports to Congress can follow one of two paths, depending on whether they are required through authorizing statutes, such as the Clean Water Act, or through appropriations legislation, such as the 2010 appropriations conference report. The Action Development Process includes a supplemental Action Aid that provides more information to program offices issuing reports to Congress. From FY 2011 through 2016, GLRI annual reports to Congress followed the procedures for reports required by appropriations laws and were managed by the Office of the Chief Financial Officer. Since FY 2017, the GLRI annual reports have followed the procedures for reports required by authorizing statutes and have been managed by the EPA Office of Congressional and Intergovernmental Relations, or OCIR. Figure 4 outlines the procedures for reports required by authorizing statutes.

³ [H.R. Report No. 111-316](#), at 110-11 (2009) (Conf. Rep.)

Figure 4: EPA procedures for processing GLRI annual reports required by authorizing statutes



Source: OIG summary of the EPA's Action Development Process for reports to Congress. (EPA OIG image)

Responsible Offices

Three EPA offices are responsible for the issues discussed in this report, including GLNPO, Region 5's Office of Regional Administrator, and the OCIR. Region 5's Office of the Regional Administrator oversees the administration and evaluation of regional environmental programs that serve states that border the Great Lakes. As the Great Lakes national program manager, the regional administrator has delegated authority to:

[T]ake all necessary actions to approve grants and/or cooperative agreements with governmental entities, nonprofit organizations, institutions and individuals for planning, research, monitoring, outreach and implementation in furtherance of the [GLRI] and the Great Lakes Water Quality Agreement.

These authorities may be redelegated to the director of GLNPO or the Region 5 Office of Water division director.

GLNPO coordinates U.S. responsibilities under the Great Lakes Water Quality Agreement to develop and implement the GLRI action plans, to establish a surveillance network to monitor water quality of the Great Lakes, to coordinate actions of the EPA aimed at improving Great Lakes water quality, and to coordinate with other federal agencies and state and local authorities to develop water quality strategies. From FY 2010 through 2021, GLNPO directly oversaw the distribution of about \$1.2 billion of

the \$3.2 billion in funds awarded through the GLRI by the EPA and its federal partners. GLNPO also coordinates the preparation of the annual report to Congress, which describes the progress the GLRI has made toward its goals and the funds transferred to the GLRI's federal partners.

The OCIR serves as the EPA's main point of contact for Congress, states, and local governments. Its responsibilities include developing and implementing the legislative agenda for the Agency and facilitating communication of the Agency priorities and policies to Congress. The OCIR also coordinates the process that EPA programs use to prepare and issue reports to Congress required by authorizing statutes, such as the GLRI's annual report to Congress.

Scope and Methodology

We conducted this performance audit from July 2021 to November 2023 in accordance with generally accepted government auditing standards. 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.

This report is limited to the objective to determine the extent to which EPA GLRI grants support the Agency's program goals for the Great Lakes. We issued a separate report to address whether the EPA awarded and monitored GLRI grants in accordance with federal laws, regulations, policies, and procedures.

This audit focuses on GLRI grants with project end dates in FY 2019. This focus allowed us to assess the environmental results of the completed grants. We used the EPA's financial system, Compass Business Objects Reporting, to identify the 69 GLRI grants for projects with project end dates in FY 2019. These 69 GLRI grants were awarded from December 2012 through September 2018. They represent \$65.6 million, or around 5.5 percent, of the \$1.2 billion for all projects funded by EPA GLRI grants from FY 2010 through 2021. The 69 GLRI grants included projects that addressed all GLRI focus areas, with \$21.3 million, or approximately 32 percent, of the \$65.6 million in grant projects falling under focus area 1.

We selected and assessed 30, or approximately 43 percent, of the 69 GLRI grants with project end dates in FY 2019 to determine whether the projects achieved the stated environmental results—including environmental justice-related results if they were included under the optional "Community-Based Focus and Environmental Justice Impacts" section of the grant work plans. We examined the work plans, progress reports, and final reports that the grant recipients submitted to the Agency to confirm that the outputs and outcomes matched the stated goals of the grants. Based on our review, we categorized grant documentation as having (1) achieved or exceeded grant goals; (2) nearly achieved grant goals, with 80 percent or more of outputs and outcomes achieved; or (3) not achieved grant goals. If we could not determine to what extent the grant goals were achieved or if the applicant did not accept the grant, we categorized the grant status as undetermined. During our assessment, we determined that one grant in the sample was not accepted by the applicant. As such, the applicant did not complete project work;

therefore, we could not determine results for this particular grant, but were able to review the submitted work plan for inclusion of the environmental justice section. We did not visit project sites because of the coronavirus pandemic—that is, the SARS CoV-2 virus and the resultant COVID-19 disease. As such, we did not independently verify the outputs and outcomes. We relied on the information that the Agency provided to us from its grant files. Our selected sample was nonstatistical. Therefore, the results of our assessments cannot be projected to all GLRI grants but we determined that the sample provided sufficient and appropriate evidence to support our audit findings and recommendations.

We reviewed the Great Lakes Water Quality Agreement, as well as applicable laws, such as the Great Lakes Legacy Act of 2002, which authorized funds for remediation of sediment contamination in areas of concern, and the Clean Water Act. We reviewed relevant authorities, such as the Uniform Guidance, 2 C.F.R. part 200; 44 U.S.C. chapter 31, “Records Management by Federal Agencies;” Executive Order 12898; Executive Order 13340, *Establishment of Great Lakes Interagency Task Force and Promotion of a Regional Collaboration of National Significance for the Great Lakes*; and Executive Order 14008. We also reviewed the three GLRI action plans, the annual GLRI reports to Congress for FYs 2010 through 2021, the EPA’s *Strategic Plans*, the Office of Water’s *Program Managers Guidance*, and the EPA’s enacted appropriations for FYs 2010 through 2021.

We interviewed managers and staff from GLNPO about the GLRI’s goals and target-setting processes. We also interviewed the project officers and grant specialists responsible for administering the assessed GLRI grants about grant-award and -monitoring processes. We also spoke to the Office of Water staff about their role within the GLRI program and to the OCIR staff about the issuance of GLRI reports to Congress. Additionally, we interviewed three nongovernmental organizations about their perceptions of GLRI accomplishments and challenges, as well as their experiences working with GLRI grants.

Assessment of Internal Controls

We assessed the internal controls necessary to satisfy our audit objective.⁴ In particular, we assessed the internal control components—as outlined in the U.S. Government Accountability Office’s *Standards for Internal Control in the Federal Government*—significant to our audit objective, including Principle 7, which requires management to identify and analyze risks related to achieving the effectiveness and efficiency of operations, reliability of reporting, and compliance with applicable laws and regulations.

⁴ A federal agency designs, implements, and operates internal controls to achieve its objectives and reduce risks related to operations, reporting, and compliance. The Government Accountability Office sets internal control standards for federal agencies in GAO-14-704G, *Standards for Internal Control in the Federal Government*, issued September 10, 2014.

Definition of an Internal Control System

A continuous built-in component of operations, effected by people, that provides reasonable assurance, not absolute assurance, that an entity will achieve its objectives.

[GAO-14-704G](#), *Standards for Internal Control in the Federal Government*, September 2014

Any internal control deficiencies we found are discussed in this report. Because our audit was limited to the internal control components deemed significant to our audit objective, it may not have disclosed all internal control deficiencies that may have existed at the time of the audit.

