

Final Guidance
Implementing the State Grant Performance Measures Template in FY 2009

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

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Introduction

In the FY 2007 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 FY 2007 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 FY 2007 template used existing measures and data sources to the extent possible, and augmented current partnership agreements and grant workplans. The FY 2007 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.

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. In FY 2008, EPA continued to follow the FY 2007 process, and made improvements as necessary, for clarity and efficiency.

Relationship to State Grant Workplan Pilot

New for FY 2009, EPA will pilot the State Grant Standardized Workplan. The pilots will test whether workplans can be structured, consistent with the flexibility provided under

the National Environmental Performance Partnership System, to address OMB directives and allow flexibility in reporting. The pilot will focus on an “essential elements” approach, where certain key elements, including the common set of State Grant Template Measures, are included in the grant workplans.

Regions and States may select individual grants for inclusion in the pilot. The State Grant Template will not be required for those grants. However, Regions will still need to work with states that have pilot grants to input data from the common set of State Grant Template Measures into the Agency’s Annual Commitment System (ACS). For all state grant programs not included in the pilot, the template must be completed, as specified in this guidance.

FY 2009 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., those local air pollution control agencies receiving direct grants under Section 105 of the Clean Air Act). Tribal grants and grants to interstate agencies are not covered. Attachment 1 provides a list of key EPA and state contacts.

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 Sec.105)
	Indoor 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 Sec. 128)
	Underground Storage Tanks
Office of Water (OW)	Pollution Control (CWA Sec. 106)
	Non-point Source Pollution Control (CWA Sec. 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

General Instructions--FY 2009 Implementation

This guidance provides the specific instructions for populating the templates and the required supporting documentation. Key activities and responsibilities in the process are outlined in Attachment 2. There are no new or substantial changes to measures for FY 2009. Minor edits were made for clarity and to make the measures more quantifiable. Attachment 3 provides a FY 2008/FY 2009 State Grant Template Measures side-by-side comparison table.

One process change for FY 2009 is that EPA is providing additional clarity on which measures can be reported at the state level, and which can be expressed at the national or regional level only. This will make it clearer where regions and states need to provide state-level information and where they do not. Specifically, the measures can be categorized as:

- State-level results reported - The performance results for the measure can be expressed at the state level. The state's results contribute to a change in environmental condition, program effectiveness, or accomplishment of activities. State-level baselines and results would typically be available from EPA or the states for these measures.
- Measure expressed at national or regional level only - Performance results are not expressed at the state level in the format of the measure. The state may provide information that contributes to the overall achievement or calculation of results expressed by the performance measure. Results are not broken out by state nor are there state-by-state baselines.

For measures where state-level results can be reported, EPA and states should ensure that the templates are fully populated, as described in Sections 1, 2, and 3 below. For measures expressed at the national or regional level only, EPA should ensure that the national level data are provided. (This information will be provided on the OCFO

website and or sent to regions for distribution to states). ACS reports can be used to generate these data. No state specific information will appear in the templates for those measures. Attachment 4 provides the FY 2009 State Grant Template Measures with an annotation of the level for which results can be attributed to state, national, or regional levels.

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 FY 2009 grant guidance. A list of these measures is attached (see Attachment 4). The measures may also be found in the template format at http://www.epa.gov/performance/state_grant_workplans.htm. The template applies to all applicable FY 2009 grant workplans, excluding the FY 2009 State Pilots. 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 located at http://www.epa.gov/performance/state_grant_workplans.htm.

The initially populated template contains columns to input the following data for each measure: National Baseline (generally FY 2005 or FY 2007), FY 2009 National Commitments, State Baseline, Source of Data, and Comments. The NPMs will fill in the National Baseline, FY 2009 National Commitments, Measurement Period, and Source of Data columns. The NPMs and regions in consultation with states will populate the Comments column with applicable caveats.

The regions will collect and manage the data that will be used to populate the State Baseline column, where applicable, and populate with available state baseline data as soon as the data is available. As a general rule, OW and OSWER will have FY 2005 as the measures baseline. OECA, OAR, and OPPTS, will have FY 2007 as the measures baseline. The regions must also provide the states with a four-week review and comment period for any new available state baseline data. **Please note that baseline data previously reviewed and commented on by states during the FY 2007 state grant template measure reporting cycle do not need to be reviewed again. For those measures that were new in FY 2008, baseline data may not be available until later in FY 2009.**

FY 2009 grants can be awarded without complete baseline data for measures where data are not available. 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 were new in FY 2008, baseline information will not be available until FY 2009.

The regions must provide the states with a 4-week review and comment period for reporting the FY 2009 completed template including the end-of-year State Measurement data (i.e., the FY 2009 results). 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 FY 2009 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 4-week review and comment period for any additional end-of-year data. NPMs and regions should work together to bundle as many measures as possible (by grant) when sending information to states for data review.

