



OFFICE OF INSPECTOR GENERAL

Catalyst for Improving the Environment

Special Report

Congressionally Requested Review of Selected Grants

Report No. 2005-S-00007

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Report Contributors:

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Abbreviations

EPA	Environmental Protection Agency
OIG	Office of Inspector General



At a Glance

Catalyst for Improving the Environment

Why We Did This Review

In April 2005, the House Committee on Transportation and Infrastructure provided the Office of Inspector General with a sample of 15 grants EPA awarded to nonprofit organizations. The Committee asked us to determine the purpose, justification, and progress for each of the grants.

The Committee requested a report containing information on each of the 15 grants.

Background

EPA awarded over \$4.3 billion (about 51 percent of its annual budget) in 2004 to entities via assistance agreements. Grants are a type of assistance agreement, and we use the terms interchangeably in this report. EPA awarded about 20 percent of its grants to nonprofit entities accounting for about 8 percent (\$337 million) of the total grant funds awarded.

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

To view the full report, click on the following link:
www.epa.gov/oig/reports/2005/20050907-2005-S-00007.pdf

Congressionally Requested Review of Selected Grants

What We Found

This report contains factual information on 15 grants. The report does not contain any audit findings.

EPA awarded these 15 grants to nonprofit organizations. These grants were awarded by 10 different EPA offices and regions, and ranged from \$6,622 to \$5.3 million. EPA awarded all of the grants since 2004, except for one that was awarded in 1998. EPA awarded 13 of the 15 grants competitively.

EPA and grantees provided a wide range of purposes for these grants, including improving protection of regional watersheds and wetlands, educating and training local youth to clean up polluted sites in their community, and improving human health and the environment in a region of China.

EPA cited various statutory authorities for the grants, including the Clean Air Act, National Environment Policy Act, Clean Water Act, and the Solid Waste Disposal Act.

Some projects are still in the early phases of work while others are nearly complete. Project periods for these grants range from 1 to 7 years.

What We Recommend

This report does not contain any recommendations.

Selected Assistance Agreements Reviewed

No.	Grant #	EPA Approved Amount	Award Date	EPA Office	Grantee
1	83174401	\$ 250,000	06/18/04	Office of Air and Radiation	Iowa Foundation for Educational Administration, Inc.
2	83198401	150,000	09/08/04	Office of Air and Radiation	The Nature Conservancy
3	83199301	3,500,000	08/12/04	Office of International Affairs	Environmental Defense
4	83231901	86,700	03/11/05	Office of International Affairs	Environmental Law Institute
5	82681701	259,994	09/11/98	Office of Research and Development	The Smithsonian Institution
6	83215401	275,072	01/14/05	Office of Research and Development	Resources for the Future
7	83177901	5,301,750	09/15/04	Office of Solid Waste and Emergency Response	Association of State and Territorial Solid Waste Management Officials
8	83193101	140,000	08/04/04	Office of Water	Environmental Law Institute
9	83124701	25,000	08/17/04	Office of Water	National Black Environmental Justice Network
10	83192601	240,000	09/22/04	Office of Water	Association of State Wetland Managers, Inc.
11	97115301	20,000	09/10/04	Region 1	Lowell Parks and Conservation Trust
12	96554501	150,000	09/22/04	Region 5	Milwaukee Community Service Corps, Inc.
13	97825401	6,622	08/16/04	Region 8	Wyoming Association for Environmental Education
14	96912701	29,400	12/10/04	Region 9	The Chartwell School
15	97086601	97,000	09/30/04	Region 10	Oregon Environmental Council

Individual Assistance Agreement Summaries

Grant #: 83174401-0 to the Iowa Foundation for Educational Administration, Inc.

EPA competed and awarded a \$250,000 grant to The Iowa Foundation for Educational Administration, Inc. (the Foundation) to help Iowa continue reducing school bus emissions. The purpose of this grant is to demonstrate the use of emission control technology and alternative fuels, and to replace engines in three pre-1989 school buses. The Foundation was to assist several school districts in retrofitting 126 school buses with diesel oxidation catalysts, and offer school districts the option of using biodiesel fuel on moderate-emitting engines. EPA stated that this project will reduce pollution from school buses and children's exposure to diesel exhaust, and serve as a case study for other school districts nationwide.

EPA cited Clean Air Act Section 103(b)(3) as the statutory authority for this grant. Section 103 is entitled "Research, Investigation, Training, and Other Activities." Section 103 states that EPA shall establish a research and development program for the prevention and control of air pollution. Section 103(b)(3) states that EPA can make grants to States or other public or private entities for that purpose.

