

GAO

Testimony
Before the Subcommittee on
Investigations and Oversight, House
Committee on Science and Technology

For Release on Delivery
Expected at 9:30 a.m. EDT
Thursday, March 13, 2008

**ENVIRONMENTAL
PROTECTION**

**EPA Needs to Follow Best
Practices and Procedures
When Reorganizing Its
Library Network**

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Highlights of [GAO-08-579T](#), a testimony before the Subcommittee on Investigations and Oversight, House Committee on Science and Technology

Why GAO Did This Study

Established in 1971, the Environmental Protection Agency's (EPA) library network provides access to critical environmental information that the agency needs to fulfill its mission of protecting human health and the environment. The library network also provides information and services to the public. In fiscal year 2006, the network included 26 libraries across headquarters, regional offices, research centers, and laboratories. These libraries were independently operated by several different EPA program offices, depending on the nature of the libraries' collections. In 2006, facing proposed budget cuts, EPA issued a plan to reorganize the network beginning in fiscal year 2007. The plan proposed a phased approach to closing libraries and dispersing, disposing of, and digitizing library materials.

GAO was asked to summarize the findings in its report being released today, *Environmental Protection: EPA Needs to Ensure That Best Practices and Procedures Are Followed When Making Further Changes to Its Library Network* (GAO-08-304). For this study, GAO reviewed pertinent EPA policies, plans, and guidance and interviewed EPA officials and staff from each of the 26 libraries. GAO made four recommendations in this report aimed at best practices and procedures that EPA should follow when continuing to reorganize its library network. The agency agreed with the recommendations.

To view the full product, including the scope and methodology, click on [GAO-08-579T](#). For more information, contact John B. Stephenson at (202) 512-3841 or stephensonj@gao.gov.

ENVIRONMENTAL PROTECTION

EPA Needs to Follow Best Practices and Procedures When Reorganizing Its Library Network

What GAO Found

Since 2006, EPA has implemented its library reorganization plan and has closed physical access to the Office of Environmental Information (OEI) headquarters library and three regional office libraries. In the same period, six other libraries in the network independently changed their operations. Some of these libraries digitized, dispersed, or disposed of their materials before EPA had drafted a common set of agencywide library procedures for doing so. Until these procedures are completed, EPA plans no further changes to the library network.

EPA reorganized its library network primarily to generate cost savings through a more coordinated library network and more electronic delivery of services. However, GAO found that EPA did not effectively justify its reorganization decision. According to EPA officials, OEI decided to reorganize its libraries without fully completing the recommended analyses in order to reduce its fiscal year 2007 funding in response to the President's fiscal year 2007 budget proposal.

EPA did not systematically inform the full range of stakeholders on the final configuration of the library network. In addition, EPA libraries varied considerably in the extent to which they communicated with and solicited views from staff, external stakeholders, and experts before and during the reorganization effort. EPA is currently reaching out to stakeholders, including EPA staff and library experts, by holding and attending stakeholder meetings and conferences.

EPA does not yet have an effective strategy to ensure the continuity of library services following the reorganization and does not know the full effect of the reorganization on library services. EPA's library plan describes the reorganization effort as a "phased approach," but it does not provide specific goals, timelines, or feedback mechanisms that allow the agency to measure performance and monitor user needs to ensure a successful reorganization while maintaining quality services. EPA did not follow key practices for a successful transformation, even though the agency made several changes to the library network that could have impaired the continued delivery of library materials and services to its staff and the public.

The several different program offices responsible for the EPA libraries in the network each generally decide how much of their available funding to allocate to their libraries and how to fund their reorganization. However, when faced with a proposed budget reduction of \$2 million in fiscal year 2007, rather than following its normal procedures, OEI directed the regional and headquarters offices to reduce funding for OEI libraries—a reduction of 77 percent for these libraries from the previous fiscal year. EPA did not allocate funds to help closing libraries manage their collections; instead, the responsible program or regional office used its annual funding to pay for these costs.

Mr. Chairman and Members of the Subcommittee:

I am pleased to appear here today to discuss our recent review of the reorganization of the Environmental Protection Agency's (EPA) library network, which is being released today.¹ We conducted this review at the request of the House Committees on Science and Technology, Oversight and Government Reform, and Energy and Commerce, and the Senate Committee on Environment and Public Works.