2. *Template Reporting Requirements*

The regions and states must include a hard copy of the template-including baselines, results, and caveats and narrative, as appropriate in the grant work file. (Narratives may be attached as a separate word/text file). Regions must also enter all baseline and results data into ACS, including caveats and narratives to the extent possible in the state result explanation field. In addition, regions and states **must** include a hard copy of results, caveats and narrative in the grant file. Regions can use ACS reports for the state results portion of the template to be included in the work file. Timeframes for reporting data in ACS are subject to availability of data and grant timeframes.

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 and narrative (if supplied) included for specific measures (see Section 3 below). National reporting on the template measures will occur after the end of federal FY 2009. 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. The ACS reporting highlighted below can help with this requirement.

b. **Annual Commitment System (ACS) Reporting on Template Measures**

For measures where state-level results are reported, regions will enter state-specific performance results in the ACS. In addition, the following applies:

- NPMs must ensure that all FY 2009 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.
- For measures where state level results are reported, 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 FY 2009 annual commitment process. Regions will also enter caveats and comments for each state in the comment field.
- Any measures language changes must follow existing Agency planning and management processes for measures language change (i.e., do not change the measure language in ACS once the final NPM Guidance has been issued and agreement on the SGTMs have been negotiated between the regions and the states).
- Information on changes in measure methodologies should be documented and attached to the grant file and published in the programs' annual NPM Guidance documents, including the State Grant Template measure appendices on the EPA Web-site.

c. **Completed Templates**

A completed template (after results are available) will contain the following data for each measure: National Baseline, FY 2009 National Commitments, State Baseline, FY 2009 State Measurement, Source of Data, and Comments.

3. *Appropriate caveats to clarify the relationship between the performance measures template the grant workplan, and reporting 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. Application of the caveats should be negotiated, where possible, in the grant negotiation and verified by States during the 4-week review period in which State baseline data will be reviewed. Caveats can be applied to measures before results are input in the database.

- 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 FY 2009 National Program Guidance.

- 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 will 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 will 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 FY 2009 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.
- (d) Each region will provide to the appropriate state directors and state contacts a copy of its caveats provided to the NPMs.

c. Additional Performance Information

In September 2007, states worked with EPA to develop specific suggestions for refining the FY 2007 and FY 2008 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 FY 2009 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. *State Data Verification*

A four-week review and comment period will be allowed for state data verification for new state baseline data, as they become available. This will allow for transparency in how data are used to articulate national environmental and program results. NPMs should encourage states to review new baseline data where baselines have not been established or whenever new state data are established. Caveats and supplemental information need to be reviewed and commented on during this period, as well.

5. *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. Attachment 1 provides a list of contacts for both EPA and states. 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 5 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.
- Provide to NPMs and state directors and state contacts a final copy of caveats.
- Provide state directors and state contacts a 4-week review and comment period to review completed templates with end-of-year data.
- Provide state directors and state contacts with hard and electronic copies of completed FY 2009 templates when they are finalized by the region and reviewed by the recipient state.

6. *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 National Baseline, FY 2009 National Commitments, State Baseline where applicable, FY 2009 State Measurement where applicable, Source of Data, and Comments.

Attachments

1. Key EPA/State Contacts
2. Populating State Grant Template and Placing them in EPA and State Grant Work Files
3. FY 2008/FY 2009 State Grant Template Measures Comparison
4. FY 2009 State Grant Template Measures
5. Sample Draft Letter/Fact Sheet

