

TRACKING THE FUNDS:

Specific Fiscal Year 2022 Provisions for U.S. Army Corps of Engineers

GAO-22-105919 · September 2022
Report to Congressional Committees



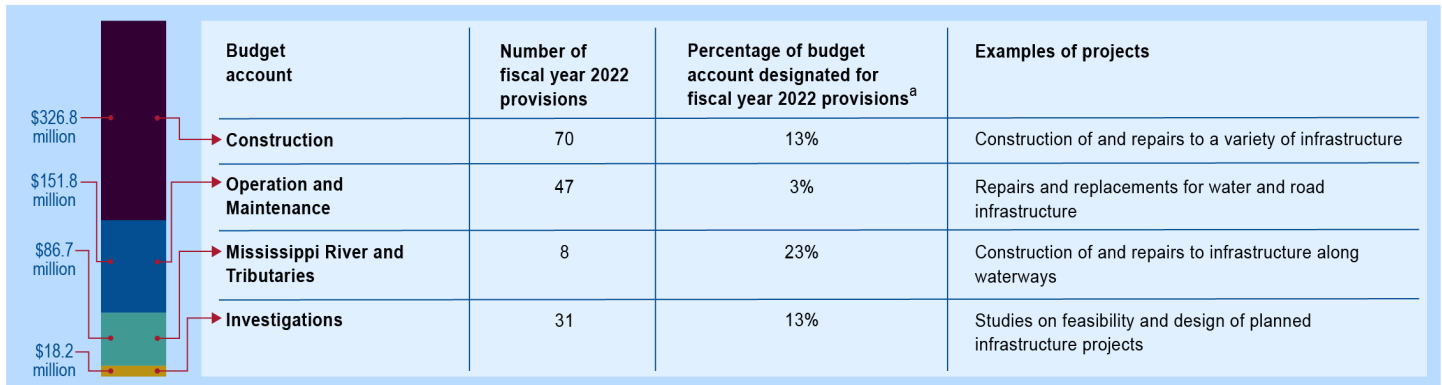
The Consolidated Appropriations Act, 2022 appropriated approximately \$583.6 million to the U.S. Army Corps of Engineers for 156 projects at the request of Members of Congress. The act includes specific provisions that designate an amount of funds for a particular recipient, such as a nonprofit organization or a local government, to use for a specific project. These provisions are called “Congressionally Directed Spending” in the U.S. Senate and “Community Project Funding” in the House of Representatives. Members of Congress had to meet certain requirements under Senate and House rules in order to have their requests included as provisions in the act. Such requirements included that Members post requests online and certify that they had no financial interest in the projects. The House also required Members to demonstrate community support for requests.

This report examines how the Corps intends to identify the provisions, distribute the funds made available through these provisions, and ensure the funds are spent for the purposes Congress intended. For more information on this report and others in this series, including background and methodology, visit <https://www.gao.gov/tracking-funds>.

What are the intended uses of these funds?

The \$583.6 million is intended to support the study, design, construction, operation, and maintenance of authorized water resources projects, including projects located along waterways.

U.S. Army Corps of Engineers: Fiscal Year 2022 Community Project Funding/Congressionally Directed Spending Provisions



Source: GAO analysis of Consolidated Appropriations Act, 2022 and accompanying joint explanatory statement; and information provided by the U.S. Army Corps of Engineers. | GAO-22-105919
^aBased on total amount appropriated for each budget account for fiscal year 2022.

Who are the designated recipients?