As you know, the library network provides access to critical environmental information that the agency needs to promote environmental awareness, conduct research, enforce environmental laws, make policy decisions, and fulfill its mission of protecting human health and the environment. The library network also provides information and services to state environmental agencies, local community organizations, and the general public to help these stakeholders in protecting human health and the environment. In fiscal year 2006, the network included 26 libraries across headquarters, regional offices, research centers, and laboratories, and these libraries were independently operated by several different EPA program offices, depending on the nature of the libraries' collections.

In fiscal year 2007, EPA began to reorganize its library network on the basis of a 2006 reorganization plan issued by EPA's Office of Environmental Information (OEI). This plan focused on OEI's headquarters library and libraries located in each of the agency's 10 regional offices. The plan was intended to provide a framework for consolidating libraries and making more materials and services available on line.

My testimony, which is based on our report being released today on the EPA library network, addresses (1) the status of, and plans for, the library network reorganization; (2) EPA's rationale for its decision to reorganize the library network; (3) the extent to which EPA has communicated with and solicited views from EPA staff and external stakeholders in planning and implementing the reorganization; (4) the steps EPA has taken to maintain the quality of library services following the reorganization, both

¹GAO, *Environmental Protection: EPA Needs to Ensure That Best Practices and Procedures Are Followed When Making Further Changes to Its Library Network*, [GAO-08-304](#) (Washington, D.C.: Feb. 29, 2008).

currently and in the future; and (5) how EPA is funding the library network and its reorganization.

To address these objectives, we reviewed relevant EPA documents, policies, plans, and guidance as well as related laws and requirements pertinent to the library network and reorganization effort. We interviewed EPA librarians and library managers from each of the 26 libraries in EPA's library network as well as EPA officials knowledgeable about EPA's library network and budget. In addition, we interviewed representatives from local unions, who represent EPA staff, and regional science councils, which is a group that consists of EPA scientists and technical specialists. We also sought information from library professionals, including representatives from the American Library Association and the Association of Research Libraries; members of academia; and private consulting companies with expertise in libraries.

We conducted this work from December 2006 through February 2008 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.

Summary

In summary, we found the following:

- Since 2006, EPA has implemented its library reorganization plan and closed physical access to the OEI headquarters library and three regional office libraries. In the same period, six other libraries in the network independently changed their operations: one closed, four reduced their hours of operation, and one changed how it provides library services. Sixteen libraries did not change. Furthermore, some of these libraries digitized, dispersed, or disposed of their materials before EPA had drafted a common set of agencywide library procedures for doing so. Until these procedures are completed, EPA plans no further changes to the library network. In addition to completing these procedures, the library network's future configuration and operations may depend on EPA's response to directions accompanying its fiscal year 2008 appropriation to use \$1 million to restore libraries recently closed and EPA's 2008 library plan, which describes how EPA expects to operate the library network in the future.

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- EPA reorganized its library network primarily to generate cost savings through a more coordinated library network and more electronic delivery of services. However, we found that EPA did not effectively justify its reorganization decision. That is, before launching the reorganization, EPA did not conduct several analyses, including many that its own 2004 study of the libraries recommended, as well as a cost-benefit analysis that the Office of Management and Budget recommends. According to EPA officials, OEI decided to reorganize its libraries without completing the recommended analyses in order to reduce its fiscal year 2007 funding by \$2 million to create the savings necessary for its headquarters library and the regional office libraries, per the President's fiscal year 2007 budget proposal.
 - EPA did not systematically inform the full range of stakeholders on the final configuration of the library network. In addition, EPA libraries varied considerably in the extent to which they communicated with and solicited views from staff, external stakeholders, and experts before and during the reorganization effort. Such efforts were limited or inconsistent because EPA acted quickly to make changes in response to a proposed fiscal year 2007 funding reduction and because of the decentralized nature of the library network. EPA is currently reaching out to stakeholders, including EPA staff and library experts, by holding and attending stakeholder meetings and conferences.
 - EPA does not yet have an effective strategy to ensure the continuity of library services following the reorganization and does not know the full effect of the reorganization on library services. EPA's library plan describes the reorganization effort as a "phased approach," but it does not provide specific goals, timelines, or feedback mechanisms that allow the agency to measure performance and monitor user needs to ensure a successful reorganization while maintaining quality services. EPA did not follow key practices for a successful transformation, even though the agency made several changes to the library network that could have impaired the continued delivery of library materials and services to its staff and the public. For example, EPA did not determine whether federal property management regulations applied to the dispersal and disposal of library materials before it closed the libraries. Instead, EPA provided vague criteria and guidance to its libraries and did not adequately oversee the process.
 - The several different program offices responsible for the EPA libraries in the network each generally decide how much of their available funding to allocate to their libraries and how to fund their reorganization. For example, OEI typically provides funding for the

