

Performance Measures Template for State Grant Workplans

Introduction

The FY 2007 President's Budget for EPA includes language stating that "EPA will develop a standardized template that all states will use to develop and submit their state grant agreements." (See below for excerpt from the FY 2007 President's Budget). This section describes how EPA has worked with the states to adopt a performance measures template for FY 2007, and how EPA headquarters and regions will continue to work with states to implement it.

Grant workplans are often structured reflect the requirements of state legislatures, governors, and executive agencies, while still supporting the EPA systems necessary for reporting and analyzing performance on a national, regional, state, or local level. EPA's goal is to build on these existing, sophisticated regional-state processes while ensuring they include a standard set of performance measures that will provide EPA, the Office of Management and Budget (OMB), and others with valuable, comparable, and consistent performance reporting as described in the OMB language below.¹

Developing a performance measures template with clear linkages to EPA's *Strategic Plan* will improve the ability of EPA and states to demonstrate results from categorical grants and Performance Partnership Grants (PPGs). It will increase the visibility of environmental and program outcomes in workplans, make it easier to compare and analyze data over time and across states, and focus EPA and state management attention on improving these outcomes. The following principles will continue to guide EPA and the states in developing and implementing the performance measures template.

Principles

- Meets OMB's and EPA's needs for "consistent, meaningful performance information."
- Builds on current Agency initiatives to improve measures and the strategic alignment of grant workplans. Can facilitate Eco-Region measures.
- Minimizes the administrative burden on regions and states.

¹ **FY 2007 EPA President's Budget Language on State Grant Workplan Template**

MAKING GOVERNMENT MORE EFFECTIVE

Enhancing Accountability

The Administration believes that accountability improves a program's effectiveness and ensures resources are providing the intended results. However, while over half of EPA's budget provides grants to states to implement their environmental programs, EPA faces difficulties in getting states to report consistent, meaningful, performance information. To address this issue, EPA will develop a standardized template that all states will use to develop and submit their state grant agreements. This new template will include clear linkages to EPA's *Strategic Plan* and long-term and annual goals, as well as consistent requirements for regular performance reporting. It also will allow for meaningful comparisons between various states' past and planned activities and performance, making progress more visible and programs more transparent.

- Augments current partnership agreement processes and workplans rather than negating or replacing them.
- Supports innovation and multimedia programs activities as well as core media programs.
- Achieves maximum buy-in from states, EPA programs, and regions.
- To the extent possible, uses existing data sources or systems.
- Facilitates national implementation in year one (FY 2007).

Strategic Approach

EPA believes the President's Budget language provides the flexibility to choose a strategic approach that builds on a decade of work by EPA and the states to improve performance measurement and the state-EPA partnership. EPA has developed a Performance Measures Template that includes the most essential measures of the results of programs funded by categorical grants and PPGs.

EPA chose to apply the template to those grants that fund continuing program activities. It does not apply to most competitive project grants. The rationale is that only the results of continuing program activities can be measured consistently from state to state and from year to year; competitive grants may fund different activities in different states from one year to the next. Table 1 lists the grants to which the performance measures template applies.

There is a separate section of the template for each categorical grant. The applicable sections of the template will be attached to and be part of all FY 2007 categorical grant and PPG workplans. Because of the need to produce a comprehensive, national report on the template measures at the end of FY 2007, regions and states must amend their open PPG and categorical grant workplans (e.g., multiyear workplans with a project start date before October 1, 2006) to include the appropriate sections of the template.

EPA believes this strategic approach reflects the principles espoused above. It supports current regional-state joint planning and priority setting and workplan development processes. It recognizes the breadth, depth, and complexity of state grant agreements and supports their use as a management tool while at the same time providing OMB, the Agency, the National Program Managers, and regions with the consistent performance information they need.

Implementation Guidance

Successful implementation will require states and EPA to work closely together to ensure use of the template in FY 2007 while resolving any and all implementation issues in a timely fashion. During the development of the template many implementation issues arose. Since the actual reporting on the template measures will not occur until October, 2007, there will be time to resolve detailed implementation issues. However, the states and EPA have worked through many implementation issues. Guidance on these issues follows.

1. *Attaching the Template to Grant Workplans*

Each categorical grant has its own template section, which is included in the NPM's grant guidance. Each template section uses the same format with the same columns. For categorical grants, the template section for that grant must be attached to the workplan. For PPGs, the template section for each grant included in the PPG must be attached. The template must be attached or appended to the workplan before the region (or NPM) can award FY 2007 grant funds to the state. Where there is a previously approved workplan (e.g., an open multiyear grant), the workplan must be amended to attach the template before FY 2007 funds can be awarded.

The attached template should include information for the following columns: National Baseline; National Target; State Baseline; Measurement Period or Date; and Source of Data. The National Program Managers (NPMs) will fill in the National Baseline, National Target, Measurement Period or date, and Source of Data. The NPMs or regions, with input from the states, will fill in the State Baseline column. Regions or the NPMs, with input from the state, will fill in the measurement column at the end of federal FY 2007 (see #3. below).