The Foundation plans to spend the full amount that EPA provided, although differently than it had initially planned. The March 2005 quarterly report from the grantee stated that bid costs were lower than anticipated. As a result, the grantee planned to retrofit more buses with the diesel oxidation catalysts than it first planned. Also, the engine replacement efforts failed; it would have been too costly to switch old mechanical engines to new electronic controlled ones. The grantee plans to use the \$12,000 originally planned for three new engines (at \$4,000 each) to retrofit more buses with the diesel oxidation catalysts or to buy more biodiesel fuel. A final report from the Foundation is due to EPA in July 2006.

According to the EPA project officer, this is a change to the scope of work and, therefore, is significant. She stated that the grantee informed her in writing, as required, why it planned to change its approach. Because the grantee proposed a new way to use the money that still met the intent of the project, the project officer approved the change.

EPA issued a solicitation for this activity in 2003 and received 120 proposals, of which 113 were eligible. EPA funded 17 of them. The original solicitation said that applications not selected could be retained for 1 year and considered in 2004 should more funding arise. The Clean School Bus Program was funded an additional \$4,970,350 in fiscal year 2004 and EPA recommended 20 more projects be funded, including this project.

The Foundation is located in Clive, Iowa. According to its grant application, Iowa is the only State that tests emissions from school buses on a statewide basis. The Foundation stated that while bus emissions have declined significantly, retrofit technology is needed to continue progress toward the goal of having the cleanest bus fleet in the nation within 5 years.

Grant #: 83198401-0 to The Nature Conservancy China Program

EPA competed and awarded a \$150,000 grant to The Nature Conservancy to develop and deliver alternative energy units to 5,000 households and 20 schools in the Yunnan community of China. The goal of the grant is to reduce the exposure for 25,000 people of indoor smoke from home cooking and heating. The Chinese public is the beneficiary of this grant. Indoor smoke from solid fuels is a major risk factor contributing to the global and regional burden of disease. This grant supports the Partnership for Clean Indoor Air, an initiative launched at the World Summit for Sustainable Development in August 2002.

On its Web site, the Nature Conservancy stated the goals of this project differently than EPA. The goals were: (1) reduce fuel wood use by 75 percent—the majority of which will be accomplished by promoting alternative energy sources, but also in part by promoting fuel-efficient stoves and fireplaces; (2) augment the supply and availability of fuel wood; and (3) achieve net growth of forests in seriously deteriorated and natural forestland.

EPA cited two statutory authorities for this grant. First, Clean Air Act, Section 103, allows EPA to "conduct, and promote the coordination and acceleration of, research, investigations, experiments, demonstrations, surveys, and studies relating to the causes, effects (including health and welfare effects), extent, prevention, and control of air pollution; [and] encourage, cooperate with, and render technical services and provide financial assistance to air pollution control agencies and other appropriate public or private agencies, institutions, and organizations, and individuals in the conduct of such activities."

Second, the National Environmental Policy Act, Section 102(F) states that all Federal agencies shall "recognize the worldwide and long-range character of environmental problems and, where consistent with the foreign policy of the United States, lend appropriate support to initiatives, resolutions, and programs designed to maximize international cooperation in anticipating and preventing a decline in the quality of mankind's world environment."

According to the April 2005 status report (which covered the first six months of this 2-year grant), the grantee reported that it installed alternative energy units at 1,212 households (of a goal of 5,000) and 3 schools (of a goal of 20). Also, 1,412 households (of a goal of 20,000 households) had been educated about the health impacts of indoor air pollution, and 7,060 people (of a goal of 100,000) have demonstrated knowledge of indoor air issues. The grantee estimated that about 6,800 people are actually experiencing reduced exposure to indoor smoke. The grantee stated it planned to begin monitoring indoor air quality by July 2005. However, the grantee stated that "the impact on IAP [indoor air pollution] on health may not be easy to monitor over the 2-year timeframe of the project... The traditional fireplace has deep-rooted cultural traditions and therefore bold changes may result in problems on acceptance." Of the \$150,000 grant, \$66,000 is for contractual services to conduct health impact assessments, air monitoring, and household energy use audits.

The Nature Conservancy has been working in China's northwest Yunnan Province since 1998 to protect the natural and cultural diversity unique to China. In recent years, China's ecosystems

have been under increasing threat from expanding development and increased collection of wood, according to the Conservancy's Web site.

Grant #: 83199301-0 to Environmental Defense

EPA competed and awarded a \$240,000 grant to Environmental Defense to enhance the capacity for economic and environmental policy-making in Ukraine and Russia, specifically for evaluating the costs and benefits of environmental protection. Overall, EPA approved up to \$3.5 million for this project, to be funded through incremental amendments over 5 years.