Prior Reports

The EPA OIG and the Government Accountability Office have issued reports relevant to the findings we discuss in this report about the GLRI. We issued EPA OIG Report No. [23-P-0034](#), *The EPA Should Improve Management of Great Lakes Restoration Initiative Grants*, on September 26, 2023. This report found that the EPA did not award or monitor GLRI grants in accordance with federal and Agency grants-management requirements. We identified questionable project costs totaling \$611,756. In addition, EPA staff did not conduct required monitoring in a timely, accurate, or complete manner and did not maintain GLRI grant documentation in the official grant file as required by EPA policy. The EPA implemented processes to manage grants and to mitigate operational challenges, but managers did not regularly provide staff with training on these processes. Furthermore, Agency guidance did not include key procedures to monitor staff compliance with grants-management and recordkeeping requirements. We issued four recommendations. As of January 19, 2024, all four recommendations are resolved with corrective actions pending.

We issued EPA OIG Report No. [14-P-0004](#), *Environmental Benefits Being Considered in Award of Great Lakes Grants*, on November 5, 2013. We conducted this audit to address a hotline complaint that alleged that GLNPO had awarded Great Lakes Shoreline Cities Green Infrastructure grants through the GLRI using population size as the primary determining factor instead of the potential environmental benefit from the funded grant. We concluded that, before it awarded the grants, Region 5 took prompt action to ensure that the grants would support lakewide management plan activities and would result in the reduction of discharges into the Great Lakes. We did not issue any recommendations in this report.

The Government Accountability Office issued Report No. [GAO-13-797](#), *Great Lakes Restoration Initiative: Further Actions Would Result in More Useful Assessments and Help Address Factors That Limit Progress*, in September 2013. The Government Accountability Office found that action plan measures might not produce comprehensive and useful assessments of GLRI progress because some goals and objectives were not linked to measures, making it challenging to track progress and to capture results. Additionally, the data used to evaluate projects were not always complete. The Government Accountability Office issued seven recommendations in this report. The EPA implemented corrective actions for all recommendations by incorporating Government Accountability Office feedback when developing the *Great Lakes Restoration Initiative Action Plan* for FYs 2015 through 2019 and the “Environmental Accomplishments in the Great Lakes” database and by creating an adaptive management framework.

Chapter 2

Assessed GLRI Grants Documented Improvements in the Great Lakes, but Anticipated Environmental Justice Results Are Uncertain

Each recipient of a GLRI grant must report the progress it has made toward the project's outputs and outcomes to the EPA in accordance with the grant's terms and conditions. Based on progress and final reports grant recipients submitted to the EPA, the GLRI grants we assessed that completed project work in FY 2019 included documentation of contributions to environmental improvements in the Great Lakes. These reported improvements included protecting high-quality habitats in, reducing the discharge of untreated stormwater into, and managing invasive species in the Great Lakes. The grants' documentation also showed positive contributions to the goals of *Great Lakes Restoration Initiative Action Plan II*, as well as lakewide area-management plans and state-specific goals. However, grant recipients that included optional environmental justice activities in the work plans frequently omitted information about these types of expected outputs and outcomes in the final reports. Templates for progress and final reports did not request that grant recipients include environmental justice-specific results. Additionally, GLNPO project officers did not monitor whether grant recipients included all outputs and outcomes, including those related to environmental justice, in the final reports. As a result, GLNPO could not ascertain whether such projects contributed to environmental justice as expected and cannot convey environmental justice-related outputs and outcomes in required annual reports to Congress.

The GLRI Grants Documented Contributions to the Protection and Restoration of the Great Lakes

Based upon our review of the grant recipients' progress and final reports for the 29 GLRI grants that completed project work in FY 2019, we concluded that the reports documented contributions to the goals of the *Great Lakes Restoration Initiative Action Plan II*, as well as lakewide area-management plans and state-specific goals, and, ultimately, to the restoration of the Great Lakes. We also concluded that the progress and final reports documented that grants achieved their individual objectives, measures, and goals. The projects that these GLRI grants funded protected high-quality habitats, such as coastal wetlands; reduced the discharge of untreated stormwater into the Great Lakes; managed invasive species; and made progress toward removing beneficial use impairments within areas of concern. For example, the recipient of a green infrastructure implementation grant, discussed in the case study below, reported contributions to improved water quality in Lake Michigan. The FY 2019 target for the related *Great Lakes Restoration Initiative Action Plan II* measure of progress included the capture or treatment of 250 million gallons of untreated urban runoff. The green infrastructure implementation project prevented 8.9 million gallons of untreated stormwater from discharging directly into Lake Michigan annually, which contributed about 3.6 percent toward the target for this measure.

Case Study: Green Infrastructure Implementation Neshotah Beach North, Wisconsin

GLRI Grant Amount: \$175,000

GLRI Focus Area: Nonpoint Source Pollution Impacts on Nearshore Health

GLRI Area of Concern: None associated with this grant

Project Description:

The objective for this grant was to construct a treatment wetland at the northern end of Wisconsin's Neshotah Beach to reduce stormwater contaminated with animal waste, suspended solids, and nutrients from discharging directly into Lake Michigan. Neshotah Beach is primarily used by the public for swimming and other recreational activities like playing beach volleyball; viewing Lake Michigan; and holding annual festivals, such as the Kite Fest. The constructed wetland would remove nutrients and suspended solids by detaining stormwater via a storm sewer and allowing native plants, such as brown fox sedge, lake sedge, wool grass, and great lobelia, to remove those contaminants. The grant recipient also planned to prevent invasive species from becoming established within the treatment wetland. Using the EPA's National Stormwater Calculator, the green infrastructure project was estimated to reduce stormwater runoff by approximately 10.1 million gallons annually, thereby improving the water quality of Lake Michigan.

Environmental Results:

The grant recipient reported that it successfully completed the construction of the treatment wetland, which prevented an estimated 8.9 million gallons of untreated stormwater from discharging directly into Lake Michigan annually. The treatment wetland provides infiltration on 100 percent of stormwater flow up to the theoretical five-year, 24-hour storm event. Above the five-year, 24-hour storm event, the wetland device will provide partial infiltration. The resulting water-quality improvements in the nearshore of Lake Michigan are also anticipated to reduce the number of beach closures at Neshotah Beach.

*Untreated stormwater prevented from discharging
directly into Lake Michigan annually:*

GOAL		ACTUAL	
10.1 million	➔	8.9 million	≈ 88%
gallons		gallons	

Source: OIG summary of the green infrastructure implementation grant. (EPA OIG image)

In FY 2019, the recipient of the Oak Openings region invasive species strategy grant, which is discussed in the case study below, reported that it exceeded its goal of removing invasive species from 483 acres of priority habitat by 168 acres. The grant contributed to the 441,736 acres of habitat restored, protected, or enhanced within the Great Lakes in FY 2019. This contribution was more than 1.5 times the target of 287,000 acres set for FY 2019 in the *Great Lakes Restoration Initiative Action Plan II*.

Case Study: Oak Openings Region Invasive Species Strategy Michigan and Ohio

GLRI Grant Amount: \$622,594

GLRI Focus Area: Invasive Species

GLRI Area of Concern: Maumee

Project Description:

The objectives of this grant were to remove invasive plants on 483 acres of priority habitat in the Oak Openings region in southeast Michigan and northwest Ohio, which consists of globally rare wetlands and upland habitats; to create a regional strategy to improve invasive species management; and to educate land managers about the effort and the invasive species strategy. This project used conservation work crews to eliminate invasive species identified as the greatest regional threats, including reed canary grass, bush honeysuckles, oriental bittersweet, and Japanese barberry, from priority lands. According to the project proposal, removing invasive species from the Oak Openings region will benefit rare plants, animals, and natural communities.