regional office libraries through each region's support budget and gives regional management discretion on how to allocate this funding among the library and other support services. However, when faced with a proposed budget reduction of \$2 million in fiscal year 2007, rather than following its normal procedures, OEI directed the regional and headquarters offices to reduce funding for OEI libraries—a reduction of 77 percent for these libraries from the previous fiscal year. EPA did not allocate funds to help closing libraries manage their collections; instead, the responsible program or regional office used its annual funding to pay for these costs. Services formerly provided by the closed libraries are now provided on a fee-for-service basis by other libraries in the network. While EPA did not track the costs associated with closing the libraries, it estimated that it spent about \$80,000 through an existing contract to digitize 15,260 titles between December 2006 and January 2007.

We recommended that the Administrator of EPA continue the agency's moratorium on changes to the library network until the agency (1) develops a strategy to justify its reorganization plans; (2) improves its outreach efforts; (3) ensures sufficient oversight and control over the reorganization process, and continuously and consistently monitors the impact of the reorganization on EPA staff and the public; and (4) implements procedures that ensure that library materials are dispersed and disposed of consistently and in accordance with federal property management regulations. EPA agreed with the recommendations made in our report.

Background

The EPA library network was established in 1971 to provide staff and the public with access to environmental information in support of EPA's mission to protect human health and the environment. The libraries differ in function, scope of collections, extent of services, and public access. Before the 2007 reorganization, the network comprised 26 libraries, each funded and managed by several different program offices at EPA: 1 library was managed by OEI and 10 by regional offices;² 8 libraries were located at EPA laboratories within the Office of Research and Development (ORD), and 2 were within the Office of Administration and Resources Management (OARM). In addition, each of the following program offices had 1 library: Office of the Administrator, Office of General Counsel, Office of Prevention, Pesticides, and Toxic Substances (OPPTS), Office of

²OEI primarily funds these regional office libraries.

Enforcement and Compliance Assurance, and Office of Air and Radiation. A national program manager within OEI was responsible for coordinating the major activities of the entire EPA library network.

Aside from visiting a physical location, the network provides access to its collections to its staff and to the public through (1) a Web-based database of library holdings—the Online Library System (OLS); (2) interlibrary loans from another network library or a public library; and (3) through a separate online database—the National Environmental Publications Internet Site (NEPIS). EPA staff also have access to other information sources—such as online journals, the *Federal Register*, news, databases of bibliographic information, and article citations—from their desktop computers.

EPA began to evaluate its library network in 2003. It developed and issued studies to determine the value of library services and inform regional management of their options to support library services beyond fiscal year 2006.³ EPA also issued an internal report in November 2005, which offered recommendations on how to maintain an effective library network if the library support budget were reduced. After these reports were issued, EPA established a Library Steering Committee—composed of senior managers from EPA’s program offices and regions—to develop a new model for providing library services to EPA staff. In August 2006, the steering committee issued the *EPA FY 2007 Library Plan: National Framework for the Headquarters and Regional Libraries*.

The August 2006 library plan provided the framework for the network to begin reorganizing in the summer of 2006 in preparation for the proposed fiscal year 2007 budget reduction beginning in October 2006. The plan provided guidelines for EPA staff to determine how the collections would be managed; noted that OEI libraries in Regions 5, 6, and 7 would close, and that the headquarters library would close physical access to its collection but would function as a repository library, along with the OARM libraries in Cincinnati, Ohio, and Research Triangle Park, North Carolina. In addition, according to the plan, EPA is to develop Library Centers of Excellence, where a library with more expertise in a specific area of reference research would provide that service to staff in other regions.