**State Grant Template
Regional and Headquarters Contacts**

Region	Name	Role	Contact Info
Region 1	Deborah Harstedt (lead) Lois Adams	NEPPS Coordinator Branch Chief	617-918-1085 617-918-1591
Region 2	Judy-Ann Mitchell (lead) Richard Yue	NEPPS Coordinator POC for SGT Issues	212-637-3721 212-637-3424
Region 3	Mary Zielinski	NEPPS Coordinator	215-814-5415
Region 4	Robert Cooper (lead) Betty Winter	Regional Planner + NEPPS PPG Project Officer	404-562-8281 404-562-8279
Region 5	Robert Tolpa (lead) Frank Zacchigna	Regional Planner + NEPPS responsibilities	312-353-3121 312-353-1518
Region 6	Mary A. Stanton	NEPPS Coordinator	214-665-8377
Region 7	Ashley Betts Karen Sherrill	Grants Management Officer	913-551-7336 913-551-7461
Region 8	Gerard Bulanowski	NEPPS Coordinator	303-312-6141
Region 9	Carolyn Truong Alba Espitia	Grants Manager Grants Specialist	415-972-3663 415-972-3667
Region 10	Paul Koprowski (lead) Kenneth Fisher	Oregon Ops Office Alaska Ops Office	503-326-6363 907-586-7658
OAR	Bill Houck	Senior Advisor: State Grants	202-564-1349
OECA	David Piantanida	State Grants Policy Advisor	202-564-8318
OPPTS	Eric Burman (lead) Jennifer Vernon Lenee Morina	Deputy SBO Senior Planning Alyst Jr. Resource Official	202-564-0267 202-564-6573
OSWER	Kari Bilal (lead) Devon Brown	Jr. Resource Official Program Analyst	202-566-1891 202-566-2259
OW	Vinh Nguyen	Senior Analyst SGT	202-564-4631
OCFO	John Hall Margo Padgett	Acting Associate Staff Director Project Manager	202-564-3020 202-564-1211
OGD	Laurice Jones	Management Analyst	202-564-0223
OCIR	Mike Osinski (returning Sept) Matthew Peters	Dir. Performance Partnership Program Analyst	202-564-3792 202-564-0222

**State Grant Template
State Contacts**

State	Name	Email	Phone
Massachusetts	Doug Fine	<u>Douglas.Fine@state.ma.us</u>	617-292-5792
Virginia	Valerie Thomson	<u>vethomson@deq.virginia.gov</u>	804-698-4157
Delaware	Bob Zimmerman	<u>robert.zimmerman@state.de.us</u>	302-739-9000
Texas	Becky Obrien	<u>beobrien@tceq.state.tx.us</u>	512-239-5879
Nebraska	Tom Lamberson	<u>tom.lamberson@ndeq.state.ne.us</u>	
ECOS	Beth Graves Lisa Matthews	<u>bgraves@sso.org</u> <u>lmatthews@sso.org</u>	202-624-3662 202-624-3671

Populating State Grant Templates and Placing Them in EPA and State Grant Work Files	
BASELINE DRIVEN ACTIVITIES	
Activity	Who
BASELINES: Populate the FY 2009 state grant templates with FY 2009 national commitments and FY 2005 state baselines for OW and OSWER Hazardous Waste grants. EOY results for FY 2007 will serve as the baselines for OPPTS, OECA, and OAR measures.	HQ Regions
CAVEATS: Note caveat 1 application to FY 2009 state grant template measures and then worked jointly with states to verify this determination and determine applicability of caveats 2 or 3 to the remaining FY 2009 state grant template measures.	Regions
VERIFICATION: Verify draft FY 2009 state grant templates populated with FY 2005 OW and OSWER Hazardous Waste state baselines with the regions.	States
QA/QC: Provide draft FY 2009 state grant templates populated with FY 2005 baseline data and FY 2009 caveats, proposed caveat 1 application, to states for QA/QC review.	Regions
ACS: Enter state verified FY 2005 state baseline template data into ACS (state-by-state)	Regions
FILES: Attach FY 2009 grant workplans and placed in regional office grant files.	Regions
FILES: Attach FY 2009 templates to FY 2009 state grant workplans and place in state office grant files.	States
CONTACT: Provided single point of contact to Beth Graves at ECOS (voluntary; however this info would be very helpful).	States
RESULTS DRIVEN ACTIVITIES	
RESULTS: Consistent with current reporting requirements (there is no new reporting), provide FY 2009 EOY results to the regions through existing channels from information states are already reporting to EPA and appropriate databases and reports.	States
RESULTS: Consistent with current reporting requirements, receive FY 2009 EOY results through existing channels from information states are already reporting to EPA and appropriate databases and reports (there is no new reporting from states as a result of the template).	Regions
ACS: Enter FY 2009 state results (as appropriate) into ACS (state-by-state).	Regions
RESULTS: Populate the FY 2009 state grant templates with results (some FY 2007 data will be used as baseline information rather than EOY results).	Regions (or HQ if applic.)
REVIEW: Provide to states draft FY 2009 EOY results (bundling measures together that relate to the same grant to reduce the frequency of going back to the states for verification; thus reducing burden and also improving states' review of a grant's overall results picture) and request states to voluntarily provide measure-specific and/or grant-specific narrative - allowing 4 weeks for review.	Regions
VERIFICATION: Verify the draft FY 2009 state results and caveats in the populated template within 4 weeks after it is provided to states by the EPA Regional Office and provide optional FY 2009 measure-specific and/or grant-specific narrative explaining results; provide to the regions within 4 weeks.	States
FILES: Attach verified FY 2009 populated templates to FY 2009 state grant workplans and place in regional office grant files.	Regions
FILES: Retain verified, completed, populated FY 2009 templates with grant workplans and place in state office grant files.	States