Environmental Results:

The grant recipient reported that it removed invasive plants on 651.2 acres of priority Oak Openings habitat, exceeding the target by roughly 34.8 percent, and 370.7 acres received more than one invasive species removal treatment. The grant recipient used the Oak Openings Rapid Assessment Methodology to measure progress toward improved site conditions before and after the removal of invasive plants; preresoration sites scored “fair” while postrestoration sites scored “good,” representing an observable improvement in conditions. The grant recipient also assessed 22 regionally occurring nonnative species and created best management practices for each species, developed the *Oak Openings Invasive Species Strategy*, and held seven workshops to train 156 attendees on the new strategy. Lastly, the grant recipient contacted 95 private landowners to raise awareness about invasive plants.

Invasive species removed from priority lands within the Oak Openings region:

GOAL
483.0 acres

➔

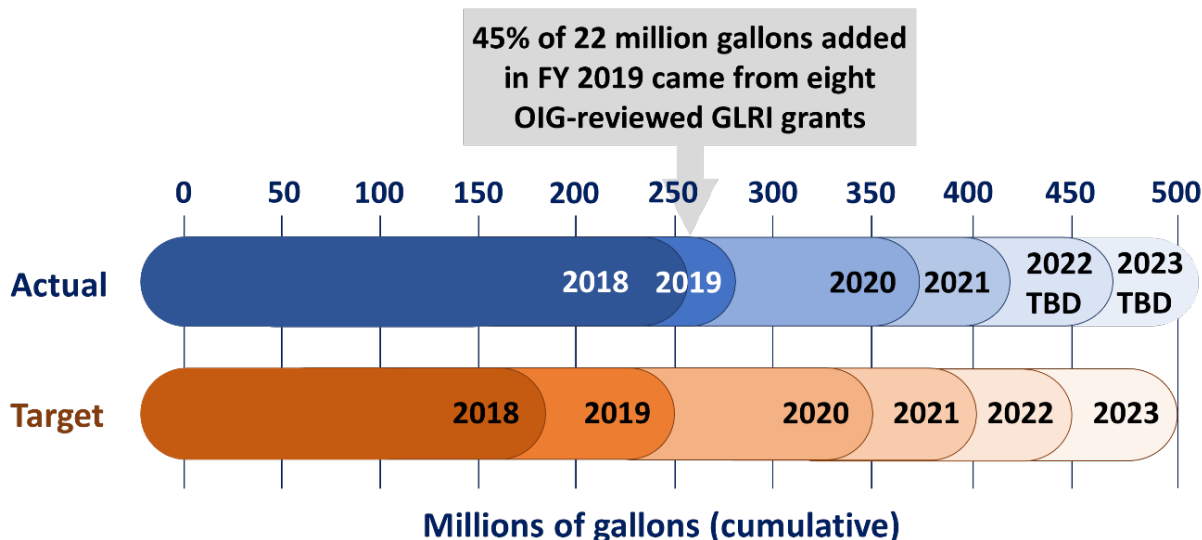
ACTUAL
651.2 acres

≈ **135%**

Source: OIG summary of the Oak Openings region invasive species strategy grant. (EPA OIG image)

The 29 GLRI grants we assessed that completed project work in FY 2019 documented contributions toward multiple GLRI measures and significantly contributed to the two measures highlighted in Figures 5 and 6. For *Great Lakes Restoration Initiative Action Plan II* Measure of Progress 3.2.1, which measures projected volume of untreated stormwater runoff treated or controlled, GLRI projects completed in FY 2019 captured or treated a total of 22 million gallons of urban runoff. As shown in Figure 5, eight, or nearly 28 percent, of the 29 grants we assessed that completed project work—including the green infrastructure implementation grant—reported cumulative contributions of approximately 10 million, or roughly 45 percent, of the 22 million gallons of the projected volume of untreated stormwater runoff treated or controlled in FY 2019. The GLRI exceeded its target for millions of gallons captured for FY 2019 by 24 million gallons.

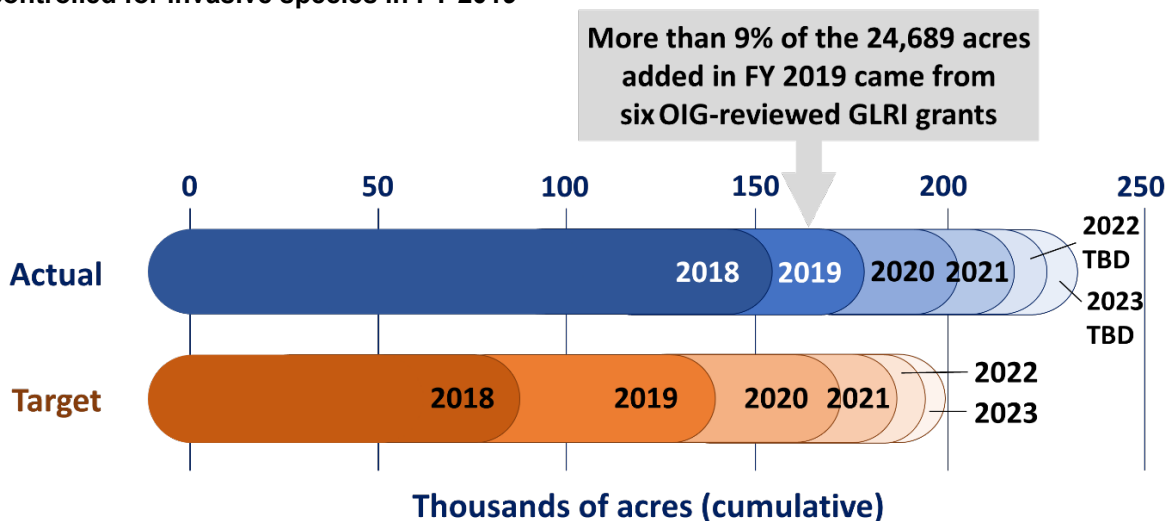
Figure 5: Assessed GLRI grants contributed to the projected volume of untreated urban runoff captured or treated in FY 2019



Source: OIG summary and analysis of GLRI performance data. (EPA OIG image)

For *Great Lakes Restoration Initiative Action Plan II* Measure of Progress 2.2.1, which measures the number of acres treated, prevented, or controlled for invasive species, GLRI grants that completed project work in FY 2019 treated, prevented, or controlled invasive species on 24,689 acres of aquatic or terrestrial acres. As shown in Figure 6, six, or approximately 21 percent, of the 29 grants we assessed—including the Oak Openings region invasive species strategy and removal grant—reported contributions of 2,253 acres, or approximately 9 percent, of the 24,689 acres added to Measure of Progress 2.2.1 in FY 2019. The GLRI exceeded its target for acres controlled for invasive species of 140,000 acres in FY 2019 by 38,258 acres.