³U.S. Environmental Protection Agency, Office of Environmental Information, *Business Case for Information Services: EPA’s Regional Libraries and Centers*, EPA 260-R-04-001 (January 2004); and *Optional Approaches to U.S. EPA Regional Library Support*, EPA 260-R-05-002 (June 2005).

Some Libraries Independently Decided to Close, Reduce Their Hours, or Take Other Actions, but the Final Network Configuration Is Still Uncertain

As a part of EPA’s 2006 reorganization effort, some EPA libraries have closed, reduced their hours of operation, or changed the way that they provide library services. Furthermore, some of these libraries have digitized, dispersed, or disposed of their materials. The future of EPA’s library network—its configuration and its operations—are contingent on final policies and procedures, on EPA’s response to directions accompanying its fiscal year 2008 appropriation, and on EPA’s 2008 library plan.

Owing to the decentralized nature of the EPA library network, each library decided on its own whether to change its operations. Table 1 shows the operating status of each library in the EPA library network.

Table 1: Operating Status of Each Library in the EPA Library Network

Program office	Library/location	Operating status of library
Office of Environmental Information	Headquarters Library/Washington, DC	Closed physical access Serves as a repository library
Regional Office	Region 1 Library/Boston, MA	Reduced hours of operation
	Region 2 Library/New York City, NY	Reduced hours of operation ^a
	Region 3 Library/Philadelphia, PA	Open ^b
	Region 4 Library/Atlanta, GA	Open Changed the way that library services are provided
	Region 5 Library/Chicago, IL	Closed physical access ^c
	Region 6 Library/Dallas, TX	Closed physical access ^{c, d}
	Region 7 Library/Kansas City, KS	Closed physical access ^d
	Region 8 Library/ Denver, CO	Open
	Region 9 Library/San Francisco, CA	Reduced hours of operation
	Region 10 Library/Seattle, WA	Reduced hours of operation

Program office	Library/location	Operating status of library
Office of Prevention, Pesticides, and Toxic Substances	Chemical Library/Washington, DC	Closed physical access ^c
Office of Administration and Resources Management	Andrew Breidenbach Environmental Research Center/Cincinnati, OH	Open Serves as a repository library
	Research Triangle Park Library Service/Research Triangle Park, NC	Open Serves as a repository library
Office of Enforcement and Compliance Assurance	National Enforcement Investigations Center Environmental Forensics Library/Denver, CO	Open
Office of Research and Development	Environmental Sciences Division Technical Research Center/Las Vegas, NV	Open
	Ecosystem Research Division Library/Athens, GA	Open
	Atlantic Ecology Division Library/Narragansett, RI	Open
	Gulf Ecology Division Library/Gulf Breeze, FL	Open
	Mid-continent Ecology Division Library/Duluth, MN	Open
	Western Ecology Division Library/Corvallis, OR	Open
	Ground Water and Ecosystems Restoration Division Library/Ada, OK	Open
	Atmospheric Sciences Modeling Division Library/ Research Triangle Park, NC	Open ^d
Office of the Administrator	Legislative Reference Library/Washington, DC	Open
Office of General Counsel	Law Library/Washington, DC	Open
Office of Air and Radiation	National Vehicle and Fuel Emissions Laboratory Library/Ann Arbor, MI	Open

Source: GAO analysis of EPA data.

^aA library located at an Edison, New Jersey, laboratory in Region 2 closed in September 2004. This library closure preceded the closures associated with the fiscal year 2007 library network reorganization. Although this library was managed separately and independently from the Region 2 library, the materials from this library were transferred to the main Region 2 library in New York, New York, when the library closed. Librarians from the main library in Region 2 now provide library services to Edison, New Jersey, staff.

^bThe lone librarian in Region 3's satellite library in Ft. Meade, Maryland, resigned in February 2006. The Ft. Meade library's collection remains in place and is open for EPA staff use, although no staff manage the collection. Librarians from the main library in Region 3, located in Philadelphia, Pennsylvania, now provide library services to Ft. Meade staff. According to EPA officials, the Ft. Meade library was closed to the public because the library did not receive many visits from the public, and because the library was located at a high-security military base.

