

ONE HUNDRED FIFTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115
Majority (202) 225-2927
Minority (202) 225-3641

July 13, 2018

The Honorable Andrew Wheeler
Acting Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Dear Acting Administrator Wheeler:

Pursuant to Rules X and XI of the U.S. House of Representatives, the Committee on Energy and Commerce is continuing its oversight of the Environmental Protection Agency's (EPA) management of grants. Specifically, the Committee seeks information about the process EPA uses to review grant solicitations and applications.

On April 21, 2017, the Committee wrote to EPA seeking documents and other information about the agency's process for closing out grants.¹ During a subsequent hearing before the Subcommittee on Oversight and Investigations in September 2017, GAO testified, "EPA's grant-monitoring practice may impact the agency's ability to efficiently monitor results and increase administrative costs."² GAO further stated, "EPA did not have information it needed to allocate grant management resources effectively."³ This is particularly concerning since EPA awards about half of its budget, approximately \$4 billion annually, through grants.⁴

Beginning in 2017, EPA reportedly established a new review process for all grants and grant solicitations.⁵ The new process included an increased level of scrutiny by the Office of

¹ See Letter from Hon. Greg Walden, Chairman, H. Comm. on Energy & Comm., to Hon. Scott Pruitt, Administrator, U.S. Env't Protection Agency, (Apr. 21, 2017).

² See *EPA Oversight: Unimplemented Inspector General & GAO Recommendations*, Hearing Before the H. Comm. on Energy & Comm., Subcomm. on Oversight & Investigations, 115th Cong., Sept. 6, 2017.

³ *Id.*

⁴ See U.S. Gov't Accountability Office, *EPA Partially Follows Leading Practices of Strategic Workforce Planning & Could Take Additional Steps*, GAO-17-144, Jan. 2017, available at <https://www.gao.gov/products/GAO-17-144>.

⁵ See Juliet Eilperin, *EPA Now Requires Political Aide's Sign-Off for Agency Awards, Grant Applications*, WASH. POST, Sept. 4, 2017, available at <https://www.washingtonpost.com/politics/epa-now-requires-political-aides-sign->

Public Affairs intended to “ensure funding is in line with the Agency’s mission and policy priorities,”⁶ and reportedly “required the development of a new computer-reporting system.”⁷ However, according to a recent media report, the grant review process has changed again.⁸ Now it appears that grant solicitation decisions are made through EPA’s regional offices and assistant administrators.⁹ It remains unclear why the review process continues to change, what guidelines are currently being used, and whether the latest changes incorporate recommendations that GAO made during the September 2017 hearing. Moreover, it is uncertain whether EPA’s latest review process is in line with the agency’s most recent Grants Management Plan.

EPA’s Grants Management Plan outlines goals and objectives for improving oversight of grants, including the review process.¹⁰ According to the document, “[t]he goals and objectives identified in the Plan are intended to guide the day-to-day activities of the EPA’s grants management staff and the senior managers responsible for overseeing grant activities.”¹¹ Specifically, one goal calls for EPA to “Strengthen accountability in Regional and Headquarters Offices by improving the Management Effectiveness Review Process.”¹² This includes developing “a standardized review protocol” and measuring this goal by performing effectiveness reviews of grants management offices two times per year beginning in 2017.¹³ Implementing the goals outlined in the Grants Management Plan would most certainly improve oversight of the grants program and increase the effectiveness of the review process.

To assist the Committee in its review, please provide the follow documents and information by July 27, 2018:

1. All written guidance relating to reviewing grant solicitations and applications, including any information regarding EPA’s review process from January 2017 to present, and plans for developing a “standardized review protocol” as cited in EPA’s *Grant Management Plan 2016-2020*.
2. All documents relating to EPA’s new computer-reporting system for grants, including the cost and a description of the system.¹⁴
3. All “effectiveness reviews” of grant management offices conducted since January 2017.¹⁵

off-for-agency-awards-grant-applications/2017/09/04/2fd707a0-88fd-11e7-a94f-3139abce39f5_story.html?utm_term=.af32e5b5f472.

⁶ *Id.*

⁷ *Id.*

⁸ Kevin Bogardus & Sean Reilly, *Inside the Grants Review: 'This is Not Going to be Funded'*, E&E NEWS, Jun. 18, 2018, available at <https://www.eenews.net/greenwire/2018/06/18/stories/1060084979>.

⁹ *Id.*

¹⁰ See EPA, *Grants Management Plan 2016-2020*, Feb. 2016, available at https://www.epa.gov/sites/production/files/2016-02/documents/gmp_final.pdf.

¹¹ *Id.*

¹² *Id.*

¹³ *Id.*

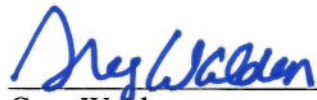
¹⁴ See *Wash. Post*, *supra* note 5.

¹⁵ See EPA Grants Management Report, *supra* note 10.

4. How many goals and objectives from the most recent Grants Management Plan have been implemented since January 2017?
5. What steps has EPA taken to address GAO's concerns about improving the agency's grant monitoring practices since the Committee's hearing in September 2017?

An attachment to this letter provides additional information about responding to the Committee's request. If you have any questions, please contact Lamar Echols of the Committee Staff at 202-225-2927. Thank you for your attention to this matter.

Sincerely,



Greg Walden
Chairman



Gregg Harper
Chairman
Subcommittee on Oversight
and Investigations



John Shimkus
Chairman
Subcommittee on Environment

cc: The Honorable Frank Pallone, Jr., Ranking Member
Committee on Energy and Commerce

The Honorable Diana DeGette, Ranking Member
Subcommittee on Oversight and Investigations

Attachment