EPA provided seven statutory authorities to justify this grant. Because this is an international grant, particularly relevant was Section 102(F) of the National Environmental Policy Act. That section requires Federal agencies to provide worldwide support, when consistent with United States policy, to prevent a decline in the environment. EPA's Decision Memorandum for this grant stated, "EPA funding comes from the Department of State, under the authority of the Freedom Support Act of 1992. This funding was provided to EPA for the purpose of supporting environmental assistance in Ukraine and Russia."

Environmental Defense proposed achieving the grant's purpose by (1) developing analytical approaches for valuing public health and environmental damages, (2) providing tools to help decision-makers incorporate damage considerations into management practices, and (3) building the ability of specialists to illuminate the economic benefits of near-term environmental protection policies that avoid much greater damage in the future. Environmental Defense emphasized health and environmental risk assessments and cost-benefit analyses as important components to these activities. During the final stages of the project period, Environmental Defense plans to evaluate the overall success of the project. The grantee will identify lessons learned and create a long-term strategy to implement an economically sound environmental protection process.

For the first quarter (October 1 through December 31, 2004) of this project period, Environmental Defense reported it made progress on its health risk analysis in Ukraine. Also, Environmental Defense completed an assessment of the effect environmental damage had on human health and the economies within Ukraine and Russia. Finally, Environmental Defense conducted a seminar in November 2004 where risk management methodologies were discussed with representatives from Kiev and other selected cities. The grantee reported that a problem it encountered was "the unstable political situation in Ukraine." It indicated the recent political changes in Ukraine could affect the project in the near future.

Environmental Defense is a nonprofit organization headquartered in New York. It was founded in 1967 and, as of 2004, represents over 400,000 members. In 2004, Environmental Defense's total revenue was \$50.5 million, only 1 percent of which came from Government and other grants.

Grant #: 83231901-0 to the Environmental Law Institute

EPA competed and awarded an \$86,700 grant to The Environmental Law Institute (the Institute) to build the environmental capacity of Moroccan nongovernmental organizations and government agencies. The Institute has planned two work components to enhance the ability of Moroccan nongovernmental organizations to manage activities and educate decision makers and the public. First, the Institute will conduct a 3-day training workshop, in Morocco, for Moroccan nongovernmental organizations active in environmental and health issues. Second, the Institute will conduct a 10-day United States study tour for Moroccan environmental agency officials. This tour will demonstrate the United States' approach to managing environmental issues.

EPA cited seven statutory authorities to justify this grant. Because this is an international grant, particularly relevant was the National Environmental Policy Act, Section 102(F). This section states, "all agencies of the Federal Government shall recognize the worldwide and long-range character of environmental problems and, where consistent with the foreign policy of the United States, lend appropriate support to initiatives, resolutions, and programs designed to maximize international cooperation in anticipating and preventing a decline in the quality of mankind's world environment." EPA related this project to sound foreign policy by stressing its support for the June 2004 United States - Morocco Free Trade Agreement. Further, the grantee told us that "Morocco is an Islamic state and this grant is good for diplomatic reasons as well as environmental reasons. This grant shows goodwill between our countries." EPA stated that this justification was not in the Institute's proposal, nor did EPA use that as a reason to award the grant.

The Institute is still establishing the dates for the training workshop and study tour. Tentatively, four Moroccan government officials will participate in the United States study tour. Since the grant award, the Moroccan government requested the tour include an arid State, such as Arizona, since the project would address water conservation issues in Morocco similar to those found in Arizona. The recipient told us that going to Arizona is unlikely due to budget constraints, and instead the participants will likely go to Maryland since it is close to the Washington, DC area. Also, the Institute wanted to bring an interpreter for the 10-day tour but underestimated those costs. EPA is working with the Institute to restructure the budget so interpreter costs are covered.

EPA did not award this grant until about 6 months after it issued the solicitation for the grant. According to the Institute, this delay jeopardized its ability to accomplish the work under the proposed budget due to changes in costs over time. Specifically, Institute officials said that a large portion of the budget is based on travel expenses (airfare and lodging), which fluctuate over time, sometimes substantially. EPA stated that the Institute accepted the award in the amount of \$86,700 without notifying EPA of a change to the budget.

The Institute is a nonprofit organization headquartered in Washington, DC. Its total annual budget is approximately \$5.5 million. Funding is primarily derived from an internal publication house, a membership association of environmental lawyers, private foundation grants, Federal and local grants, and contracts and donations. The Institute was created in 1969 and has received EPA grants since the 1970s. EPA provides about 16 percent of the Institute's total revenue.

The Institute's project manager for this grant was previously employed as an Honors Law Clerk for EPA's Office of International Environmental Law. She is now the Co-director of the Institute's Africa program.