^cThe libraries in Regions 5 and 6 and the Chemical Library reduced their hours of operation for a period of time prior to closing.

^dThe libraries in Regions 6 and 7, although closed to physical access, still contain library materials on shelves because of the moratorium on further changes to the network that was placed in January 2007. According to EPA officials, materials from the Regions 6 and 7 libraries are not accessible to walk-in traffic but remain accessible through interlibrary loan.

⁴The Atmospheric Sciences Modeling Division library was funded by the National Oceanic and Atmospheric Administration but run jointly by the Office of Research and Development through an interagency agreement. The library materials for this library are located at Research Triangle Park, NC, and managed by OARM library staff. In fiscal year 2008, the library was not funded and will be consolidated into the OARM Research Triangle Park library once the moratorium is lifted, according to EPA officials.

While EPA's August 2006 library plan noted that three regional libraries—Regions 5, 6, and 7—and the headquarters library would close physical access to their libraries, it did not reflect other changes that occurred, as shown in table 1. According to EPA officials, the plan focused on the OEI headquarters and regional office libraries, and they did not think it was necessary to reflect all changes that were planned for other libraries. The focus of the plan, according to EPA officials, was to set the framework on how library services would be provided electronically and not on what physical changes were to occur.

Although no longer accessible to walk-in traffic from EPA staff and the public, the closed regional and headquarters libraries continue to provide library services, such as interlibrary loans and research/reference requests, to EPA staff through service agreements that the closed libraries established with libraries managed by OARM or with the Region 3 library located in Philadelphia, Pennsylvania.⁴

As part of the library reorganization, each library in the network that was planning to close access to walk-in services independently decided which materials would be retained at their library or be selected for digitization, dispersal to EPA or non-EPA libraries, or disposal. Table 2 shows the actions taken by the closed libraries.

⁴OARM libraries are located in Cincinnati, Ohio and in Research Triangle Park, North Carolina. The OARM libraries and the Region 3 library have been designated as Centers of Excellence for the EPA library network, meaning that these libraries have staff qualified to conduct research in specific areas, have access to tools to support services, and have the ability to handle increased workload. According to EPA officials, the OARM libraries serve as Centers of Excellence for core library services, such as research requests and interlibrary loans, and the Region 3 library serves as a Center of Excellence for business research issues.

Table 2: Current Status of Materials at Closed Libraries

Program office	Library	Digitized ^a	Dispersed to EPA or non-EPA libraries	Disposed
Office of Environmental Information	Headquarters	X	X	X
Regional Office	Region 5	X	X	
	Region 6	X	X	
	Region 7	X		
Office of Prevention, Pesticides, and Toxic Substances	Chemical Library	^b	X	X

Source: GAO analysis of EPA data.

^aIn addition to the closed libraries, libraries in Regions 2 and 3, and the Atmospheric Sciences Modeling Division library in Research Triangle Park, North Carolina, also digitized materials.

^bThe OPPTS Chemical Library has developed a list of materials to be digitized but has not yet digitized any materials because of the moratorium on further changes to the library network, and because EPA's digitization procedures are undergoing third-party review. While these materials sit in boxes in the headquarters repository library and the OPPTS Chemical Library, EPA officials told us the materials can be identified and retrieved if a request arises.

In terms of digitization, the criteria in the August 2006 library plan noted that unique EPA materials—which, according to EPA officials, refers to materials created by or for EPA—that are not already electronically available in NEPIS would be digitized and made available in NEPIS. At the time of our review, 15,260 titles had been digitized, and EPA anticipates that a total of about 51,000 unique EPA library materials from closed and open libraries will be digitized.

In terms of dispersal, EPA's library plan noted that a library choosing to disperse its materials can send materials to one of the EPA-designated repositories, other libraries in the library network, EPA regional record management centers, other federal agency libraries, state libraries and state environmental agency libraries, colleges and university libraries, public libraries, or e-mail networks used specifically to exchange library materials.

Finally, in terms of disposal, the OEI headquarters library and the OPPTS Chemical Library disposed of some of their materials as a part of the reorganization. EPA's library plan noted that certain materials not claimed during the dispersal process could be destroyed. In total, the OEI headquarters library has disposed of over 800 journals and books, and the Chemical Library has disposed of over 3,000 journals and books.

