

Final Guidance
Implementing the State Grant Performance Measures Template in FY08

Office of Congressional and Intergovernmental Relations
Office of Grants and Debarment
Office of Planning, Analysis and Accountability

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Introduction

In the FY07 President's Budget, the Office of Management and Budget (OMB) directed EPA to develop a standardized template that states will use to develop and submit their state grant agreements. The purpose of the template is to improve the ability of EPA and states to demonstrate results from categorical grants and Performance Partnership Grants (PPGs). It is also intended to enhance the transparency of environmental and program outcomes in state grant workplans, and help focus EPA and states on management actions to improve outcomes.

EPA's FY07 State Grant Performance Measures Template (template) was developed with the full involvement of the National Program Managers (NPMs), regions and states. Linked to EPA's *Strategic Plan* and long-term and annual goals, the FY07 template used existing measures and data sources to the extent possible, and augmented current partnership agreements and grant workplans. The FY07 template reinforced EPA's Environmental Results Order and Goal 5 of the Grants Management Plan ("Support Identifying and Achieving Environmental Outcomes"). It also addressed Government Accountability Office, Office of Inspector General, and Congressional recommendations to improve EPA's ability to demonstrate results from grant agreements. EPA's overarching goal for developing the performance measures template was to build on the existing, sophisticated regional-state grant workplan processes by including a standard set of performance measures to provide the Agency, OMB and others with more consistent performance reporting as well as address state concerns to reduce reporting burden.

As described below, EPA will carry forward the approach used for the FY07 template into FY08, adding refinements to clarify roles and responsibilities and improve state-EPA communication. The template is part of a larger joint effort between EPA and states to evaluate performance measures and reporting in order to identify the most useful measures (including potential new measures) and eliminate duplicative and low-value measures. The Agency will continue its collaboration with states to improve performance measurement, reduce reporting, and strengthen grant accountability.

FY08 Template - Applicable Grants

The template applies to categorical grants for program implementation including PPGs. It does not apply to project grants or to grants for program development activities. Tables 1 and 2 below list the categorical grants that do/do not require the performance measures template, respectively. For the grants listed in Table 1, the template applies to both state and territory recipients and sub-state recipients (e.g., local air pollution control agencies under Section 105 of the Clean Air Act). Tribal grants and grants to interstate agencies are not covered.

Table 1. Categorical Grants Subject to the Performance Measures Template	
<i>Office</i>	<i>Grant Program</i>
Office of Air and Radiation (OAR)	State and Local Assistance (CAA Section 105)
	Radon
Office of Enforcement And Compliance Assurance (OECA)	Toxic Substances Compliance (Lead and PCB/Asbestos)
	Pesticides Enforcement
Office of Prevention, Pesticides and Toxic Substances (OPPTS)	Lead
	Pesticides Program Implementation
Office of Solid Waste and Emergency Response (OSWER)	Hazardous Waste Financial Assistance
	Brownfields (CERCLA Section 128)
	Underground Storage Tanks
Office of Water (OW)	Pollution Control (CWA Section 106)
	Non-point Source Pollution Control (CWA Section 319)
	Beaches Protection
	Public Water System Supervision
	Underground Injection Control

Table 2. Categorical Grants <i>NOT</i> Subject to the Performance Measures Template	
<i>Office</i>	<i>Grant Program</i>
OW	Wetlands Program Development
	Targeted Watersheds
	Wastewater Operator Training
	Homeland Security
OEI	Environmental Information Exchange Network
OPPTS	Pollution Prevention
OECA	Sectors Program

Final FY08 Implementation Guidance

1. *Populating the template (by NPMs and regions) and attaching it to grant workplans*

Each NPM, in conjunction with regions and states, has selected performance measures for the standardized template, which are included in each of the NPM's FY08 grant guidance. A list of these measures is attached (see Attachment 1). The measures may also be found in the template format at <http://www.epa.gov/ocfopage/npmguidance/template.htm>. The template applies to all applicable FY08 grant workplans. This includes workplans for grants awarded to states on a basis other than the federal fiscal year. The template, as initially populated by the Region and discussed with the state during grant negotiations, must be attached to applicable grant workplans. For applicable grants that are still in the negotiation stage, the initially populated template must be attached before grant award. For applicable grants awarded prior to this guidance, the template must be attached to workplan once it becomes available. A template for each grant program is attached to this guidance (see Attachment 2).