Grant #: 82681701-0 to The Smithsonian Institution

The Smithsonian Environmental Research Center (the Center) received EPA grant funding of \$259,994. According to EPA's 1998 Decision Memo, "the purpose of the solicited research is the development of methods for assessing and reporting on the ecological condition of wetlands in the Nanticoke River watershed of Delaware and Maryland." Further, this project "will evaluate the efficacy of surveying and reporting on the condition of wetland resources at the watershed-scale using protocols conducive to citizen-based volunteer monitoring...The proposed work will provide new information on how changing the wetland condition might affect nutrient loading into the Chesapeake Bay." EPA used a competitive process to award this grant.

EPA cited Clean Water Act, Section 104, as the statutory authority for this grant. Section 104, entitled "Research, Investigations, Training and Information", allows EPA to make grants to State water pollution control agencies, interstate agencies, other public or nonprofit private agencies, institutions, organizations, and individuals, to focus on innovative demonstration and special projects. According to EPA, projects can fall under one of the following 104(b)(3) funding categories: Institutional Coordination; National Pollutant Discharge Elimination System Permits; Environmental Management Systems; Monitoring and Assessment; Program Measures and Environmental Indicators; and Public Participation/Outreach.

According to the project officer, the products should be completed in early Fall 2005. Two journal articles should be ready for the EPA clearance process in August 2005. She stated that the reason the work took longer than expected was because this type of assessment had not been done before.

EPA awarded this grant in September 1998 initially for \$100,946, although it planned to fully fund the project at \$224,997 over a 3-year period (October 1998 through September 2001). In June 1999, EPA amended the grant and added \$124,048. In July 2000, EPA added the remaining \$35,000 to the grant. In November 2003, EPA amended the grant to extend the project period to September 2004. EPA extended the grant so the Center could complete the publishing of documents resulting from the project and prepare a map showing the status of two types of wetlands in the Nanticoke River watershed. In September 2004, EPA granted another no-cost extension to lengthen the budget and project periods through September 2005.

The Center, located 25 miles from Washington, DC, lies along the western shores of the Chesapeake Bay. According to the Center's Web site, 16 senior scientists and a team of more than 180 researchers, technicians, and students conduct long-term descriptive and experimental research addressing such issues as global change, maintaining productive fisheries, and protecting fragile wetlands and woodlands.

Grant #: 83215401-0 to Resources for the Future

EPA competed and awarded a grant of \$275,072 to Resources for the Future to improve general understanding of environmental behavior and how interventions and incentives can improve environmental quality. This project will “investigate the role of regulatory, market, and social pressures influencing voluntary cleanup of contaminated sites and participation in state cleanup programs.” In other words, this project will help determine what factors influence private firms to redevelop and cleanup contaminated properties under State voluntary cleanup programs. This research will identify gaps in policy and practice as well as site and community considerations that will help State and local officials design and target their programs more effectively. Resources for the Future also will create a database on voluntarily remediated sites that will be useful for future research.

EPA cited Solid Waste Disposal Act, Section 8001, as the statutory authority for this grant. Section 8001(a) lists 13 possible areas in which "research, investigations, experiments, training, demonstrations, surveys, public education programs, and studies" can be conducted. Section 8001(a)(10) allows for studies related to improvements in land disposal practices for solid waste, including “means for restoring areas damaged by such earlier or existing landfills” and “means for rendering landfills safe for purposes of construction and other uses.”

EPA competed this grant for research on Corporate Environmental Behavior by issuing a solicitation in November 2003. Before award, the proposal was subject to an external peer review. This study will have three phases. Phase 1 will result in three detailed case studies. Phase 2 will use a national telephone survey to generalize from the case studies. Phase 3 will use a Web-based survey to further elaborate on underlying motivations to voluntarily clean up sites. RFF’s proposal stated that the project will result in three distinct types of benefits: (1) policy relevant information about the types of sites and organizations most readily attracted to voluntary remediation programs, (2) literature on voluntary behavior, and (3) database on voluntary remediation sites that will be useful for future studies.

According to the EPA project officer, there are no grant deliverables yet. He stated that Resources for the Future hopes to have some preliminary results ready to present at the 2005 National Brownfields Conference in November 2005, about 5 months prior to the due date of the first progress report to EPA.

Of the \$275,072 grant, the approved budget listed \$34,200 in contractual costs. According to the project officer, the \$34,200 is for a consultant to design a survey (\$25,200), and for an intern working with the consultant (\$9,000).

Resources for the Future's mission statement is to improve environmental and natural resource policymaking worldwide through objective social science research of the highest caliber. Since 1952, this grantee’s scholars have addressed issues in environmental and natural resource public policy. The grantee publishes its research in peer-reviewed journals and other publications. It also presents its findings through seminars and conferences, as well as by testifying before Congress.