Recognizing that libraries could function more cohesively as a network, EPA established a new interim library policy in 2007 and established uniform governance and management for the network. This interim policy, among other things, (1) reestablished the National Library Program Manager position, which was left vacant from 2005 through 2007 and (2) resulted in 12 draft agencywide library procedures, including procedures on digitizing and dispersing library materials, and developing a communication strategy. EPA officials told us that they do not have a time frame for completing these procedures but will complete them before the moratorium on changes to the network is lifted. The January 2007 moratorium was imposed in response to congressional and other concerns, and extended indefinitely in February 2007.

The future of the library network, its configuration, and its operations are contingent on the completion of the final policies and procedures, on EPA's response to directions accompanying its fiscal year 2008 appropriation,⁵ and on EPA's 2008 library plan. In an explanatory statement accompanying the fiscal year 2008 Consolidated Appropriations Act, \$1 million was allocated to restore the network of EPA libraries that were recently closed or consolidated. The explanatory statement also directed EPA to submit a plan to the Committees on Appropriations within 90 days of enactment regarding actions it will take to restore the network. Separately, EPA officials told us that they are developing a *Library Strategic Plan for 2008 and Beyond*, which details EPA's library services for staff and the public and a vision for the future of the library network.

EPA Did Not Effectively Justify Its Decision to Reorganize Its Library Network

EPA reorganized its library network primarily to save costs by creating a more coordinated library network and increasing the electronic delivery of library services. However, EPA did not fully complete several analyses, including many that its 2004 study recommended. In addition, EPA's decision to reorganize its library network was not based on a thorough analyses of the costs and benefits associated with such a reorganization.

EPA initiated its 2004 *Business Case* study because of ongoing budget uncertainties and because of technological changes in how users obtain information and how commercial information resources are made available. While the study concluded that EPA's libraries provide "substantial value" to the agency and the public, it raised concerns about

⁵Pub. L. No. 110-161.

EPA's ability to continue services in its present form. As such, the study recommended that EPA take several actions to foster an agencywide discussion on the library network's future. In addition, according to Office of Management and Budget guidance, a benefit-cost analysis should be conducted to support decisions to initiate, renew, or expand programs or projects, and that in conducting such an analysis, tangible and intangible benefits and costs should be identified, assessed, and reported.⁶ One element of this analysis is an evaluation of alternatives to consider different methods of providing services to achieve program objectives.

However, EPA did not fully complete these assessments before it closed libraries and began to reorganize the network. According to EPA officials, EPA decided to reorganize its libraries without fully completing the recommended analyses in order to reduce its fiscal year 2007 funding for the OEI headquarters and regional office libraries by \$2 million. This claimed savings, however, was not substantiated by any formal EPA cost assessment. According to EPA officials, the \$2 million funding reduction was informally estimated in 2005 with the expectation that EPA would have been further along in its library reorganization before fiscal year 2007. Furthermore, EPA did not comprehensively assess library network spending in advance of the \$2 million estimation of budget cuts.

By not completing a full assessment of its library resources and not conducting a benefit-cost analysis of various approaches to reorganizing the network, EPA did not justify the reorganization actions in a way that fully considered and ensured adequate support for the mission of the library network, the continuity of services provided to EPA staff and the public, the availability of EPA materials to a wider audience, and the potential cost savings. In effect, EPA attempted to achieve cost savings without (1) first determining whether potential savings were available and (2) performing the steps that its own study specified as necessary before moving forward.

⁶Office of Management and Budget, *Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs*, OMB Circular A-94 (Washington, D.C.: Oct. 29, 1992).

EPA Did Not Fully Inform or Solicit Views from the Full Range of Stakeholders on the Reorganization but Is Now Increasing Its Outreach Efforts

Communicating with and soliciting views from staff and other stakeholders are key components of successful mergers and transformations.⁷ We have found that an organization's transformation or merger is strengthened when it (1) makes public implementation goals and a timeline; (2) establishes an agencywide communication strategy and involves staff to obtain their ideas, which among other things, involves communicating early and often to build trust, ensuring consistency of message, and incorporating staff feedback into new policies and procedures; and (3) adopts leading practices, such as those for library services, to build a world-class organization. While EPA did not fully take these actions during the library reorganization, it is now reaching out to both EPA staff and external stakeholders.