Figure 6: Assessed GLRI grants contributed to the number of aquatic or terrestrial acres controlled for invasive species in FY 2019



Source: OIG summary and analysis of GLRI performance data. (EPA OIG image)

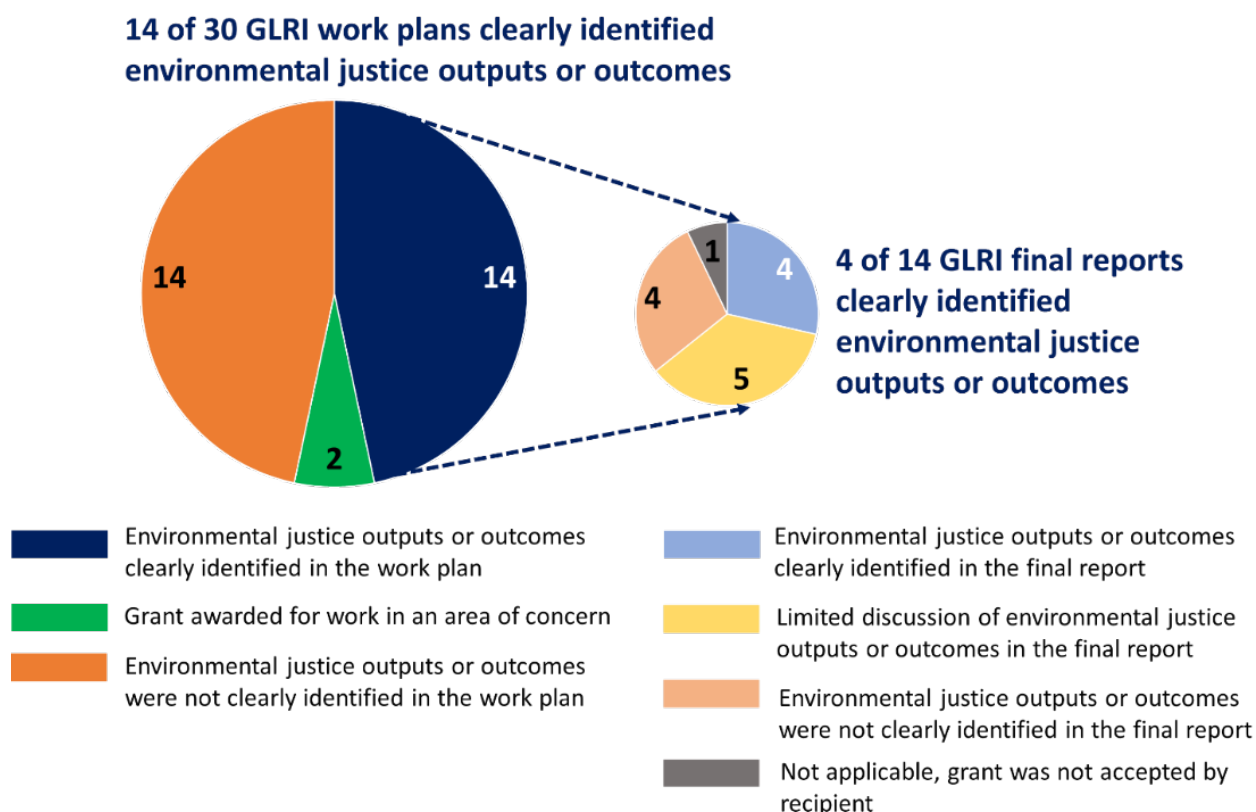
The GLRI Grant Recipients Did Not Always Include Environmental Justice Outputs and Outcomes in Final Reports

Not all GLRI grant recipients that included environmental justice outputs and outcomes in their work plans included environmental justice-related results in their final reports. Each grant recipient has the option to include environmental justice outputs and outcomes in the work plan. However, a grant's terms and conditions require recipients to report the progress made on all outputs and outcomes included in the work plan. Therefore, if the grant recipient includes such information in the work plan, the expected environmental justice outputs and outcomes should be discussed in the progress and final reports.

As Figure 7 details, 14, or nearly 47 percent, of the 30 GLRI grants that we assessed, including the grant not accepted by the recipient, had work plans that clearly identified environmental justice outputs or outcomes as part of the scope of the proposed work plans.⁵ These environmental justice outputs included partnerships with community-based organizations and public outreach through engagement, such as organizing volunteer events. Any environmental benefits or outcomes proposed in the work plan could benefit the identified disadvantaged community and should therefore be considered environmental justice outcomes. Only four, or nearly 29 percent, of the 14 final reports for the grants with environmental justice outputs or outcomes included in their work plans clearly stated in the final reports whether the grant recipients conducted those activities or achieved the planned benefits of the activities. Per the *GLNPO Project Officers Toolkit*, the project officers should have monitored the grant recipients' progress and followed up with the recipients as part of the project officers' reviews of the final reports to ensure that all work plan activities were completed. For example, the EPA awarded a GLRI grant for a land acquisition on Chambers Island in Green Bay, Wisconsin. The work plan indicated that the land would be used to provide a no-cost recreational space for a low-income community—an outcome clearly identified under a separate section in the work plan titled “Community-Based Focus and Environmental Justice Impacts.” The grant recipient's final report, however, limited the discussion to the environmental benefits of the land acquisition and did not indicate whether the land provided the community with a no-cost recreational space as outlined in the work plan.

⁵ For the GLRI grants we assessed, environmental justice outputs and outcomes were typically found in a separate work plan section titled “Community-Based Focus and Environmental Justice Impacts.”

Figure 7: Inclusion of environmental justice in work plans and final reports in assessed GLRI grants



Source: OIG analysis of EPA grant work plans and final reports. (EPA OIG image)

For the grant awarded to control invasive plant species in the Oak Openings region, the work plan and final report identified environmental justice outputs as partnerships with community-based organizations and volunteer events. The environmental justice outcomes were based on the project activities occurring in a disadvantaged community that depended on the ecosystem for dietary and water needs. However, the final report did not specify whether the residents experienced the benefits or outcomes of the project.

The Achievement of Environmental Justice-Related Outputs and Outcomes Included in GLRI Grant Work Plans Was Not Monitored by GLNPO

To comply with EPA Order 5700.7A1, the project officer must, during the monitoring and closeout review of each grant project, determine whether the grant recipient achieved all the outputs and outcomes contained in the grant work plan and identify any discrepancies. For grants that included optional environmental justice outputs and outcomes, we found that project officers did not monitor or determine whether the GLRI grant recipients included all outputs and outcomes in the final reports. GLNPO cannot determine whether the grant project achieved all the results included in the grant recipient's work plan if the grant recipient does not include information about environmental justice outputs and outcomes in the final report.

The work plan, progress report, and final report templates that GLNPO provides to grant recipients should require the grant recipients to include the same environmental justice information in all three documents. Instead, each template requests different information regarding environmental justice. For example, for the grants we reviewed, the EPA GLRI work plan guidance in the *Request for Applications* included separate sections for project outputs and outcomes and environmental justice outputs and outcomes. In the “Community-Based Focus and Environmental Justice Impacts” section of the work plan template, GLNPO requests that recipients describe how the project addresses the needs and concerns of local communities, including those disproportionately impacted by environmental issues, and how the recipients plan to engage with local organizations and parties. In contrast, the EPA GLRI progress and final report templates do not request that grant recipients include a separate list for environmental justice outputs and outcomes, which would mirror the separate “Community-Based Focus and Environmental Justice Impacts” section included in the work plan. However, the final report template requests that the grant recipient list each grant objective or output as it appears in the approved work plan. As a result, the recipient may misunderstand the scope of reporting and omit the community-based and environmental justice outputs and outcomes from the final report as demonstrated in Figure 7.

