



U.S. ENVIRONMENTAL PROTECTION AGENCY

OFFICE OF INSPECTOR GENERAL

## *Spending Taxpayer Dollars*

# **EPA-Funded *What's Upstream?* Advocacy Campaign Did Not Violate Lobbying Prohibitions**

Report No. 17-P-0183

April 24, 2017



## Report Contributors:

Angela Bennett  
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## Abbreviations

CCMP	Comprehensive Conservation and Management Plan
CFR	Code of Federal Regulations
CWA	Clean Water Act
EPA	U.S. Environmental Protection Agency
GAO	U.S. Government Accountability Office
NWIFC	Northwest Indian Fisheries Commission
OIG	Office of Inspector General
OMB	Office of Management and Budget
U.S.C.	United States Code

**Cover photo:** Skagit Bay Estuary (part of Puget Sound), Skagit County, Washington.  
(EPA OIG photo)

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# At a Glance

## Why We Did This Audit

The U.S. Environmental Protection Agency (EPA), Office of Inspector General (OIG), conducted this audit in response to a congressional request. A congressional committee requested that the OIG audit the activities and expenditures under a \$15.7 million cooperative agreement awarded to the Northwest Indian Fisheries Commission (NWIFC). According to the audit request, the EPA appears to have improperly funded the *What's Upstream?* advocacy campaign in Washington state. The campaign included advertising and an interactive website urging the public to contact state lawmakers.

This report responds to five questions from the congressional committee's audit request about the EPA, NWIFC and oversight of the sub-award to the Swinomish Indian Tribe.

**This report addresses the following EPA goal or cross-agency strategy:**

- *Protecting America's waters.*

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## ***EPA-Funded What's Upstream? Advocacy Campaign Did Not Violate Lobbying Prohibitions***

### What We Found

The EPA properly funded the *What's Upstream?* advocacy campaign and did not violate lobbying-related prohibitions. In response to the congressional committee's five concerns, we made the following determinations:

1. The EPA followed applicable laws, regulations and policies in awarding the cooperative agreement.
2. The EPA followed applicable laws, regulations and policies in performing required oversight of the cooperative agreement.
3. NWIFC followed applicable laws, regulations and policies in performing and implementing the cooperative agreement.
4. All costs claimed by NWIFC for the *What's Upstream?* advocacy campaign were allowable. A separate audit addresses whether the remaining costs under the cooperative agreement are allowable.
5. The EPA had communication with NWIFC as part of its oversight functions, including some communication with Strategies 360, a Swinomish Indian Tribe consultant, regarding the *What's Upstream?* advocacy campaign.

**The EPA and NWIFC complied with applicable laws, regulations and policies. The EPA's oversight of the cooperative agreement and sub-award included communication.**

We made no recommendations regarding the committee's concerns.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

THE INSPECTOR GENERAL

April 24, 2017

**MEMORANDUM**

**SUBJECT:** EPA-Funded *What's Upstream?* Advocacy Campaign Did Not Violate  
Lobbying Prohibitions  
Report No. 17-P-0183

**FROM:** Arthur A. Elkins Jr.

A handwritten signature in black ink that reads "Arthur A. Elkins Jr." in a cursive style.

**TO:** Michelle Pirzadeh, Acting Regional Administrator  
Region 10

This is our report on the subject audit conducted by the Office of Inspector General (OIG) of the U.S. Environmental Protection Agency (EPA). The project number for this audit was OA-FY16-0178. The audit did not identify any problems requiring corrective actions.

Because this report contains no recommendations, you are not required to respond to this report. However, if you submit a response, it will be posted on the OIG's public 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.epa.gov/oig](http://www.epa.gov/oig).

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# Chapter 1

## Introduction

### Purpose

The U.S. Environmental Protection Agency (EPA), Office of Inspector General (OIG), conducted this audit to address an April 5, 2016, congressional request to audit the activities and expenditures under a \$15.7 million cooperative agreement (PA00J32201) awarded to the Northwest Indian Fisheries Commission (NWIFC).

According to the congressional committee's audit request, the EPA appeared to improperly fund an advocacy campaign in Washington state. The congressional committee stated that this advocacy campaign, called *What's Upstream?*, included billboards, bus placards, and an interactive website urging the public to contact state lawmakers. The committee also said that the website featured a pre-written email (letter) for the public to send to elected officials; the email criticized the actions of agricultural producers and blamed them for polluting local waterways. In addition, the pre-written email (letter) noted the lack of a permit system to regulate many agricultural practices and advocated for the establishment of streamside buffers. The committee stated in its audit request that the campaign unfairly targets and demonizes farmers and ranchers.