Grant #: 83177901-0 to the Association of State and Territorial Solid Waste Management Officials

EPA awarded a 5-year, \$5,301,750 grant to the Association of State and Territorial Solid Waste Management Officials (the Association) to promote the exchange of information between State and EPA hazardous and solid waste officials so they can jointly resolve implementation issues and identify emerging issues both entities face. According to EPA, it is imperative that States are kept fully informed of, and participate in developing, EPA regulations, policies, and guidance. This grant primarily funds the travel and per diem of State officials, and secures meeting facilities and materials. EPA has funded \$2,261,000 to date. EPA did not compete this award; rather, it justified awarding it non-competitively based on the organization representing the interests of co-regulators.

EPA cited the Solid Waste Disposal Act, Section 8001, as the statutory authority for this grant. Section 8001(a) lists 13 possible areas in which "research, investigations, experiments, training, demonstrations, surveys, public education programs, and studies" can be conducted. The Association provides training conferences on 13 areas, such as: the planning, implementation, and operation of hazardous waste management systems; and the development and application of new methods of collecting and disposing of solid waste.

According to the grantee's most recent quarterly report--covering activity from February through April 2005--the Association, among other things: held a mid-year meeting on April 20 and 21, 2005 in Keystone, Colorado, which was attended by over 130 State and EPA waste officials; and the Hazardous Waste Subcommittee continued to solicit additional State volunteers to collect workload and funding information in the areas of corrective action/closures, permitting, inspections, enforcement and program development for the Association's Resource Conservation and Recovery Act Core Program Project.

EPA is incrementally funding this 5-year grant. According to the Association, the EPA project officer at times sends an e-mail out to EPA's program offices asking if they have any money they want the Association to use to fund State travelers for EPA meetings. If so, EPA will amend this grant and add funds and have the Association pay for the travel of State officials to such meetings. For example, the Association reimbursed 34 State officials after they attended EPA's National Corrective Action Conference in Denver in May 2005. The total EPA funding amounted to \$26,114.

The Association must match 5 percent of the EPA funded amount. The Association uses in-kind services to do this, counting any hours State employees do not get reimbursed to travel and attend meetings under this grant. The Association asks State employees to fill out a form showing this time and uses \$50 per hour as the rate for each in-kind hour. The grantee told us they researched this rate and said it is the average hourly rate for an engineer.

The Association, headquartered in Washington, DC, has received EPA grants since the early 1980s. EPA currently provides 85 percent of the Association's funding.

Grant #: 83193101-0 to the Environmental Law Institute

EPA competed and awarded a \$140,000 grant to The Environmental Law Institute (the Institute) to improve the ability of State and local governments to strengthen compensatory mitigation and conduct research on the elements of a comprehensive State wetland program. This grant continues work the Institute conducted under previous Wetland Program Development grants, including the first phase of an evaluation of State wetland programs. The Institute holds the Stakeholder Forum on Wetland Mitigation and the National Symposium on Compensatory Wetland Mitigation annually through the grants. The extent of future grant work to continue building on these components will be influenced by EPA's availability of funds for the Wetland Development Program.

EPA cited the Clean Water Act, Section 104(b)(3) as the statutory authority for this grant. That Section provides authority to award grants to nonprofit organizations for activities including research, training and demonstrations relating to causes, effects, prevention, reduction, and elimination of pollution. According to EPA, "This funding to the Environmental Law Institute would provide continued technical assistance to benefit states, tribes and local governments in their efforts to prevent wetland degradation and loss by improving their ability to protect and restore wetlands."

The Institute proposed three primary components to achieve its objectives. Those components were the second phase of an evaluation of State wetland programs (including regulatory, water quality, monitoring/assessment, and other relevant State programs); continued research on approaches for making compensatory wetland mitigation decisions, compiled for presentation at a National symposium; and, organizing and administering the Fourth Stakeholder Forum on Wetland Mitigation.

The Institute is progressing with its research on wetland programs in 12 States. When it completes the research, it will compile and publish the Phase II report. The Institute is compiling wetland research data to be presented at the National Symposium on Compensatory Wetland Mitigation. Finally, the Institute held the Fourth Stakeholder Forum on Federal Wetlands Mitigation in September 2004. By April 2005, the Institute finalized and distributed the report detailing efforts from the Forum.

The overall budget for this project totaled \$186,663. EPA funded \$140,000, while the Institute contributed \$46,663 towards the total cost of this project. In April 2005, EPA issued a no-cost extension to the project period, changing the project end date from April 30 to October 31, 2005. However, no changes have been made to the project's objectives.