As stated in the EPA OIG Report No. [23-P-0034](#), training and mentorship resources that GLNPO managers created for new staff do not ensure full compliance with grant requirements and procedures. While experienced staff train and mentor newly hired project officers, experienced staff have not been required to obtain periodic training to stay current with grant requirements. As a result, experienced staff can potentially share outdated information or misinterpretations of grant-management requirements or overlook discrepancies when managing or reviewing grants with newer staff. Additionally, GLNPO reported that staff turnover contributed to workload-management issues and a loss of institutional knowledge from FY 2015 through 2019. A training strategy, including courses and learning resources, could help GLNPO address competency gaps and ensure that all staff are equipped with the right skills to comply with recipient report review requirements.

Conclusion

Based on progress and final reports grant recipients submitted to the EPA, the grants that we assessed that completed project work in FY 2019 provided documentation of contributions to the restoration and protection of the Great Lakes and supported GLRI goals. We could not determine, however, the extent to which ten, or roughly 71 percent, of the 14 grants that included optional environmental justice outputs and outcomes in their work plans supported the Agency’s environmental justice efforts because the final reports often omitted information pertaining to such expected outputs and outcomes. The GLRI grant recipients did not always state whether they conducted the environmental justice activities outlined in work plans in their final project reports as required by the terms and conditions of the grant agreements. EPA project officers did not determine whether the GLRI grant recipients included all outputs and outcomes in the final reports as required by EPA Order 5700.7A1 or follow up with grant recipients about this missing information in the final reports as required by the *Toolkit*. Without a final determination of all project outputs and outcomes, GLNPO cannot convey environmental justice-related

outputs and outcomes in required annual reports to Congress as part of the “detailed description of [GLRI] progress” required by the Clean Water Act. Since the GLRI was identified as a covered program under the Justice40 Initiative in June 2022, GLNPO should track all of a GLRI grant’s achievements, including contributions to the Agency’s environmental justice goals. Additionally, GLNPO issued a request for applications under a new program in May 2023, to create Great Lakes Environmental Justice Grant Programs to fund environmental restoration and protection projects in underserved communities on a basinwide or more localized basis. GLNPO has an opportunity to improve how it tracks and reports the extent that GLRI-funded projects also contribute to environmental justice.

Recommendations

We recommend that the regional administrator for Region 5:

1. Require periodic training and provide learning resources for project officers on (a) determining whether Great Lakes Restoration Initiative grant recipients achieved all outputs and outcomes contained in the approved work plans, including those related to environmental justice, and (b) following up with grant recipients if information needed to make such determinations is missing.
2. Update the final report template and guidance for grant recipients to incorporate reporting of all outputs and outcomes, including those related to environmental justice, as required by EPA Order 5700.7A1.
3. Beginning in fiscal year 2024, evaluate and report environmental justice-related outputs and outcomes of Great Lakes Restoration Initiative grants in the required annual reports to Congress through the implementation of future Great Lakes Restoration Initiative action plans.

Agency Response and OIG Assessment

Region 5 GLNPO provided its response to our draft report on January 4, 2024, and agreed to implement corrective actions that meet the intent of our three recommendations. Appendix B contains GLNPO’s initial official response and references attachments 1 and 2 with technical comments that we reviewed but are not including in this report. The audit team reviewed GLNPO’s response and updated the report, as appropriate. We worked with GLNPO to discuss unresolved recommendations, to reach agreement on proposed corrective actions, and to clarify milestones.

For Recommendation 1, GLNPO indicated that it made improvements to its internal project officer training and grant-tracking toolkit. GLNPO also indicated that project officers are receiving supplemental professional development training that includes training about best practices. Topics GLNPO plans to cover through its supplemental training include evaluating outputs and outcomes and environmental results and ensuring that these outputs and outcomes are comprehensive with respect to activities funded by the grants and that all results are represented in the final project report. GLNPO will also update the *GLNPO Project Officers Toolkit* to include language about tracking environmental

justice-related outputs and outcomes. We believe these corrective actions meet the intent of the recommendation. GLNPO expects to complete these corrective actions by June 30, 2024. Therefore, we consider this recommendation to be resolved with corrective actions pending.

For Recommendation 2, GLNPO updated their final report outline to include language similar to that in the revised terms and conditions and the progress report template. We believe these corrective actions meet the intent of the recommendation. GLNPO completed these corrective actions on February 2, 2024.

For Recommendation 3, GLNPO indicated that the Great Lakes Environmental Justice Grant Programs, which will be awarded as cooperative agreements in early 2024, will develop and track environmental justice-related outputs and outcomes. Additionally, the upcoming *GLRI Action Plan IV* for FYs 2025 through 2029 will continue to include objectives, commitments, and measures of progress for each focus area. GLNPO emphasized that the evaluation and reporting of environmental justice information in the reports to Congress will be informed by the future implementation of the *GLRI Action Plan IV* by the EPA and its federal partners. GLNPO indicated that because it is still in the process of awarding the cooperative agreements that it would not be able to start tracking environmental justice results in FY 2024, but environmental justice grant programs will be highlighted as a success story in the FY 2024 report to Congress. GLNPO expects to finalize *GLRI Action Plan IV* by October 1, 2024. We believe these corrective actions meet the intent of the recommendation. Therefore, we consider this recommendation to be resolved with corrective actions pending.

Chapter 3

The EPA Experienced Delays in Fulfilling Requirements to Issue Annual GLRI Reports to Congress for FYs 2019 Through 2021

The Clean Water Act requires the EPA to provide an annual report on GLRI progress to Congress, and the EPA's Action Development Process outlines the steps program offices follow to issue reports to Congress depending on whether the report is required by appropriations legislation or authorizing statute. GLNPO issued the FY 2018 GLRI report to Congress in December 2021, more than three years after the end of FY 2018, and the FY 2019 GLRI report to Congress in September 2022, nearly three years after the end of FY 2019.⁶ GLNPO issued a combined report to Congress for FYs 2020 and 2021 in April 2023,⁷ less than two years after the end of FY 2021. Beginning with FY 2018, the issuance of the required reports to Congress was complicated by several administrative factors outside GLNPO's control, for example, changes in the administration and the transition to using the Action Development Process's steps for reports required by authorizing statute. While information about the initiative's progress is available on the GLRI's public website, the Agency did not directly include information about environmental justice-related results in the reports to Congress submitted for FYs 2010 through 2019. The EPA could achieve further transparency and accountability by issuing the annual reports to Congress as mandated, especially since the reports to Congress provide additional context about the GLRI's activities and highlight successful projects completed in the Great Lakes ecosystem.

The FYs 2018 and 2019 GLRI Annual Reports to Congress Were Issued Years After the End of the Fiscal Year

GLNPO has a long history of submitting the GLRI annual reports to Congress on time but has experienced challenges submitting these reports from FY 2017 through 2021, as depicted in Table 1. For FYs 2010 through 2016, GLNPO submitted the GLRI annual reports to Congress as required by the 2010 appropriations conference report. By the start of this audit in July 2021, GLNPO had only submitted the FY 2017 GLRI annual report to Congress but had not submitted GLRI annual reports to Congress for FYs 2018 through 2021 as required by the Clean Water Act. In December 2021, GLNPO submitted the annual report to Congress for FY 2018, more than three years after the end of FY 2018. GLNPO subsequently submitted the FY 2019 report to Congress in September 2022, about three years after the end of FY 2019. In April 2023, GLNPO issued a combined report to Congress for FYs 2020 and 2021; this combined report was issued less than two years after the end of FY 2021. As of February 2024, GLNPO has not issued the FY 2022 and FY 2023 annual reports to Congress. GLNPO

⁶ GLRI Interagency Task Force, *Great Lakes Restoration Initiative [Report](#) to Congress and the President—Fiscal Year 2018*, April 2021. This report was not submitted to Congress until December 2021. GLRI Interagency Task Force, *Great Lakes Restoration Initiative [Report](#) to Congress and the President—Fiscal Year 2019*, September 2022.