This report addresses the committee's concerns about cooperative agreement PA00J32201:

- 1) Did the EPA follow applicable laws, regulations and policies in awarding the cooperative agreement?
- 2) Did the EPA follow applicable laws, regulations and policies in performing required oversight of the cooperative agreement?
- 3) Has NWIFC followed applicable laws, regulations and policies in performing and implementing this cooperative agreement?
- 4) Are there any unallowable costs associated with the *What's Upstream?* advocacy campaign?
- 5) Has the EPA had any communication with NWIFC and/or consultant Strategies 360 regarding the *What's Upstream?* advocacy campaign?

### Background

Puget Sound in Washington state is one of 28 estuaries of National Significance identified under the National Estuary Program, which is authorized under Title III, Section 320, of the Clean Water Act (CWA). Each estuary designated as part of this program is required to have a Comprehensive Conservation and Management Plan (CCMP) that recommends priority corrective actions and

compliance schedules addressing point and nonpoint sources of pollution. Puget Sound's approved CCMP is the Puget Sound Action Agenda.

### ***EPA Cooperative Agreement Award to NWIFC***

On December 28, 2010, the EPA awarded cooperative agreement PA00J32201 to NWIFC under Section 320 of the CWA. The cooperative agreement provided \$15,700,581 in federal funds for tribal implementation projects that are identified in or consistent with the Puget Sound CCMP. Funding for the cooperative agreement is authorized under Public Law 111-88, Department of the Interior, Environment, and Related Agencies Appropriations Act, 2010. Public Law 111-117, Consolidated Appropriations Act, 2010, contains governmentwide general provisions for 2010 appropriations.

NWIFC's role is to develop and carry out a program to grant sub-awards and manage funding for tribal implementation projects that protect and restore Puget Sound, consistent with the Puget Sound Action Agenda. NWIFC's implementation includes:

- Receiving applications in response to the request for proposal.
- Reviewing submitted projects to verify that they meet funding intent.
- Awarding funds.

NWIFC maintains project accountability through invoicing, performing financial audits, progress reporting and conducting site visits.

### ***NWIFC Sub-Award to Swinomish Indian Tribe***

Under cooperative agreement PA00J32201, NWIFC awarded a total of \$723,138 to the Swinomish Indian Tribe. The tribe proposed using \$568,449 of these funds for public outreach and education projects directed at state-level decision-makers and regional stakeholders to increase public awareness of water quality issues. The funds were also to be used to support compliance with existing regulations and promote new regulations to protect instream resources (i.e., fish and wildlife, aesthetics, water quality, and recreation).

The Swinomish Indian Tribe hired Strategies 360, a public relations firm, to conduct research to understand the challenges and opportunities surrounding improved water quality standards and enforcement. Strategies 360 was also tasked with designing and implementing an outreach strategy. The firm's scope of work included the *What's Upstream?* website and advertising.

### ***Applicable Regulatory Requirements***

The requirements of 18 U.S.C. § 1913, *Lobbying With Appropriated Moneys*, prohibits the use of federally appropriated funds to directly or indirectly pay for, among other things, any personal service, advertisement, and printed or

written communication intended to influence an official of any government to favor, adopt or oppose by vote or otherwise, any legislation, laws, etc., whether before or after the introduction of any bill, measure or resolution proposing such legislation.

Title VII, Sections 717 and 720, of the Consolidated Appropriations Act, 2010 both prohibit the use of appropriations for publicity or propaganda purposes. The difference is that Section 717 prohibits lobbying for publicity and propaganda purposes directed at federal government congressional members, while Section 720 prohibits lobbying for publicity and propaganda purposes “within the United States.” Due to the broad wording in Section 720, it appears to apply to lobbying directed at both state and federal governments.