Grant #: 83124701-0 to the National Black Environmental Justice Network

EPA awarded \$25,000 to the National Black Environmental Justice Network (the Justice Network) to facilitate the development of a constituency that will ensure source water protection issues are a priority among disadvantaged communities. EPA did not compete this award. Instead, EPA justified awarding it noncompetitively because it was under the competition dollar threshold and was an unsolicited proposal.

EPA cited Section 104(b)(3) of the Clean Water Act as the statutory authority for this grant. That Section authorizes EPA to make grants to nonprofit organizations for training and demonstrations related to the causes, effects, extent, prevention, reduction, and elimination of pollution. EPA also cited Section 1442 of the Safe Drinking Water Act which authorizes grants for training State or State-delegated water enforcement officials.

The Justice Network proposed two types of work to achieve its goal. First, it planned to prepare educational materials regarding source and drinking water protection issues. The materials will include general background information as well as strategies designed to improve source water protection in disadvantaged communities. Second, the Justice Network planned to organize an educational/training workshop on source and drinking water protection issues. Of the \$25,000 awarded to this grantee, \$5,000 was allocated to the production of educational materials and \$20,000 was allocated for the workshop. The Justice Network will emphasize the need for key stakeholders to understand the urgency of source and drinking water protection problems in disadvantaged communities.

According to the Justice Network's mid-year progress report dated March 28, 2005, it proceeded with planning and preparing materials to distribute at the educational/training workshop. The workshop was held on July 1, 2005 in New Orleans, Louisiana, coinciding with the Justice Network's annual meeting.

The Justice Network is a coalition of environmental justice organizations, made up of members of African descent. It is a nonprofit membership organization, headquartered in Washington, DC, and was created in 1999. The Justice Network is composed of national and local leaders, policy advocates, youth and students, clergy, labor, civil rights activists, academics, legal experts, environmental and public health professionals, and representatives from other constituencies in disadvantaged communities.

Grant #: 83192601-0 to the Association of State Wetland Managers, Inc.

EPA competed and awarded a \$240,000 grant to the Association of State Wetland Managers, Inc. (the Association) to assist in developing State and local programs to enhance the overall capacity to protect wetlands. EPA has funded \$199,100 of the total.

EPA cited the Clean Water Act, Section 104(b)(3) as the statutory authority for this grant. That section provides authority to award grants for activities including training and demonstrations relating to causes, effects, prevention, reduction, and elimination of pollution. EPA added, "This funding to the Association of State Wetland Managers would provide continued technical assistance to benefit states, tribes and local governments in their efforts to prevent wetland degradation and loss by improving their ability to protect and restore wetlands."

To accomplish its goal, the Association proposed facilitating communication between States, Federal agencies, wetland professionals and other stakeholders. The Association's planned strategies included conducting meetings, workshops and conferences; writing materials on wetland issues; and, using technology such as its Web site.

On December 27, 2004, the Association submitted to EPA a brief narrative regarding its first quarter progress on this grant. The Association reported it reimbursed travel for five participants at the Land Trust Alliances Annual Land Trust Rally, provided support for the Wetland 2004 conference, conducted planning for a legal conference, and coordinated work on a wetlands and development brochure.

The initial award provided \$164,100 of the \$240,000 amount. On April 13, 2005, EPA amended this grant to provide an additional \$35,000, bringing the total amount funded to \$199,100.

The Association, established in 1983, is a nonprofit membership organization located in Windham, Maine. The Association works to protect and manage wetlands by promoting sound wetland management efforts and training and educating its members and the public.

The Association's project manager for this grant worked at EPA from 1988 to 1995. When she left EPA in 1995, she was the Acting Branch Chief of the Wetland Strategies and State Programs Branch, Wetlands Division. In addition to this relatively new grant, the project manager is also the contact for at least three other EPA grants, which are in their final stages.

Grant #: 97115301-0 to the Lowell Parks & Conservation Trust

EPA competed and awarded a \$20,000 grant to the Lowell Parks & Conservation Trust (the Lowell Trust) to restore, maintain, and enhance the ecological integrity of the Concord River in Lowell, Massachusetts. EPA awarded the grant to contribute to the design of a bike path to reduce vehicle miles traveled, consequently reducing vehicle emissions; protect open space and water quality; and redevelop Brownfields. The grantee also proposed conducting a "river clean-up" along the path, to include removing debris from the river bank and taking steps to prevent future dumping.

EPA cited Clean Air Act Section 103 and Clean Water Act Section 104 as the statutory authorities for this grant. Section 103(a)(2) of the Clean Air Act authorizes financial assistance to public or private agencies for conducting activities to prevent and control air pollution.