⁷ GLRI Interagency Task Force, *Great Lakes Restoration Initiative [Report](#) to Congress—Fiscal Year 2020 – Fiscal Year 2021*, March 2023. This report was not submitted to Congress until April 2023.

generally reports annual results on the GLRI [website](#), making information publicly available about progress achieved before it is included in the reports submitted to Congress.

Table 1: Summary of GLRI reports to Congress issued for FYs 2010 through 2023

FY	Report to Congress requirement	Required report to Congress issued	Inclusion of environmental justice results in report to Congress
2010, 2011, 2012	2010 appropriations conference report	✓	✗
2013*	2010 appropriations conference report	✓	✗
2014, 2015, 2016	2010 appropriations conference report	✓	✗
2017	Clean Water Act section 118(c)(7)(H)(iii)	✓	✗
2018	Clean Water Act section 118(c)(7)(H)(iii)	✓	✗
2019	Clean Water Act section 118(c)(7)(H)(iii)	✓	✗
2020 and 2021**	Clean Water Act section 118(c)(7)(H)(iii)	✓	⋈
2022	Clean Water Act section 118(c)(7)(H)(iii)	As of February 2024 (more than 12 months after the fiscal year), this annual report to Congress has not been issued	To be determined
2023	Clean Water Act section 118(c)(7)(H)(iii)	As of February 2024 (less than 12 months after the fiscal year), this annual report to Congress has not been issued	To be determined

Source: OIG analysis of GLRI reports to Congress. (EPA OIG table)

Note: * GLNPO submitted a combined report to Congress for FYs 2013 and 2014.

** GLNPO submitted a combined report to Congress for FYs 2020 and 2021.

✓ = GLNPO issued the required report to Congress less than 12 months after the fiscal year.

✗ = A discussion of environmental justice results was not directly included in a report to Congress.

✓ = GLNPO issued the required report to congress more than 12 months after the fiscal year.

⋈ = GLNPO included some references to environmental justice in the required report to Congress.

Table 1 also shows that the Agency did not directly include information about environmental justice-related results in the reports to Congress submitted for FYs 2010 through 2019. In the combined report to Congress for FYs 2020 and 2021, GLNPO acknowledged that GLRI partnerships continue to result in important activities, including addressing environmental justice concerns, and highlighted work being done by GLRI partners in environmental justice communities and with ethnic communities and tribes. While there is no specific requirement to include environmental justice-related results in GLRI reports to Congress, the Clean Water Act does require the EPA to provide a detailed description of the

progress of the GLRI. Since the EPA identified the GLRI as a priority program under the Justice40 Initiative in June 2022, the Agency should include environmental justice-related results as part of its detailed description of GLRI progress in its reports to Congress.

The Administrative Difficulties that GLNPO Experienced Caused Delays in Issuing GLRI Annual Reports for FYs 2018 Through 2021

While GLNPO was prepared to issue the FY 2018 GLRI report to Congress, the report's issuance was complicated by several administrative factors that were outside GLNPO's control. The administration changed in January 2021, and the outgoing administration delayed the issuance of the FY 2018 GLRI report to Congress. As such, the incoming administration had to issue the report to Congress, which included a message from the new EPA administrator, who was sworn-in on March 11, 2021. In addition, the FY 2018 GLRI report to Congress was the first report that GLNPO issued according to the steps for reports required by authorizing statute; all previous reports to Congress followed the steps for reports required by appropriations legislation. GLNPO also worked with the OCIR to clarify and understand the review process for reports required under authorizing statutes. Additionally, in the summer of 2021, the OCIR explored delegating the authority to issue these reports to Congress to Region 5 in an effort to streamline the review and approval process for the GLRI annual reports but, ultimately, the office decided to keep the issuing authority with headquarters.

Conclusion

Reporting the GLRI's results on the GLRI's public website facilitates transparency about the progress made toward protecting and restoring the Great Lakes and the distribution of GLRI funds among 16 federal agency partners. Reporting this information on the GLRI's public website, however, does not replace the requirement that the EPA submit an annual report to Congress. The EPA could achieve further transparency and accountability by issuing the annual reports to Congress as mandated by the Clean Water Act and including environmental justice-related information in the reports. Unlike the GLRI's public [website](#), EPA reports submitted directly to Congress provide additional context about the GLRI's activities, the progress being made to protect and restore the Great Lakes, and any challenges and obstacles faced in achieving the program's goals and highlight successful projects completed in the Great Lakes ecosystem.

Recommendations

We recommend that the regional administrator for Region 5:

4. Submit the annual reports for the Great Lakes Restoration Initiative to Congress as required by the Clean Water Act.

We recommend that the associate administrator for Congressional and Intergovernmental Relations:

5. Implement a process to verify that Great Lakes Restoration Initiative annual reports to Congress, which are required by authorizing statutes, are tracked and submitted in accordance with the Action Development Process in a timely manner.

Agency Response and OIG Assessment

In addition to Region 5 GLNPO's January 4, 2024 response to our draft report, the OCIR provided its response on December 21, 2023. Both GLNPO and the OCIR agreed with these two recommendations. Appendixes B and C contain GLNPO's and the OCIR's initial official responses, respectively. The audit team reviewed GLNPO's and the OCIR's responses and updated the report, as appropriate. We worked with the Agency to discuss unresolved recommendations, to reach agreement on proposed corrective actions, and to clarify milestones.

For Recommendation 4, GLNPO said it is committed to reporting progress made under the GLRI and will continue to coordinate with the OCIR in providing the annual report to Congress as required under the Clean Water Act. GLNPO estimated that its FY 2022 and FY 2023 annual reports will be issued to Congress by December 31, 2024, and December 31, 2025, respectively. We consider this recommendation to be resolved with corrective actions pending.

For Recommendation 5, the OCIR said in its December 2023 response to our draft report that it would implement the recommendation immediately. The OCIR feels strongly that the Action Development Process provides comprehensive procedures for the planning and management of and collaboration on significant Agency actions, including reports to Congress. Also, the OCIR believes that adherence to the Action Development Process mitigates untimely submission of reports to Congress, barring unforeseen circumstances out of the Agency's control. The OCIR believes that the Action Development Process and the supplemental July 2022 Action Aid for reports to Congress are more than sufficient to ensure on-time submission of reports to Congress. The OCIR said it would continue to work collaboratively with GLNPO on future reports to Congress and would further amplify the importance of adhering to the Action Development Process. The OCIR will also hold monthly meetings with GLNPO to discuss progress on report development and timeliness of specific steps within the Action Development Process. The OCIR held the first monthly meeting with GLNPO on March 6, 2024, and will continue monthly meetings with GLNPO through the rest of FY 2024. Therefore, we consider this recommendation to be complete.