Title 40 CFR Part 31, *Uniform Administrative Requirements for Grants and Cooperative Agreement to State and Local Governments*, and 40 CFR Part 35, Subpart P, *Financial Assistance for the National Estuary Program*, provide regulatory authority for the cooperative agreements. Title 40 CFR § 31.22(b) states that “allowable costs will be determined in accordance with the cost principles applicable to the organization incurring the costs.” For determining the allowable costs of a state, local or Indian tribal government, 40 CFR § 31.22(b) requires the use of the principles in the Office of Management and Budget (OMB) Circular A-87. OMB Circular A-87 was relocated to 2 CFR Part 225.

EPA Order 5700.5 A1, *Policy for Competition of Assistance Agreement*, establishes the policy and requirements for the competition of EPA assistance agreements. EPA Order 5700.6 A2 CHG 2, *Policy on Compliance, Review, and Monitoring*, establishes standards for the oversight, monitoring and closeout of EPA assistance agreements.

## **Responsible EPA Offices**

The Puget Sound Program within EPA Region 10’s Office of Water and Watersheds administers and manages cooperative agreements for tribal implementation projects designed to protect and restore Puget Sound.

## **Related Audits**

### ***GAO Review of EPA Social Media Campaigns***

On December 14, 2015, the U.S. Government Accountability Office (GAO) issued an opinion on its review of the EPA’s social media campaigns associated with the agency’s “Waters of the United States” rulemaking in fiscal years 2014 and 2015. The GAO concluded that two of the four EPA social media campaigns reviewed violated the publicity, propaganda and anti-lobbying provisions contained in the 2014 and 2015 Financial Services and General Government Appropriations Acts.



Section 718 of the 2014 and 2015 acts state that appropriations will not be used for publicity or propaganda purposes. Section 715 of the 2015 act states that appropriations will not be used for publicity or propaganda purposes or for preparation of any materials designed to support or defeat legislation pending before Congress.

According to GAO, one violation resulted when the EPA created a message on one social media platform that was shared across other platforms without identifying the EPA as the author. The EPA disclosed its role in creating the message on the initial social media platform but did not receive attribution once the message was shared across other platforms. The GAO concluded that this constituted covert propaganda under Section 718 of the 2014 and 2015 acts. However, the EPA disagreed with the GAO's conclusion, responding that it made no attempt to conceal or otherwise mislead recipients in creating the information conveyed on social media. In addition, the agency stated that the message retained the EPA's identifying information.

The GAO also concluded that a second violation resulted when an EPA blog post hyperlinked to other websites featuring a form letter that sought congressional support for the finalization of the EPA's Clean Water Rule. GAO determined that the hyperlinks constituted an appeal by the EPA to the public to contact Congress in opposition to pending legislation, which violates Section 715 of the 2014 and 2015 acts. Again, the EPA disagreed with the GAO's finding, stating that its campaign did not include any appeals to contact Congress regarding pending legislation.

### ***EPA OIG Audit of NWIFC Cooperative Agreements***

We performed a concurrent audit that expanded the scope of this congressionally requested audit. The additional audit determined whether costs claimed by NWIFC and its sub-award recipients were reasonable, allocable and allowable in accordance with applicable laws, regulations, and cooperative agreement terms and conditions. In addition, the concurrent audit covered cooperative agreement PA00J91201, which did not incur costs associated with the *What's Upstream?* advocacy campaign. We issued a report on April 24, 2017, *Northwest Indian Fisheries Commission Complied With Most Federal Requirements but Claimed Some Unallowable Costs* (Report No. 17-P-0184). We recommended that the Regional Administrator, Region 10, disallow and recover ineligible costs of \$87,963 claimed by a sub-award recipient.

## **Scope and Methodology**

We conducted this performance audit from July 20, 2016, to January 18, 2017, 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. In our opinion, the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

To address the congressional committee's questions, we interviewed personnel from EPA Region 10 to obtain an overall understanding of the following issues:

- Grant application process, evaluation criteria and award justification.
- Work performed under the cooperative agreement.
- The EPA's oversight of the cooperative agreement, including the Swinomish Indian Tribe sub-award.

To determine whether the EPA and NWIFC followed applicable laws, regulations and policies and provided oversight of the cooperative agreement, we reviewed project officer files and documents provided to another congressional committee in response to a Freedom of Information Act request. In addition, we performed the following steps:

- Interviewed NWIFC personnel.
- Reviewed NWIFC files for the Swinomish Indian Tribe.
- Reviewed costs claimed under cooperative agreement PA00J32201 to determine whether the costs are reasonable, allocable and allowable. This step was conducted under Project No. OA-FY16-0176. Specifically, we sought to identify costs associated with the *What's Upstream?* campaign and determine if any of those costs were recovered.