EPA, in its Funding Recommendation, linked this project to EPA Strategic Plan Goal 4, "Healthy Communities." Goal 4 strives to protect, sustain, or restore the health of people, communities, and ecosystems using integrated and comprehensive approaches and partnerships.

The status report covering activity from January through March 2005 indicated that most of the progress was in planning and public outreach. The Lowell Trust conducted these activities to gain support for the project.

The total budget for this project is \$26,142. EPA awarded \$20,000 and the recipient contributed an additional \$6,142. The Lowell Trust's second quarterly report indicated funding for the overall greenway project was also received from other sources, such as the National Park Service.

The Lowell Trust, located in Lowell, Massachusetts, is a nonprofit membership organization whose mission is to “improve the quality of life for the people of Lowell through the conservation, creation, and preservation of parks, open space, and special places.” Further, the Lowell Trust “supports projects that provide people opportunities to remain connected to the land on which the city was built.”

Grant #: 96554501-1 to the Milwaukee Community Service Corps

EPA competed and awarded a \$150,000 grant to the Milwaukee Community Service Corps (the Service Corps) to educate and train at-risk young adults in the Milwaukee, Wisconsin, area to work in Brownfields remediation. This ongoing project runs from October 1, 2004, through September 30, 2006, and has been funded through previous EPA grants.

The original Award Document incorrectly cited the City of Milwaukee as the recipient. EPA issued a no-cost grant amendment to correctly show that the Service Corps was the recipient. EPA stated that this was simply an administrative error and all funds actually went to the Service Corps.

EPA cited Section 104(k)(6) of the Comprehensive Environmental Response Compensation and Liability Act as the statutory authority for this award. That Section provides authority to fund nonprofit organizations for training individuals and organizations to remediate Brownfields.

The Service Corps plans to train eight groups of young adults during this project. Through relationships with the City of Milwaukee and various environmental contractors, the Service Corps guarantees that program participants will be employed after they complete its training program.

Since this project is still relatively new, progress is still in its early stages. The first quarter status report indicated that a group of eight trainees began the training program. Two of those dropped out bringing the total to six. Another eleven trainees, making up a second group, have been enrolled in the program.

The Service Corps is a private, nonprofit organization headquartered in Milwaukee. The Service Corps provides young people with opportunities to learn new skills and earn wages through various community services.

Grant #: 97825401-0 to the Wyoming Association for Environmental Education

EPA competed and awarded a \$6,622 grant to The Wyoming Association for Environmental Education (the Association). According to EPA, this project is the first step necessary in building the capacity of the State of Wyoming's environmental education profession to identify model programs, identify duplication, and find gaps in educational programs. The goals of this project are to (1) identify new environmental education leaders and assess their needs for professional development, (2) create a communication network among environmental education professionals, (3) evaluate the status of environmental education programs within the State, and (4) create a statewide strategic plan for environmental education for the next 3-5 years. One

additional goal stated in the grantee's application is "to expand the membership of [the Association]." The grantee's application also stated the "intent of this project is to build capacity by strengthening the organizational structure of [the Association] and better enable it to meet its mission..." According to the EPA project officer, the idea for this grant originated with educators on the Association's Board of Directors.

EPA cited Section 6 of the National Environmental Education Act as the statutory authority for this grant. Section 6(b) of the Act lists five different areas that support eligible activities. According to the project officer, this project would fall under #1--design, demonstration or dissemination of environmental curricula, including development of educational tools and materials; and #4--provision of training or related education for teachers, faculty, or related personnel in a specific geographic area or region.

The grantee's final report is due to EPA by November 30, 2005. As of mid-June 2005, the Association held 10 town-hall meetings for educators throughout Wyoming. The Association stated in its application that it will measure the success of the project in terms of the number of people who attend the town hall meetings, the return rate of the surveys describing environmental education available in the communities, and the number of people who become members of the Association. The goal of the grant was to reach 175-200 people around the State.

The project officer said that the Association's recent midterm report was unacceptable because it did not contain required information. The project officer stated that she will ask for additional information, such as sign-in sheets, photographs, names of assistants, and receipts, when necessary.

EPA funds are being spent on a stipend plus travel costs for the facilitator to conduct meetings in communities, and to develop materials for the meetings. According to the project officer, environmental education grants above \$5,000 were considered large based on the Environmental Education Act of 1990.

The Association, located in Jackson, Wyoming, was founded in 1995 to promote environmental education statewide. The grantee provides a communication network among environmental educators; creates partnerships among agencies and schools to increase the effectiveness of programs; and generates support for environmental education at local, State, and regional levels.