EPA's August 2006 library plan did not inform stakeholders on the final configuration for the library network or implementation goals and a timeline. Through the library plan, EPA generally informed internal and external stakeholders of its vision for the reorganized library network, noting that EPA would be moving toward a new model of providing library services to EPA staff and the public. However, EPA did not provide enough information on how the final library network would be configured or the implementation goals and timeline it would take to achieve this configuration. For example, EPA did not inform its staff or the public that OPPTS would close its Chemical Library and that other libraries would reduce their hours of operation or make other changes to their library services. According to OEI officials, the plan was intended to provide a framework for how new services would be provided and not to lay out the network's physical configuration. Without a clear picture of what EPA intends to achieve with the library network reorganization and the implementation goals and timeline to achieve this intended outcome, EPA staff may not know if progress is being made, which could limit support for the network reorganization.

Because EPA's library structure was decentralized, EPA did not have an agencywide communication strategy to inform EPA staff of, and solicit their views on, the changes occurring in the library network, leaving that responsibility to each EPA library. As a result, EPA libraries varied considerably in the information they provided to staff on library changes.

⁷GAO, *Results-Oriented Cultures: Implementing Steps to Assist Mergers and Organizational Transformations*, GAO-03-669 (Washington, D.C.: July 2, 2003). This report identified nine key practices and related implementation steps that have led to successful mergers and transformations in large private and public sector organizations.

For example, management in only a few of the regions solicited views from their regional staff through discussions with their regional science councils—an employee group located in each region composed of EPA scientists and technical specialists—or unions.⁸ In addition, EPA generally did not communicate with and solicit views from external stakeholders before and during the reorganization because it was moving quickly to make changes in response to proposed funding cuts. Of the libraries that closed, only the headquarters library informed the public of the changes occurring at its library by posting a notification in the *Federal Register*.⁹ EPA also did not fully communicate with and solicit views from professional library associations while planning and implementing its library reorganization. EPA did meet with the American Library Association, a professional library association, on a few occasions, but did so later in the reorganization planning process. Without an agencywide communication strategy, staff ownership for the changes may be limited, and staff may be confused about the changes. Furthermore, EPA cannot be sure that the changes are meeting the needs of EPA staff and external stakeholders.

Finally, EPA did not solicit views from federal and industry experts regarding the digitization of library materials and other issues. These experts could have provided leading practice information and guidance on digitization processes and standards for library materials. As such, EPA cannot be sure that it is using leading practices for library services.

Recognizing the need to communicate with and solicit the views of staff, external stakeholders, and industry experts, EPA recently increased its outreach efforts. For example, EPA asked local unions to comment on a draft of the 2008 library plan, and attended and presented information at a stakeholder forum at which a number of professional library associations

⁸In September 2007, the national EPA union held arbitration talks with EPA. The EPA union won its unfair labor practice claim against the agency. More specifically, the Federal Labor Relations Authority administrative law judge ruled that EPA violated federal labor law by failing to enter arbitration with the union regarding its grievance about the library restructuring. *U.S. Environmental Protection Agency v. American Federation of Government Employees*. The ruling also required the agency to post signs notifying employees that EPA had violated labor law. On February 15, 2008, an arbitrator found that EPA had violated provisions of the Master Collective Bargaining Agreement by not engaging the union in impact and implementation bargaining pertaining to the reorganization of its library network. *EPA v. American Federation of Government Employees Council 238*, FMCS Case No. 07-50725 (George Edward Larney, Arbitrator).

⁹71 Fed. Reg. 54,986 (Sept. 20, 2006).

were present. Furthermore, OEI started working with the Federal Library Information Center Committee, a committee managed by the Library of Congress, to develop a board of advisers that will respond to EPA administrators and librarians' questions about the future direction of EPA libraries.