## Chapter 2

### EPA and NWIFC Followed Federal Requirements and Properly Funded the *What's Upstream?* Advocacy Campaign

The EPA followed applicable laws, regulations and policies in awarding and overseeing cooperative agreement PA00J32201. NWIFC also followed applicable laws, regulations and policies in performing and implementing the cooperative agreement. The *What's Upstream?* advocacy campaign did not violate lobbying prohibitions, and the associated costs were allowable. A separate audit is addressing whether the remaining costs under the cooperative agreement are allowable. The EPA had communications with NWIFC while executing its oversight functions, including some communication with Strategies 360, a Swinomish Indian Tribe consultant, about the *What's Upstream?* website.

#### EPA Followed Applicable Laws, Regulations and Policies

Our reviews of the cooperative agreement and associated project files concluded that EPA Region 10 complied with all applicable laws, regulations and policies when executing the award and carrying out its oversight responsibilities. These laws, regulations and policies include the CWA; the Consolidated Appropriations Act, 2010; 40 CFR Parts 31 and 35, Subpart P; EPA Order 5700.5 A1; and EPA Order 5700.6 A2.

The OIG's review of the project files showed that NWIFC was the only entity that responded to the request for proposals. The Region 10 review panel that rated NWIFC's application initially recommended that it not be funded based on the submitted materials. However, the selection official decided to award the funds to NWIFC, contingent upon development of a satisfactory application. NWIFC subsequently corrected the areas of concern identified by Region 10 in the application and was awarded the cooperative agreement.

As part of its oversight responsibilities, Region 10 reviewed all sub-award proposals received under cooperative agreement, including the original sub-award made to the Swinomish Indian Tribe in June 2011 and subsequent annual awards through 2016. Region 10 also performed all monitoring required by EPA Order 5700.6 A2:

- *Administrative baseline monitoring*, which includes drawdown history, compliance with administrative terms and conditions, compliance with single audit requirements, and other items.

- *Programmatic baseline monitoring*, which includes initiation of work, submittal of progress reports, compliance with programmatic terms and conditions, work plan approvals, changes in scope of work, and other items.
- *Advanced post-award monitoring*, which includes an on-site review designed to assist awardees in effectively managing their assistance agreements (i.e., grants and cooperative agreements) and to create an open dialogue between the EPA and its awardees.

## NWIFC Followed Applicable Laws, Regulations and Policies

NWIFC's sub-award monitoring activities complied with all applicable laws, regulations and policies, as well as all terms and conditions of the cooperative agreement. These activities included an evaluation of tribal proposals, as well as post-award programmatic and financial monitoring. The NWIFC monitoring plan appropriately implemented the requirements of the following federal regulations:

- OMB Circular A-133, *Compliance Supplement*, March 2014.
- Title 2 CFR § 200.331, *Requirements for Pass-Through Entities*.

To execute these requirements, NWIFC evaluated each sub-recipient's risk of noncompliance with federal statutes, federal regulations, and the terms and conditions of the sub-award, per 2 CFR § 200.331(d). As mandated by its policies and processes, NWIFC conducted the following monitoring of sub-recipient activities to ensure that the sub-award was used only for authorized purposes:

- *Programmatic monitoring*, which includes proposals, progress reports, staff turnover, past performance and news events. NWIFC also conducts site visits and provides technical assistance as needed.
- *Financial monitoring*, which includes sub-award invoices, communication with sub-recipients, staff turnover/qualifications and OMB Circular A-133 reviews.

NWIFC completed and documented the programmatic and financial reviews of proposals and the post-award monitoring activities as required, including its monitoring of the Strategies 360 work conducted under the Swinomish Indian Tribe's sub-award.

NWIFC also contracts for limited scope reviews of sub-awards as needed, depending on the results of its risk evaluation. In 2016, NWIFC contracted with Stauffer & Associates PLLC for a review of the Swinomish Indian Tribe's expenditures under the cooperative agreement from January 1, 2015, to December 31, 2015. This report concluded that all reviewed expenditures were allowable in accordance with federal regulations. The auditor specifically noted that none of

the expenditures were lobbying activities as defined in 2 CFR § 200.450.<sup>1</sup> As described below, our review of the Swinomish Indian Tribe’s expenditures resulted in the same conclusion.