Status of Recommendations

Rec. No.	Page No.	Recommendation	Status*	Action Official	Planned Completion Date
1	19	Require periodic training and provide learning resources for project officers on (a) determining whether Great Lakes Restoration Initiative grant recipients achieved all outputs and outcomes contained in the approved work plans, including those related to environmental justice, and (b) following up with grant recipients if information needed to make such determinations is missing.	R	Regional Administrator for EPA Region 5	6/30/24
2	19	Update the final report template and guidance for grant recipients to incorporate reporting of all outputs and outcomes, including those related to environmental justice, as required by EPA Order 5700.7A1.	C	Regional Administrator for EPA Region 5	2/2/24
3	19	Beginning in fiscal year 2024, evaluate and report environmental justice-related outputs and outcomes of Great Lakes Restoration Initiative grants in the required annual reports to Congress through the implementation of future Great Lakes Restoration Initiative action plans.	R	Regional Administrator for EPA Region 5	10/1/24
4	23	Submit the annual reports for the Great Lakes Restoration Initiative to Congress as required by the Clean Water Act.	R	Regional Administrator for EPA Region 5	12/31/25
5	24	Implement a process to verify that Great Lakes Restoration Initiative annual reports to Congress, which are required by authorizing statutes, are tracked and submitted in accordance with the Action Development Process in a timely manner.	C	Associate Administrator for Congressional and Intergovernmental Relations	3/6/24

* C = Corrective action completed.

R = Recommendation resolved with corrective action pending.

U = Recommendation unresolved with resolution efforts in progress.

Key Definitions

Action Plan: A five-year plan developed with input from states, tribes, local governments, and others to guide GLRI work done by federal agencies. The Clean Water Act, as amended, section 118(c)(7)(G) requires the action plan to be reviewed and revised not less often than once every five years.

Area of Concern: A geographic area designated by the Great Lakes Water Quality Agreement of 1972, as amended, where significant impairment of beneficial use has occurred because of human activities. As of June 2023, there were 26 areas of concern located in the United States. Six areas of concern have already been delisted, which means all designated beneficial use impairments in those areas of concern were removed and the area of concern is considered to be restored.

Beneficial Use Impairment: According to the Great Lakes Water Quality Agreement of 1972, as amended, a change in the chemical, physical, or biological integrity of the Great Lakes ecosystem sufficient to cause significant environmental degradation. Fourteen different beneficial use impairments can be designated within an area of concern, including restrictions on fish and wildlife consumption, degradation of fish and wildlife populations, restrictions on drinking water consumption or taste and odor problems, beach closings, and loss of fish and wildlife habitat. Removing a beneficial use impairment associated with an area of concern means local restoration targets were achieved. As of October 2022, 113 beneficial use impairments have been removed from areas of concern in the Great Lakes.

Environmental Justice: According to the EPA's *EJ 2020 Action Agenda*, "the fair treatment and meaningful involvement of all people regardless of race, color, culture, national origin, income, and educational levels with respect to the development, implementation, and enforcement of protective environmental laws, regulations, and policies."

Focus Area: A strategic priority area identified in GLRI action plans as one of the biggest threats to the Great Lakes ecosystem. The GLRI tracks five focus areas, including toxic substances and areas of concern, invasive species, nonpoint source pollution impacts on nearshore health, habitats and species, and foundations for future restoration actions.

Outcome: According to EPA Order 5700.7A1, a "result, effect, or consequence that will occur from carrying out an environmental program or activity that is related to an environmental or programmatic goal or objective. Outcomes may be environmental, behavioral, health-related, or programmatic in nature; must be quantitative; and may not necessarily be achievable within an assistance agreement's funding period."

Output: According to EPA Order 5700.7A1, an "environmental activity, effort, 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 may be quantitative or qualitative but must be measurable during an assistance agreement funding period.”

Work Plan: A supporting document in a grant application package that describes the purpose and activities of the proposed project; specifies work components, related funding amounts, and deliverables; justifies financial and resource needs; and provides required information and the expected environmental results.

GLNPO Response to Draft Report



MEMORANDUM

SUBJECT: Response to the Office of Inspector General's Second Draft Report for its Audit of the Awarding, Monitoring, and Performance of EPA Great Lakes Restoration Initiative Grants, Project No. OA-FY21-0227, dated November 21, 2023

FROM: Teresa Seidel, Director
Great Lakes National Program Office

TO: Gloria Taylor-Upshaw, Director
Business Operations Directorate
Office of Audit, Office of Inspector General

TERESA SEIDEL

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This memo serves as documentation that the Great Lakes National Program Office provided the Office of Inspector General a response to the Draft Report: Great Lakes Restoration Initiative Grants Documented Most Achievements, but the EPA Could Improve Monitoring and Reporting, Project No. OA-FY21-0227 on January 4, 2024. The response was included as an attachment to an email sent from Teresa Seidel to Gloria Taylor-Upshaw. That attachment is also attached to this memo.

Attachment



MEMORANDUM

SUBJECT: Response to the Office of Inspector General's Second Draft Report for its Audit of the Awarding, Monitoring, and Performance of EPA Great Lakes Restoration Initiative Grants, Project No. OA-FY21-0227, dated November 21, 2023

FROM: Teresa Seidel, Director
Great Lakes National Program Office

TO: Gloria Taylor-Upshaw, Director
Business Operations Directorate
Office of Audit, Office of Inspector General

Thank you for the opportunity to review and comment on the draft report, "Great Lakes Restoration Initiative Grants Documented Most Achievements, but the EPA Could Improve Monitoring and Reporting." The Great Lakes National Program Office (GLNPO) is fully aligned with the mission of the Office of Inspector General, "...to promote economy, efficiency, and effectiveness." We embrace the concepts of continuous improvement and therefore agree that there are always opportunities for improvement in our work.

The report makes five total recommendations, which are divided into two categories marked by two respective chapters, Chapters 2 and 3:

Chapter 2: Assessed GLRI Grants Documented Improvements in the Great Lakes, but Anticipated Environmental Justice Results Are Uncertain

The Regional Administrator for EPA Region 5 shall:

1. Require periodic training and provide learning resources for project officers on (a) determining whether Great Lakes Restoration Initiative grant recipients achieved all outputs and outcomes contained in the approved work plans, including those related to environmental justice, and (b) following up with grant recipients if information needed to make such determinations is missing; and

2. Update the final report template and guidance for grant recipients to incorporate reporting of all outputs and outcomes, including those related to environmental justice, as required by EPA Order 5700.7A1.
3. Beginning in fiscal year 2024, evaluate and report environmental justice-related outputs and outcomes of Great Lakes Restoration Initiative grants in the required annual reports to Congress and future Great Lakes Restoration Initiative action plans.

Chapter 3: The EPA Experienced Delays in Fulfilling Requirements to Issue Annual GLRI Reports to Congress for FYs 2019 through 2021

The Regional Administrator for EPA Region 5 shall:

4. Submit the annual reports for the Great Lakes Restoration Initiative to Congress as required by the Clean Water Act; and

The Associate Administrator for Congressional and Intergovernmental Relations shall:

5. Implement a process to verify that Great Lakes Restoration Initiative annual reports to Congress, which are required by authorizing statutes, are tracked and submitted in accordance with the Action Development Process in a timely manner.

The Office of Congressional and Intergovernmental Affairs submitted their own response to the draft report on December 21, 2023.

GLNPO generally concurs with the OIG's recommendations 1 through 4. However, some clarification may be helpful to your office as it finalizes its report.