The template contains columns to input the following data for each measure: FY05 or FY07 National Baseline, FY07 National Commitments, FY08 National Commitments, FY05 or FY07 State Baseline, FY08 State Measurement, Measurement Period, Source of Data, and Comments. The NPMs will fill in the FY05 or FY07 National Baseline, FY07 National Commitments, FY08 National Commitments, Measurement Period, and Source of Data columns. The NPMs and regions in consultation with states will populate the Comments column.

The regions will collect and manage the data that will be used to populate the State Baseline column. Please note that OW and OSWER have selected FY05 as the baseline year for their measures. OECA, OAR and OPPTS have selected FY07 as their baseline year and will use the FY07 end-of-year data as their baseline data. The regions

will populate the template with available FY07 state baseline data as soon as the data become available (for most measures by the end of the first quarter of FY08), but not later than April 2008. The regions must also provide the states with a four-week review and comment period for available FY07 state baseline data. Please also note that FY05 baseline data were reviewed and commented on by states during the FY07 state grant template measure reporting cycle so that additional review for the FY08 template is not necessary.

The regions may encounter challenges in generating state baseline data for certain measures. FY08 grants can be awarded without complete baseline data for these measures. Where data are missing for measures, the regions will so note it in the State Baseline column: “*Data Under Development.*” The regions will then add this information to the template as soon as the data become available. For thirteen measures that are new in FY08¹, baseline information will not be available until FY09. For any FY07 baseline data not provided to states by April 2008, the region must provide state directors and state contacts with a four-week review and comment period for any additional baseline data, once this information becomes available.

The regions must provide the states with a four-week review and comment period for reporting the FY08 end-of-year state measurement data. The regions in coordination with the NPMs as needed, and with input from the states, will fill in the State Measurement column (i.e., the FY08 results) once that data become available. For any end-of-year data not available at the time of reporting, the region must provide State directors and state contacts with a four-week review and comment period for any additional end-of-year data.

¹

New State Grant Template Measures For FY 2008		
	Commitment Code	Commitment Text
1	SP-1	Percent of community water systems that provide drinking water that meets all applicable health-based drinking water standards
2	SP-4b	Percent of the population served by community water systems where risk to public health is minimized by source water protection
3	SDW 7 a	The percent of Class I wells that maintain mechanical integrity
4	SDW 7-b	The percent of Class II wells that maintain mechanical integrity
5	SDW 7-c	The percent of Class III wells that maintain mechanical integrity
6	WQ-13a	Number, and national percent, of MS-4 facilities that are covered under a current general or individual permit.
7	WQ-13b	Number, and national percent, of industrial facilities covered under a current individual or general storm water permit.
8	WQ-13c	Number, and national percent, of construction facilities covered under a current individual or general storm water permit.
9	WQ-13d	Number, and national percent, of CAFO facilities covered under a current individual or general permit.
10	13B	Annual percentage of viable lead-based apint certifications applications that require less than grantee state-established timeframes to process
11	TSC-G02.b	Number of asbestos inspections conducted by state under own authority (waiver states).
12	TSC-G03.a	The number of PCB inspections conducted with EPA credentials that resulted in federal enforcement action (including civil penalties and Notices of non-compliance)
13	TSC-G03.b	The number of asbestos inspections conducted with EPA credentials that resulted in federal enforcement action (including civil penalties and notices of non-compliance)

2. *Template Reporting Requirements*

To the extent possible, the regions and NPMs will fill out the templates with FY07 baseline information along with caveats in conjunction with the state grant recipients during FY08 workplan negotiations. After grant award, the region will need to revise the initially populated template to add information. Before revising the template, the region must provide the state recipient the opportunity for review and comment, including the four-week comment period noted above for any additional FY07 baseline data and FY08 results. The region must attach any revised version of the template to the grant workplan and provide a copy of the revised version to the state. Both the region and the state must keep a copy of the revised version in their official grant files.

In general, reporting the template measures consists of two components: (a) For the EPA Project Officer and State Grant Files, and (b) For National Reporting on Template Measures. A completed template will contain the elements described in section c., *Completed Templates*, below.

a. *For the EPA Project Officer and State Grant Files*

A hard copy of the populated template must be included in the project officer's and the state's grant files with the appropriate caveats included for specific measures (see section 3 below). National reporting on the template measures will occur after the end of federal FY08. Project officers should note in the attachment section of the Integrated Grants Management System funding recommendation that the template is in the official grant file. To the extent the template is revised to include additional information, the EPA project officer and state must include a copy of the revised version in their official grant files.

b. *National Reporting on Template Measures*

The regions and NPMs will enter individual, state-by-state performance results where available for all template measures into the Annual Commitment System (ACS) as follows:

- NPMs must ensure that all FY08 state grant template measures are entered into the ACS and flagged accordingly by checking the box titled "Grant Program" in the upper right corner of the Edit Screen. NPMs should also enter into the ACS all associated national baseline information for each measure in the "Baseline" and "As of Date" fields of the "Natl" row on the Edit Screen. ACS user manuals are available at <http://intranet.epa.gov/ocfo/acs/training.html> under the "User Manuals" heading at the bottom of the Web page.