## ***What’s Upstream? Costs Were Allowable***

The OIG reviewed the activities of the advocacy campaign to determine whether any lobbying prohibitions under 18 U.S.C. § 1913, *Lobbying With Appropriated Moneys*, and 2 CFR Part 225, Appendix B, Section 24, may have been violated.

The OIG concluded that the campaign did not violate lobbying-related prohibitions set out in criminal statute 18 U.S.C. § 1913. The lobbying prohibitions, according to the statute, apply to efforts to

... influence in any manner a Member of Congress, a jurisdiction, or an official of any government, to favor, adopt, or oppose, by vote or otherwise, any legislation, law, ratification, policy, or appropriation whether before or after the introduction of any bill, measure, or resolution....

The U.S. Department of Justice, Office of Legal Counsel, based on interpretation of the statute’s legislative history, concluded that the statute was intended to restrict the use of appropriated funds for “high-expenditure campaigns specifically urging private recipients to contact Members of Congress about pending legislative matters on behalf of an Administration position.”<sup>2</sup> The Office of Legal Counsel also noted that, because Section 1913 is a criminal statute, it should be interpreted narrowly – and that “ambiguity should be resolved in favor of lenience.”<sup>3</sup> Hence, it appears that the statute was intended to focus on lobbying that is directed at a proposed or pending action. In this instance, the campaign did not seemingly encourage action related to any pending or proposed Washington state legislative matter. The *What’s Upstream?* website suggested that citizens forward an attached form letter to Washington state elected officials; the form letter generally supported the goal of clean water, and specifically suggested that the state legislature should start paying attention to the need for “buffers between agriculture lands and streams.” Given that the form letter did not reference any proposed or pending legislative action linked to the purpose of the letter and that we should interpret the criminal statute as narrowly as possible, there appears to be no violation of the statute by the campaign.

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<sup>1</sup> Stauffer & Associates cited 2 CFR § 200.450 in its review of lobbying costs. However, 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is applicable for funding awarded on or after December 26, 2014. Funding for cooperative agreement PA00J32201 was awarded prior to December 26, 2014; therefore, the applicable cost principles are located at 2 CFR Part 225, Appendix B. As discussed in the “*What’s Upstream? Costs Were Allowable*” section, our review was based on the requirements of 2 CFR Part 225.

<sup>2</sup> The U.S. Department of Justice, Office of Legal Counsel, *Constraints Imposed by 18 U.S.C §1913 on Lobbying Efforts*, at 304, September 28, 1989.

<sup>3</sup> *Id.*

The campaign also did not violate 2 CFR Part 225, Appendix B, Section 24, because there was no attempt to influence federal employees or officers on a regulatory matter. Specifically, the campaign did not meet the definition of an unallowable lobbying cost, which is described as follows in 2 CFR Part 225, Appendix B, Section 24:

a. General. The cost of certain influencing activities associated with obtaining, grants, contracts, cooperative agreements, or loans is an unallowable cost.

b. Executive lobbying costs. Costs incurred in attempting to improperly influence either directly or indirectly, an employee or officer of the Executive Branch of the Federal Government to give consideration or to act regarding a sponsored agreement or a regulatory matter are unallowable.

Based on this definition, the EPA properly reimbursed costs associated with the *What's Upstream?* advocacy campaign. Strategies 360 billed the Swinomish Indian Tribe a total of \$476,312 for communication and outreach activities, including the activities associated with the advocacy campaign. NWIFC reimbursed the tribe \$432,955 of this \$476,312. In turn, EPA reimbursed the NWIFC for the \$432,955. Approximately \$281,000 of the reimbursed amount was related to the advocacy campaign. These costs included the development and maintenance of an interactive website, and the development of other media advertisements.

The NWIFC stopped reimbursing the tribe for the Strategies 360 cost invoiced after December 2015 because of public scrutiny surrounding the *What's Upstream?* advocacy campaign. The difference of \$43,357 that was not reimbursed to the Swinomish Indian Tribe by the NWIFC was invoiced during the period January through April 2016. The costs pertained to billboards, radio spots, and transit (bus placard) advertisements; and plans to update the *What's Upstream* interactive website to include a blog.