Recommendation 1

We want to emphasize that GLNPO Project Officers have been, and will continue to be, part of the Agency-wide grants training program run by the EPA Office of Grants and Debarment. No Project Officer can access the Agency's grant management software (NGGS) without first completing all required OGD training and refreshers. GLNPO management requires all project officers to take the training.

In response to the OIG's recommendations provided in its first report on our grants management program, we have already made improvements to our internal project officer training and grant tracking toolkit. In addition to the annual and ongoing mandatory EPA OGD training, our project officers are also receiving supplemental professional development training which includes training regarding best practices.

Recommendation 2

We want to emphasize that prior to the OIG audit and report, GLNPO had developed reporting Terms and Conditions that required a comparison of actual accomplishments with those proposed in their workplans.

In response to the OIG’s recommendation to update the final report template and guidance for grant recipients to incorporate reporting of all outputs and outcomes, including those related to environmental justice – GLNPO does not have a final report template. However, GLNPO has updated the reporting Terms and Conditions and progress report template to further emphasize the requirement to report on all outputs and outcomes and to specifically mention Environmental Justice as an example.

The GLRI Grant Terms and Conditions state:

“In accordance with 2 CFR 200.329, the recipient agrees to submit performance reports that include brief information on each of the following areas: 1) A comparison of actual accomplishments to the outputs/outcomes established in the assistance agreement work plan for the period; 2) The reasons why established outputs/outcomes were not met; and 3) Additional pertinent information, including, when appropriate, analysis and explanation of cost overruns or high-unit costs.

Additionally, the recipient agrees to inform EPA as soon as problems, delays, or adverse conditions which will materially impair the ability to meet the outputs/outcomes specified in the assistance agreement work plan are known.”

Recommendation 3

In May 2023, GLNPO issued a Request for Applications to create Great Lakes Environmental Justice Grant Programs. We anticipate awarding cooperative agreements from this RFA in early calendar year 2024. As stated in this RFA, these Programs will develop and track EJ outputs and outcomes. We look forward to tracking the progress of these Programs and reporting on accomplishments in future Reports to Congress.

Later in calendar year 2024, EPA and the other federal agencies will release the Great Lakes Restoration Initiative (GLRI) Action Plan IV. Action Plan IV will outline the goals and priorities for the GLRI for fiscal years 2025 to 2029. Action Plan IV will also continue to specify objectives with related commitments and measures of progress for each Focus Area that will be used to evaluate the actions implemented under the GLRI.

Recommendation 4

GLNPO is committed to reporting on the progress made under the GLRI. The Report to Congress is one of many methods used to share GLRI accomplishments. Other methods include EPA’s GLRI and GLNPO websites; social media; and press releases.

For the Reports to Congress, GLNPO will continue to coordinate with OCIR to “provide to the Committee on Transportation and Infrastructure of the House of Representatives and the

Committee on Environment and Public Works of the Senate a yearly detailed description of the progress of the Initiative and amounts transferred to participating Federal departments and agencies..." as required under the Clean Water Act.

Recommendation 5

A separate memorandum is being provided by our colleagues in the Office of Congressional and Intergovernmental Affairs.

Additional detailed comments on the Draft Report are provided in Attachments 1 and 2.

cc: Stacey Banks, ...
Debra Shore, R5 Administrator and National Program Manager for the Great Lakes
Cheryl Newton, R5 Deputy Administrator
Amy Sanders, Director, R5 MSD
Todd Nettesheim, Deputy Director, GLNPO
Sharon Jaffess, Manager, GLNPO-FAOMB
Nicholas Elliott, Section Supervisor, GLNPO-FAOMB-PAOS
Mara Notbusch, Acting R5 Comptroller
Etc.

OCIR Response to Draft Report




OFFICE OF CONGRESSIONAL AND INTERGOVERNMENTAL RELATIONS

WASHINGTON, D.C. 20460

December 21, 2023

MEMORANDUM

SUBJECT: Response to the Office of Inspector General Draft Report, Project No. OA-FY21-02027, *“Great Lakes Restoration Initiative Grants Documented Most Achievements, but the EPA Could Improve Monitoring and Reporting,”* dated November 21, 2023

FROM: Kevin J. Bailey, Deputy Associate Administrator for Management
Office of Congressional and Intergovernmental Relations 

TO: Gloria Taylor-Upshaw, Director
Business Operations Directorate
Office of Audit, Office of Inspector General

Thank you for the opportunity to respond to the OIG’s November 21, 2023, Draft Report: *Great Lakes Restoration Initiative Grants Documented Most Achievements, but the EPA Could Improve Monitoring and Reporting*, Project No. OA-FY21-0227. The following is a summary of the U.S. Environmental Protection Agency’s position on the report’s recommendation specific to the Office of Congressional and Intergovernmental Relations (OCIR).

AGENCY’S POSITION

The Agency concurs with Recommendation 5:

Implement a process to verify that Great Lakes Restoration Initiative annual reports to Congress, which are required by authorizing statutes, and are tracked and submitted in accordance with the Action Development Process in a timely manner.

As noted in the Draft Report, the Great Lakes National Program Office (GLNPO) had a long history of submitting the Great Lakes Restoration Initiative (GLRI) Report to Congress on-time. The OIG also acknowledged that timely submission of the FY 2018 GLRI Report to Congress was met with several administrative challenges including an administration change and updates to the Agency’s procedures for issuing Reports to Congress required by authorizing statutes, per the Action Development Process.

Additionally, the OIG noted that during this time, OCIR worked with the GLNPO to clarify this new process. OCIR also investigated the possibility of delegating the authority to issue the GLRI Report to Congress to Region 5 as an efficiency measure, but ultimately chose not to do so.

AGENCY'S RESPONSE TO DRAFT AUDIT RECOMMENDATION

As noted, the Agency concurs with the OIG's recommendation and will implement it effective immediately. OCIR strongly feels that as written, the Action Development Process provides comprehensive procedures for the planning, management, and collaboration on significant Agency actions, including Reports to Congress. Adherence to the Action Development Process mitigates untimely submission of Agency actions, including Reports to Congress, barring unforeseen circumstances out of the Agency's control. Additionally, in July 2022, the Agency issued the *Action Aid: Reports to Congress – Procedures for Internal Review and Submission to OMB*. The Action Aid is an accompaniment to the Action Development Process and provides more detailed and specific guidance, including the workflow for issuing Reports to Congress. The Action Aid has been attached as a reference.

In summary, OCIR acknowledges the administrative challenges presented with transitioning to new procedures for issuing reports to congress, amongst other administrative challenges faced by the GLNPO during the development of the FY 2018 GLRI Report to Congress. However, the Action Development Process and the accompanying Action Aid released in July 2022, are more than sufficient to ensure on-time submission of Agency actions, including Report to Congress. OCIR will continue to work collaboratively with the GLNPO on future Reports to Congress and will further amplify the importance of adhering to the Action Development Process.

CONTACT INFORMATION

If you have any questions regarding this response, please contact the Office of the Administrator's Audit Follow-up Coordinator, Michael Benton, at benton.michael@epa.gov or 202-564-2860.

Attachment Action Aid: Reports to Congress – Procedures for Internal Review and Submission to OMB

cc: Tim Del Monico, Associate Administrator, OCIR
Wesley Carpenter, Deputy Chief of Staff for Management, AO
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U.S. Environmental Protection Agency

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