- Regions must enter state baseline information in the Edit Screen by selecting the appropriate state shareholder and entering the corresponding baseline information in the “Baseline” and “As of Date” fields. Regions will record end-of-year data for each state on the corresponding Commitment Results Screen in accordance with the schedule established for the FY08 annual commitment process. Regions will also enter caveats and comments for each state in the comment field.

c. ***Completed templates***

A completed template will contain the following data for each measure: FY05 or FY 07 National Baseline, FY07 National Commitments, FY08 National Commitments, FY05 or FY07 State Baseline, FY08 State Measurement, Measurement Period, Source of Data, and Comments.

3. ***Appropriate caveats to clarify the relationship between the performance measures template and the grant workplan, and reporting same on template***

There are significant challenges in attempting to use a standard set of performance measures in order to reflect the effectiveness and efficiency of activities conducted by state agencies. States face a diverse array of environmental challenges which influence the programs they implement. Many of the performance measures selected for this effort express progress in terms of environmental outcomes, such as reductions in the number of days per year that exceed the national ozone standard. These environmental outcomes may also rely on actions that go beyond the grant-funded programs of the state agency. In addition, while the standard set of performance measures is intended to be used by all states nationwide, some measures may not be applicable due to variation among the states’ delegated programs and authorities. In some instances, states may perform activities that relate to these measures, but do not perform the work with funds provided by the state grant.

Due to these challenges, the states and EPA identified three circumstances when it is necessary to clarify the relationship between specific template measures and the work carried out in accordance with the grant workplan. EPA has drafted the following caveats to describe each circumstance. The template should reference the appropriate caveat where needed.

a. ***Caveats for Special Reporting Situations***

The performance measures selected for the template are a subset of the overall universe of performance and accountability information that EPA and states report. Reporting for the purpose of the template, including the caveats described below, does not substitute for other performance and accountability reporting requirements such as those established in the FY08 National Program Guidances.

I. Performance measures that reflect broad programmatic goals and may not be solely attributable to the activities funded by the grant.

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 workplan 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, and other external factors such as meteorology, economic activity, and demographic changes that can enhance or deter progress.

These measures will be reported on the template, but can be noted in the Comments column as “Results may not be solely attributable to the activities funded by the federal grant.”

II. Performance measures which 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. Similarly, where EPA, in consultation with the state, determines an environmental problem is not applicable to a particular state, the state would not be expected to report on measures related to that problem.

Measures that meet this condition can be reported on the Comments column of the template as “Not Applicable.”

III. Performance measures for eligible activities that are not funded by the grant, but are currently reported by the state to meet other accountability requirements.

In some cases, a performance measure currently reported on by a state may relate to work that is an eligible activity under the grant but is being funded outside of the EPA-approved grant workplan (this work is not subject to EPA's grant audit requirements).

For example, a state not using federal grant funds to support implementation of the Federal National Pollution Discharge Elimination System (NPDES) permit program delegated to it would be exempt from reporting NPDES data under the template. The state would still be required to report data for NPDES measures in the FY08 National Program Guidance and as needed to support national data systems such as the Permit Compliance System.

In these instances the measure will be reported on the Comments column of the template as "Not applicable, results due to activities conducted outside of those funded by the federal grant."

b. Application of Caveats for Special Reporting Situations

The three caveats for special reporting conditions enumerated above must be applied as follows:

- (a) Each region can presumptively assume that the first caveat will apply to most performance measures. However, each region will also confirm with its state directors and state contacts that the situations for which the first caveat may not apply are correctly characterized on the template.
- (b) The regions and states will jointly determine when to apply the second and third caveats to specific state grants during workplan negotiations, with input from the NPMs as necessary.
- (c) The regions will provide the NPMs with information as to which caveats are associated with specific performance measures by spring of 2008.
- (d) Each region will provide to the appropriate state directors and state contacts a copy of its caveats provided to the NPMs during the spring of 2008.