Although the EPA did not reimburse the total billed amount, our review of the \$476,312 determined that all the costs were allowable in accordance with cost principles found in 2 CFR Part 225. Specifically, there were no costs associated with obtaining funding or with attempting to influence an employee or officer of the Executive Branch of the federal government.

Additionally, the OIG sought to determine whether the EPA engaged in the same type of lobbying-related conduct described in the 2015 GAO opinion. Our review determined that the GAO report addressed lobbying efforts that differ from the activities of the *What's Upstream?* campaign. We concluded that the EPA did not engage in the same type of lobbying-related conduct identified by GAO.

Specifically, we noted that Title VII, Sections 717 and 720, of the Consolidated Appropriations Act, 2010 (comparable to the sections that were referenced in the GAO opinion) both prohibit the use of appropriations for publicity or propaganda purposes. GAO, in its opinion, operationally defined “publicity or propaganda purposes” as restricting two types of communication: covert propaganda and self-aggrandizement. GAO stated that “the critical element of covert propaganda is the agency’s concealment from the target audience of its role in creating the material.” Self-aggrandizement, according to GAO, involves communications that emphasize the importance of the agency, its officials, or the activity in question.

The difference between Sections 717 and 720 is that Section 717 prohibits lobbying for publicity and propaganda purposes at the federal government level, while Section 720 appears to prohibit lobbying for publicity and propaganda purposes at both the state and federal government levels.

With regard to Section 717, the EPA did not engage in covert propaganda related to the *What’s Upstream?* campaign because the communications regarding farmers and farming practices was developed by Strategies 360 for the Swinomish Indian Tribe. The EPA reviewed the *What’s Upstream?* material provided by the Swinomish Indian Tribe and made suggestions intended to soften the tone of the message, but it did not create the message; this is not a case where, like the facts in the GAO opinion, the EPA developed the message and used the entity to provide information without attribution to the EPA. Also, the EPA did not engage in self-aggrandizement because there was no reference to the agency, its officials, or any agency activity in the communications that were part of the *What’s Upstream?* campaign. Finally, the communications associated with *What’s Upstream?* were directed at possible legislative action at the Washington state, not the federal government, level. Therefore, no violation of Section 717 occurred.

With regard to Section 720, there is no evidence that the EPA engaged in covert propaganda or self-aggrandizement at the federal or state government levels. Therefore, no violation of Section 720 occurred.

## **EPA Communicated With NWIFC and Strategies 360**

EPA Region 10 communicated with NWIFC regarding the proposed work plans submitted by the Swinomish Indian Tribe for the public outreach and education project. This communication began in May 2011 and continued through 2016.

As part of its oversight responsibilities, Region 10 reviews all work plans and provides technical guidance and assistance to tribes performing projects under the Puget Sound Program. In August 2015, Region 10 suggested revisions to content on the draft *What’s Upstream?* website and the pre-written email (letter) to the Washington state Senators. Some of the EPA’s suggested revisions, which were provided to NWIFC and Strategies 360, were incorporated into the content.

Also as part of this review, Region 10 expressed concern with how the Swinomish Indian Tribe was interpreting data relating to sources of pollution. The EPA project officer cautioned the tribe against using the data in a manner that depicted agriculture as a definitive cause of pollution. The EPA's suggested revisions aimed to mitigate the focus on agriculture by including other sources of nonpoint pollution.

## **Conclusion**

The EPA and NWIFC followed federal requirements, properly funded the *What's Upstream?* advocacy campaign in Washington state, and did not violate lobbying-related prohibitions. The Swinomish Indian Tribe was reimbursed for some development and maintenance costs associated with an interactive website, and the development of other media advertisements. However, the EPA did not pay for advertising on billboards, radio, or transit advertisements, or for updates to the website costs. As part of its oversight responsibilities, the EPA had communications with NWIFC and Strategies 360 regarding the advocacy campaign. Unlike the instances noted in the GAO report, the EPA did not engage in covert propaganda with regard to the *What's Upstream* advocacy campaign. Based on the results of our audit, we make no recommendations.

## **EPA Response and OIG Comment**

In response to discussion documents we issued to the agency on January 13, 2017, EPA Region 10 provided the following statement:

We have reviewed both documents for factual accuracy and have no comments or questions and do not request a teleconference on either document. We look forward to the finalization and release of the documents.

Based on Region 10's response, the OIG is issuing the final report without further comment.



## ***Distribution***

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