EPA Lacks a Strategy to Ensure Continuity of Library Services and Does Not Know Whether Its Actions Have Impaired Access to Environmental Information

EPA does not yet have a strategy to ensure that library services will continue and does not know the full effect of the reorganization on library services. However, several changes it has made may have limited access to library materials and services. According to our review of key practices and implementation steps to assist mergers and organizational transformations, organizations that are undergoing change should seek and monitor staff attitudes and take the appropriate follow-up actions. While EPA's library plan describes the reorganization effort as a "phased approach," it does not provide specific goals, timelines, or feedback mechanisms so that the agency can measure performance and monitor user needs to ensure a successful reorganization while maintaining quality services. In addition, to balance the continued delivery of services with merger and transformation activities, it is essential that top leadership drives the transformation. However, during the reorganization, EPA did not have a national program manager for the library network to oversee and guide the reorganization effort.

Several changes that EPA made to its library network may have impaired the continued delivery of library materials and services. For example, because of copyright issues, only unique reports produced by or for EPA will be digitized in NEPIS—only about 10 percent of EPA's holdings of books and reports. If the material is not available electronically, EPA staff in locations where libraries have closed will receive the material through an interlibrary loan—delaying access to the materials from 1 day to up to 20 days. EPA also does not have a plan to ensure the continuation of library services for the public, such as state and local government environmental agencies, environmental groups, and other nongovernmental organizations.

Furthermore, EPA may have inadvertently limited access to information because it did not determine whether federal property management regulations applied to the dispersal and disposal of library materials and hence may have disposed of materials that should have been retained. For example, the Regions 5 and 6 libraries gave materials to private companies, and the OEI headquarters library and the Chemical Library discarded materials without first determining that they had no monetary

value. EPA officials stated that it was unclear whether library materials, such as books and journals, were subject to federal property management regulations. EPA officials stated that they will engage federal property management officials at GSA regarding what steps should be taken in the future.

EPA Program Offices Are Responsible for Funding Their Libraries and Their Reorganization Through Their Support Budgets

The program offices responsible for the EPA libraries in the network generally decide how much of their available funding to allocate to their libraries out of larger accounts that support multiple activities. Until fiscal year 2007, library spending had remained relatively stable, ranging from about \$7.14 million to \$7.85 million between fiscal years 2002 and 2006.¹⁰ OEI, which is the primary source of funding for the regional libraries, typically provides funding for them through each region's support budget, and generally allows regional management to decide how to allocate this funding among the library and other support services, such as information technology. For fiscal year 2007, OEI management decided to reduce funding for the OEI headquarters and regional office libraries by \$2 million, from \$2.6 million in enacted funding for fiscal year 2006—a 77-percent reduction for these libraries and a 28-percent reduction in total library funding. After \$500,000 of the \$2 million reduction was applied to the headquarters library, the regional administrators together decided that the remaining \$1.5 million reduction should be spread equally across all regions, rather than by staffing ratios in each region or previous years' spending. The \$2 million reduction for the libraries was included in the President's fiscal year 2007 budget proposal for EPA. However, like most agencies, EPA was included in the full-year continuing resolution, which held appropriations near fiscal year 2006 levels. The continuing resolution was enacted after EPA began reorganizing the library network. According to EPA, OEI restored \$500,000 to the library budget in fiscal year 2007 to support reorganization activities.

When planning the reorganization, EPA recognized that the responsible dispersal, disposal, and digitization of an EPA library collection is a major project requiring planning, time, and resources. However, EPA did not allocate funds specifically to help the closing libraries manage their

¹⁰These figures are based on estimates from EPA. We did not independently determine their accuracy. Because EPA does not track library funding, each library in the network provided estimates that were based on past spending and enacted funding. However, libraries may have varied in the type of spending data provided in terms of whether the data included contract costs, salaries, and acquisitions.

collections. According to EPA, the funding for library closures was taken into account during the budget process. As a result, the program or regional office responsible for the library used its usual library funding available at the end of fiscal year 2006 to pay for closing costs.

Mr. Chairman, this concludes my prepared statement. I would be happy to respond to any questions that you and Members of the Subcommittee may have.

GAO Contact and Staff Acknowledgments

Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this testimony. For further information about this testimony, please contact John B. Stephenson, at (202) 512-3841 or at stephensonj@gao.gov. Individuals who contributed to this statement include Roshni Davé, Ed Kratzer, Nathan A. Morris, Omari Norman, and Carol Herrnstadt Shulman.

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