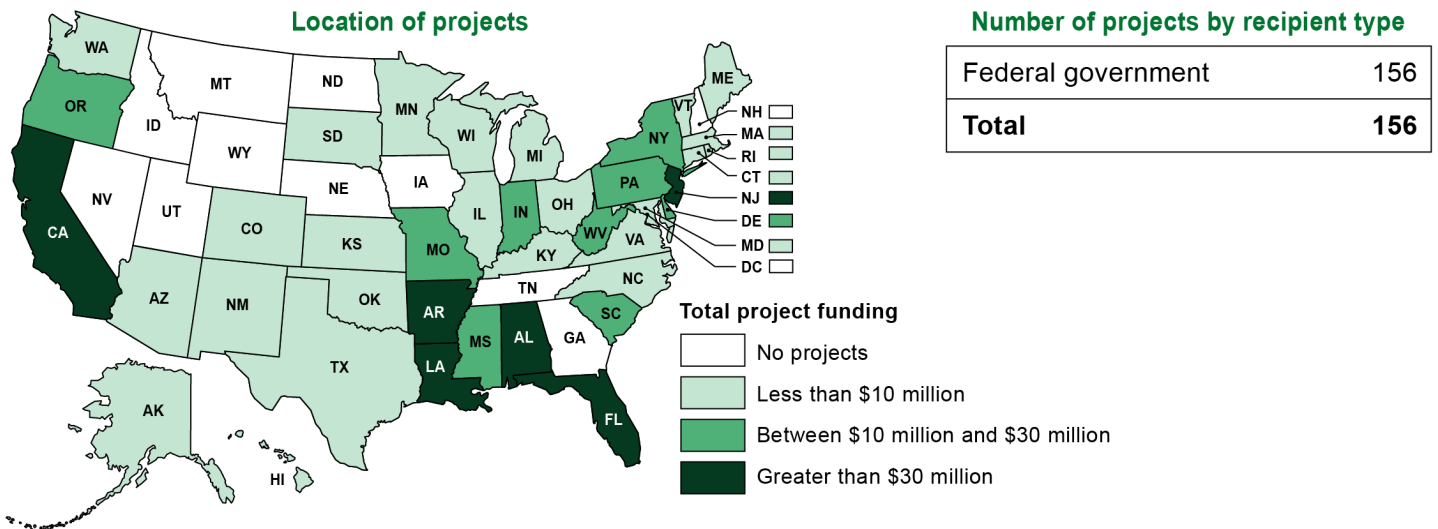
The Corps is the designated recipient of funds for 156 local or regional water resources projects.

Key Observations

- More than half of the funds are for projects under the Construction account. The amount of funding designated for each project under this account ranges from \$50,000 to over \$45 million. These projects include improving navigation (e.g., deepening harbors) and managing flood risks (e.g., constructing levees).

- The project amounts across all accounts ranged from \$8,000 to over \$45 million, with an average value of over \$3.7 million. Six states will have Corps projects totaling over \$30 million. However, officials told us that because the Corps is a water resources agency, some of its projects cross state lines and cannot be easily assigned to a particular state.

U.S. Army Corps of Engineers: Distribution of Fiscal Year 2022 Community Project Funding/Congressionally Directed Spending Provisions



Sources: GAO analysis of Consolidated Appropriations Act, 2022 and accompanying joint explanatory statement; and information provided by the U.S. Army Corps of Engineers; Map Resources (map). | GAO-22-105919

Note: Community Project Funding/Congressionally Directed Spending provisions for the U.S. Army Corps of Engineers include several projects that will affect more than one state, such as water management projects along a river. Appropriated funds for these multi-state projects total over \$100 million and affect 31 states.

Who within the agency will be responsible for identifying and monitoring these funds?

Multiple Corps offices and officials are responsible for identifying the funds in legislation and distributing and monitoring these funds.

- At Corps headquarters, these officials are primarily within the Programs Integration Division of the Civil Works Directorate. Representatives from each Corps division in the individual Regional Integration Teams are also involved. Regional Integration Teams provide a single point of contact for divisions to resolve concerns and issues in their region that must be dealt with at the headquarters level.
- The Corps' eight divisions and 38 districts with a Civil Works mission are also involved in distributing and monitoring the funds. The Management and Budget office of the Assistant Secretary of the Army for Civil Works will also be responsible for monitoring funds.

How does the agency intend to ensure recipients are ready to receive and are able to use these funds?

The Corps is the designated recipient of these funds, and officials said the Corps would establish its readiness to use the funds through steps it was taking to verify that the specific projects Congress identified were authorized by legislation, as the Corps does with all its appropriated funds. In addition to Community Project Funding/Congressionally Directed Spending, it is common practice for the Corps to receive appropriations that make funds available only for specific projects and programmatic purposes. Since the Corps often receives funding for specific projects, it follows this same process for all the project-related funds it receives.

- The Corps reviews and confirms it has authority under authorizing legislation to fund the designated projects.

- The Corps plans to use existing metrics and processes outlined in its Civil Works Direct Execution Annual Program Guidance to assess its capability to execute the designated projects.

How does the agency intend to ensure these funds are spent properly?