Grant #: 96912701-0 to The Chartwell School

On December 10, 2004, EPA competed and awarded a grant of \$29,400 to the Chartwell School. EPA stated that the purpose of this grant was to develop a Design for Disassembly Resource Handbook and a detailed case study of the process of deconstructing the current campus buildings and designing a new campus. This project will "investigate how to increase diversion of construction materials from landfills and recycle material." The handbook will compile tips for building professionals on how best to construct and deconstruct the buildings so that materials are not wasted and can be reused.

EPA cited Solid Waste Disposal Act, Section 8001, as the statutory authority for this grant. Section 8001(a) lists 13 possible areas for which "research, investigations, experiments, training, demonstrations, surveys, public education programs, and studies" can be conducted. Section 8001(a)(5) allows for studies related to reducing solid waste and unsalvageable waste materials. Section 8001(a)(7) allows for the identification of solid waste components and of the potential materials and energy that can be recovered from such waste.

The Chartwell School's proposal listed 11 tasks to complete. According to its most recent progress report, dated June 25, 2005, 57 percent of the work had been completed, based on dollars spent by task. Types of tasks completed include creation of a matrix listing types and quantities of building materials; architectural drawings of windows, skylights, roofing, structural insulated panels, wood framing, and trusses; physical mock-ups of exterior siding and interior wood paneling; and outreach on the project including project information being published in *Architectural Record*. The project end date is March 1, 2006. However, the project officer stated that the project team is hoping to close out the project before the end of 2005.

The original award approved costs incurred back to October 1, 2004. On March 22, 2005, EPA amended the grant to approve costs back to May 1, 2004. The total assistance amount, however, remained the same.

The Chartwell School, founded in 1983, is located in Seaside, CA. The School's mission is to educate children with dyslexia in a way that enables them to return successfully to mainstream education. The Chartwell School was one of 3 applicants that EPA selected in the competition of 42 initial proposals.

Grant #: 97086601-0 to the Oregon Environmental Council

EPA competed and awarded \$97,000 to the Oregon Environmental Council (the Council) to significantly reduce diesel pollution from stationary sources to improve the health of Portland metropolitan residents within high-risk communities. The Council described high-risk communities as "...the lower-income Albina community, children, and the elderly."

EPA cited Section 103 of the Clean Air Act to justify this grant. Section 103 allows EPA to provide grants to nonprofit organizations for demonstrations and studies relating to causes, effects, extent, prevention, and control of air pollution.

EPA, in its Funding Recommendation, linked this project to EPA Strategic Plan Goal 1, "Clean Air and Climate Change." Goal 1 strives to protect and improve the air so it is healthy to breathe and risks to human health and the environment are reduced. Further, it strives to reduce greenhouse gas intensity by enhancing partnerships with businesses and other sectors.

To achieve its objective, the Council planned to assess stationary diesel sources by collaborating with stakeholders. For the remainder of the project, the Council planned to work with stakeholders to develop and implement strategies to reduce pollution from stationary diesel sources. This project is similar to and a continuation of prior work the Council has conducted through EPA grants.

EPA requires the Council to provide progress reports once per year. In April 2005, the Council provided EPA with a report describing its assessment of stationary diesel sources in Portland. Consistent with the work planned for this project, the report detailed the extent stationary diesel sources are used in the Portland area and described the network/relationships the Council developed with stakeholders.

The Council contributed an additional \$53,500, bringing the total budget to \$150,500. The Council identified the following sources for its contribution to this project.

- Donated in-kind staff time from partner organizations and stakeholders (\$10,000)
- Donated in-kind publicity, design, printing, and postage (\$25,000)
- Existing Council grants (\$15,000)
- Grants, corporate donations, and other funding to be secured by the Council (\$3,500)

The Council is a nonprofit membership organization founded in 1968. Members are located throughout Oregon. The Council collaborates with Federal agencies, businesses, professional organizations, legislators and experts to achieve a cleaner, healthier environment within Oregon.

Scope and Methodology

The objective of our work was to identify the purpose of each assistance agreement, the statutory authority that EPA cited to justify each agreement, and the progress each grantee made under the agreements. This work was not an audit in accordance with generally accepted Government auditing standards. We did not conduct this work with the intent of providing an independent assessment of the performance of a Government organization or activity, as required by generally accepted Government auditing standards. We performed our work from May through July 2005.

To complete our work, we obtained the Award Document for each grant from EPA's Integrated Grants Management System. We did not independently verify the accuracy of the data in the Integrated Grants Management System. We obtained the Agency's Decision Memorandum, or its Funding Recommendation, as well as the grantee's application/proposal and most recent progress report from the EPA project officer for each grant. We also visited two grant recipients in Washington, DC, and interviewed them about how they executed the grants. We gave EPA the opportunity to review and comment on our draft report. We considered EPA's comments and revised the draft report, as appropriate.