c. Additional Performance Information

In September 2007, states worked with EPA to develop specific suggestions for

refining the FY07 and FY08 state grant performance measures template to illustrate more clearly and completely state environmental accomplishments resulting from environmental program grants. Based on these suggestions, regions and states may agree to include as an attachment to the template additional state-specific performance information on state environmental results, on a voluntary state-by-state basis, that supplements existing state grant template measures. Regions and states may also agree to include as an attachment to the template a short narrative that provides context for the standard set of FY07 and FY08 state grant template measures. It is important to characterize accurately and explain as fully as possible state environmental accomplishments completed under environmental program grants. Accordingly, whenever end-of-year (EOY) results from state grant template measures are reported, they should be accompanied by both the appropriate caveats and any agreed-upon narrative explaining the results for the standard set of measures as well as for the state grant work completed beyond the measures themselves. The EOY state grant template data should not be reported without the accompanying narrative which provides proper context.

4. *Communication*

Communication between EPA and the states is important throughout the template process. Each region has designated a single point of contact for template-related issues. See list below. The regional contacts will facilitate communication between NPMs and regions, and between regions and states and ensure that information about the template is appropriately collected and disseminated. The list also identifies NPM template contacts who can help answer questions that regions may have on NPM-specific template issues. States have also been requested to designate a single point of contact for template issues.

At a minimum, regions must communicate with their states as follows:

- Inform state directors in writing about the template (see Attachment 3 for a sample letter and fact sheet).
- Confer with state directors and state contacts as well as NPMs on which caveats to use, finalizing the decisions by spring 2008.
- Provide to NPMs and state directors and state contacts a final copy of caveats by spring 2008.
- Provide states a four-week review and comment period to review state baseline data as they become available.
- Provide state directors and state contacts a four-week review and comment period to review end-of-year data.
- Provide state directors and state contacts with hard and electronic copies of completed FY 08 templates when they are finalized by the region and reviewed by the recipient state.

**State Grant Template
Regional and Headquarters Contacts**

Region	Name	Role	Contact Info
Region 1	Deborah Harstedt	NEPPS Coordinator	617-918-1085
Region 2	Michelle Josilo	NEPPS Coordinator	212-637-3718
Region 3	John Krakowiak	Planning Branch Chief	215-814-5611
Region 4	Robert Cooper (lead) Betty Winter	Regional Planner + NEPPS	404-562-8281 404-562-8279
Region 5	Robert Tolpa (lead) Morgan Jencius	Regional Planner + NEPPS	312-353-3121 312-886-2400
Region 6	Marya Stanton	POC for State Grant Template Issues	214-665-8377
Region 7	David Erickson (lead) Karen Sherrill	NEPPS Coordinator Grants Management Officer	913-551-7162 913-551-7461
Region 8	Gerard Bulanowski	State Program Manager	303-312-6141
Region 9	Tom Huetteman (lead) Elizabeth Stahl	Deputy ARA Grants Specialist	415-972-3751 415-972-3662
Region 10	Paul Koprowski (lead) Kenneth Fisher	Oregon Ops Office Alaska Ops Office	503-326-6363 907-586-7658
OAR	Bill Houck	OAR Regional Liaison: Categorical Grants	202-564-1349
OECA	David Piantanida	State Grant Measures contact	202-564-8318
OPPTS	Elaine Lyon-Johnson (lead) Eric Burman Jennifer Vernon	Deputy SBO Senior Planning Analyst	202-564-0267 202-564-6573
OSWER	Kari Bilal (lead) Devon Brown	Jr. Resource Official Program Analyst	202-566-1891 202-566-2259
OW	Louise Kitamura (lead) Vinh Nguyen	Deputy SBO Senior Analyst SGT	202-564-1731 202-564-4631
OGD	Laurice Jones		202-564-0223
OCFO	Paul Borst		202-564-1313

OCIR	Mike Osinski		202-564-3792
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5. *Standard Grant Condition*

Regions must include the following or comparable condition in grants subject to the template:

“The recipient will include as an attachment to the negotiated work plan a grant performance measures template which has been initially populated with available data by EPA and reviewed by the recipient. This version of the template, and any subsequent updates provided by EPA after review and comment by the recipient, will be maintained by the recipient in its official grant file. The final, completed template will contain FY05 or FY07 National Baseline, FY07 National Commitments, FY08 National Commitments, FY05 or FY07 State Baseline, FY08 State Measurement, Measurement Period, Source of Data, and Comments.

Attachments