According to officials, the Corps will take steps to track, implement, and report on projects funded through these provisions to ensure funds are spent properly and prevent fraud, waste, and abuse. These steps, which are the same as those used for other appropriated funds, include the following:

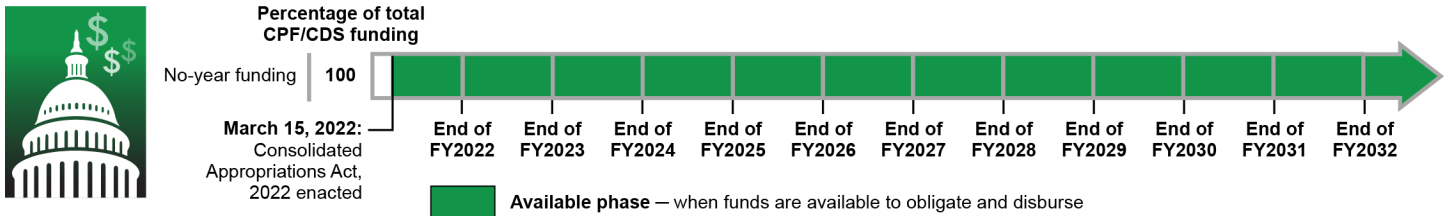
- The Corps names and numbers individual projects, enabling it to track project-specific spending.
- If the Corps contracts a portion of the work to an outside entity, the Corps reviews the Department of the Treasury’s Do Not Pay working system to ensure the entity is eligible to receive funds.
- After a project is initiated, the Corps uses a project management process and other project controls, depending on the phase of the project. For example, for the study phase, a Corps team conducts technical reviews to ensure the quality and credibility of the scientific and technical information. In addition, the Corps has contracting representatives in the field who perform oversight to ensure any contractors are completing the project according to the specifications or plans.

The Office of Inspector General for the Corps may also decide to review these funds or the programs through which these funds will be provided, as part of its oversight responsibilities.

When does the agency expect recipients will have access to these funds, and when might the funds be spent?

According to Corps officials, the Corps generally receives its apportionment 1 to 3 months after the funds have been appropriated. In the case of Community Project Funding/Congressionally Directed Spending appropriated in fiscal year 2022, the Corps’ funds were apportioned within 30 days of the passage of the act. All of the Corps’ Community Project Funding/Congressionally Directed Spending provisions are no-year appropriations and are therefore available until expended. For more information on the time availability of these funds, see [GAO-22-105467](#).

U.S. Army Corps of Engineers: Appropriations Life Cycle for Fiscal Year (FY) 2022 Community Project Funding/Congressionally Directed Spending (CPF/CDS)



Source: GAO analysis of Consolidated Appropriations Act, 2022 and accompanying joint explanatory statement; 31 U.S.C. § 1552; and information provided by the U.S. Army Corps of Engineers. | GAO-22-105919

Note: For more information about the obligation and expenditure of these funds, see [GAO-22-105467](#).

What risks and challenges may the agency face distributing and monitoring these funds?

Corps officials did not identify any short-term risks or challenges specific to distributing and monitoring these funds. Community Project Funding/Congressionally Directed Spending may fund an increment of a project. However, future increments that may be part of a larger overall project may not receive funding.

The officials confirmed that some of the issues with the Corps' execution of projects designated by Congress which we previously discussed ([GAO-08-209](#)) remain a challenge. In particular:

- If the Corps categorizes a project as being inconsistent with current administration or Corps policy, the Corps will not budget for future increments of the project in subsequent fiscal years. Officials said that if the Corps does not budget for future increments of a project in subsequent fiscal years, it could potentially increase the Corps' backlog of incomplete projects.
- These projects are more difficult to plan and schedule for execution in advance compared with projects included in the President's Budget. Officials said it is more difficult to develop an accurate project timeline for projects not in the President's Budget because of the greater uncertainty about future funding levels for these projects.

Why GAO did this study

The joint explanatory statement accompanying the Consolidated Appropriations Act, 2022 includes a provision for us to review agencies' implementation of Community Project Funding/Congressionally Directed Spending. In addition to issuing this and other reports in this series, we will follow and review agencies' efforts to distribute, monitor, and audit these funds by sampling agencies and recipients and examining whether funds were spent as intended.

Agency comments

We provided a draft of this report to the Department of Defense for review and comment. The Department of Defense told us that they concur and did not have any comments on the draft report.

GAO Contact

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We conducted this performance audit from March 2022 to September 2022 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 objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Source (cover photo): Sundry Photography/stock.adobe.com. (105919)