2. *Appropriate caveats to clarify the relationship between the template performance measures and the grant workplan*

The states and EPA identified three circumstances when it is necessary to clarify the relationship between specific template measures and the grant workplan. EPA has drafted three caveats (below) to describe each circumstance. Specific template measures attached to a grant workplan should, where appropriate, reference the applicable caveat below.

Caveat Language for Template Performance Measures

I. Performance measures that reflect broad programmatic goals.

Certain performance measures listed in the grant template express progress in terms of overall programmatic or environmental goals. In many cases state grants, in conjunction with federal- and state-funded pollution prevention and mitigation actions, and other actions by various parties will contribute to achieving these goals. However, it may be difficult to isolate the portion of the results achieved that are attributable to the grant-funded activity. There also may be multiple factors or constraints beyond the strategies and activities funded by the grant work program that influence the results achieved.

For example, one PART measure in the template for Section 105 Clean Air Act grants is the reduction in the number of days during the ozone season that the national ambient air quality standard is exceeded. Success in this area depends not only on the actions that states take but also on the effectiveness of federal motor vehicle and fuel control technologies. In addition, uncontrollable natural factors such as meteorology may enhance or deter progress.

In subsequent years, EPA will work with states to better translate these broad measures into more grant-specific state goals.

II. Performance measures that are not applicable to a state grantee.

Some measures of performance will not be applicable to a state grant recipient for a variety of reasons. One reason could be that a state does not have the authorization or delegation to carry out a program that is the subject of a particular performance measure. For example, the performance measure for the hazardous waste financial assistance grants would not apply to a state that does not have an authorized hazardous waste program under the Resource Conservation and Recovery Act (RCRA). Similarly, where an environmental problem is not applicable to a particular state, that state would not be expected to report on measures related to that problem. These instances will be indicated by “N/A” on the template.

III. Performance measures for work not funded under a grant, but currently reported on by the state.

In some cases, a performance measure may relate to work that is eligible under the grant but is being funded outside of the EPA-approved grant work plan. Even though the work is not funded by the grant, the performance measure is included in the template because of the importance of the work in evaluating overall program performance. Including the measure in the template will not subject the state’s work to EPA grant/audit requirements.

3. Reporting on the Template Measures

Reporting on the template measures will entail two separate processes: 1) one for the project officer and state grant file, and 2) one for national reporting purposes.

a. For the Grant File

A hard copy of the populated template must be included in the project officer’s and the state’s grant file with the appropriate caveats included for specific measures. National reporting on the template measures will occur after the end of federal FY 2007.

b. National Reporting on Template Measures

NPMs will include all template measures in the Annual Commitment System (ACS). OCFO will provide specific instructions for coding the measures so they are flagged as state grant template measures. Regions will enter individual, state-by-state performance into the ACS for all template measures.

OCFO and OCIR will work with the NPMs to design and produce reports for their template measures that compare performance across states and against national baselines and targets and state baselines. The Agency will also produce summary reports for submission to OMB in the fall of 2007.

Some operational details with regard to reporting remain to be determined. Over the next months, the State-EPA Grants Workgroup and the Partnership and Performance Workgroup will meet to work out additional details.

4. *Contact Information:*

If there are any issues with regard to implementation of the State Grant Performance Measures Template, please contact Mike Osinski, Office of Congressional and Intergovernmental Relations, at 202-564-7178 or by email at osinki.michael@epa.gov.

Table 1

Categorical Grants Subject to the Performance Measures Template	
The grants listed below are subject to the Performance Measures Template. The list includes categorical program grants that fund continuing environmental programs or activities.	
<i>Office</i>	<i>Grant Program</i>
Office of Air and Radiation	State and Local Assistance (CAA Section 105)
	Radon
Office of Enforcement and Compliance Assurance	Toxic Substances Compliance (Lead and PCB/Asbestos)
	Pesticides Enforcement
Office of Prevention, Pesticides and Toxic Substances	Lead
	Pesticides Program Implementation
Office of Solid Waste and Emergency Response	Hazardous Waste Financial Assistance
	Brownfields (CERCLA Section 128)
	Underground Storage Tanks
Office of Water	Pollution Control (CWA Section 106)
	Non-point Source Pollution Control (CWA Section 319)
	Beaches Protection
	Public Water System Supervision
	Underground Injection Control

Categorical Grants <i>NOT</i> Subject to the Performance Measures Template	
<i>Office</i>	<i>Grant Program</i>
Office of Water	Wetlands Program Development
	Targeted Watersheds
	Wastewater Operator Training
	Homeland Security
Office of Environmental Information	Environmental Information Exchange Network
Office of Prevention, Pesticides, and Toxic Substances	Pollution Prevention
Office of Enforcement and Compliance Assurance	Sectors Program