

**Environmental Protection Agency  
2009 Annual Performance Plan and Congressional Justification**

**Table of Contents - Inspector General**

---

<b>Resource Summary Table .....</b>	<b>491</b>
<b>Program Projects in IG .....</b>	<b>491</b>
<b>Program Area: Audits, Evaluations And Investigations.....</b>	<b>492</b>
<b>Audits, Evaluations, and Investigations.....</b>	<b>493</b>



**Environmental Protection Agency  
FY 2009 Annual Performance Plan and Congressional Justification**

**APPROPRIATION: Inspector General  
Resource Summary Table  
(Dollars in Thousands)**

	<b>FY 2007 Actuals</b>	<b>FY 2008 Pres Bud</b>	<b>FY 2008 Enacted</b>	<b>FY 2009 Pres Bud</b>	<b>FY 2009 Pres Bud v. FY 2008 Enacted</b>
<b>Inspector General</b>					
Budget Authority	\$32,288.4	\$38,008.0	\$41,099.0	\$39,483.0	(\$1,616.0)
Total Workyears	223.7	287.7	259.8	287.7	27.9

**Program Projects in IG  
(Dollars in Thousands)**

<b>Program Project</b>	<b>FY 2007 Actuals</b>	<b>FY 2008 Pres Bud</b>	<b>FY 2008 Enacted</b>	<b>FY 2009 Pres Bud</b>	<b>FY 2009 Pres Bud v. FY 2008 Enacted</b>
Audits, Evaluations, and Investigations					
Audits, Evaluations, and Investigations	\$32,288.4	\$38,008.0	\$41,099.0	\$39,483.0	(\$1,616.0)
Subtotal, Audits, Evaluations, and Investigations	\$32,288.4	\$38,008.0	\$41,099.0	\$39,483.0	(\$1,616.0)
TOTAL, EPA	\$32,288.4	\$38,008.0	\$41,099.0	\$39,483.0	(\$1,616.0)

**Program Area: Audits, Evaluations And Investigations**

**Audits, Evaluations, and Investigations**

Program Area: Audits, Evaluations, and Investigations

Goal: Provide Agency-wide support for multiple goals to achieve their objectives. This support involves Agency-wide activities primarily provided by EPA's six (6) support offices - the Office of Administration and Resources Management (OARM), Office of the Chief Financial Officer (OCFO), Office of Environmental Information (OEI), Office of General Counsel (OGC), Office of the Administrator (OA), and the Office of Inspector General (OIG).

(Dollars in Thousands)

	<b>FY 2007 Actuals</b>	<b>FY 2008 Pres Bud</b>	<b>FY 2008 Enacted</b>	<b>FY 2009 Pres Bud</b>	<b>FY 2009 Pres Bud v. FY 2008 Enacted</b>
<b><i>Inspector General</i></b>	<b>\$32,288.4</b>	<b>\$38,008.0</b>	<b>\$41,099.0</b>	<b>\$39,483.0</b>	<b>(\$1,616.0)</b>
Hazardous Substance Superfund	\$12,286.2	\$7,149.0	\$11,486.0	\$7,164.0	(\$4,322.0)
Total Budget Authority / Obligations	\$44,574.6	\$45,157.0	\$52,585.0	\$46,647.0	(\$5,938.0)
Total Workyears	307.5	331.8	331.8	331.8	0.0

**Program Project Description:**

EPA's Office of Inspector General (OIG) provides audit, evaluation, investigative, inspection, and public liaison services and products that fulfill the requirements of the Inspector General Act, as amended, by identifying fraud, waste, and abuse in Agency, grantee and contractor operations, and by promoting economy, efficiency, and effectiveness in the operations of the Agency's programs. OIG activities add value and enhance public trust by providing the Agency, the public, and Congress with independent analyses and recommendations that help resolve management challenges and identify best practices for safeguarding EPA resources and accomplishing EPA's environmental goals. OIG activities also prevent and detect fraud in EPA programs and operations, including financial fraud, lab fraud, and cyber crime. In addition, the EPA Inspector General serves as the IG for the U.S. Chemical Safety and Hazard Investigation Board.

**FY 2009 Activities and Performance Plan:**

The EPA OIG will assist the Agency in its efforts to reduce environmental and human health risks by helping to improve program operations, save taxpayer dollars, and resolve major management challenges. In FY 2009, the OIG will continue focusing on areas associated with risk, fraud, waste, and verification of data used to support actions and reported results. The OIG will identify high risk areas and opportunities to reduce administrative overhead, make recommendations to mitigate those risks, and improve operating efficiency leading to positive environmental impacts and the cost effective attainment of EPA's strategic goals. The OIG plans to examine issues related to research and development, enforcement, homeland security, workforce, project management, Program Assessment Rating Tool (PART) assessments, internal control implementation, data verification, EPA facilities, and policy/regulation review.

## Audits

Audits will focus on whether: (1) assistance agreements and contracts are efficiently and effectively administered to accomplish the Agency's mission (emphasis will be on fraud detection and prevention); (2) risk and PART assessments are serving as controls for identifying and correcting weaknesses in Agency program operations; (3) accounts receivable are accurate, complete, and collected timely; (4) unliquidated obligations are valid; (5) interagency financial transactions are properly recorded and managed; and (6) information technology infrastructure, data network exchanges, and security meet statutory and regulatory requirements, and provide information necessary to manage the Agency effectively. In addition, a significant portion of audit resources will be devoted to mandated work assessing the financial statements of EPA as required by the Chief Financial Officers Act, the information security practices of EPA required by the Federal Information Security Management Act, and financial audits of costs claimed by recipients of EPA assistance agreements conducted pursuant to the Single Audit Act.

## Evaluations

Evaluations will address major issues such as reliability of self-certified data used by EPA to measure its performance and report results, project management (are programs being managed for results), homeland security (how prepared is EPA to make decisions and respond to environmental threats), and follow-up on recommendations contained in previous OIG reports. Specific areas of evaluation will include: (1) PART reviews and risk assessments; (2) EPA program enforcement; (3) readiness (how ready are EPA program offices to meet their roles and responsibilities in emergency situations); (4) homeland security; (5) data verification (how reliable is the self-certified data EPA collects and uses); (6) research and development (how well has EPA implemented EPA and OMB peer review policies and requirements); (7) climate change (are claimed results and cost-benefit analyses accurate and complete); (8) rulemaking; and (9) wetlands (are EPA's efforts to review and enforce wetland permits adequate).

## Investigations

The OIG will conduct investigations and seek prosecution of criminal activity and serious misconduct in EPA programs and operations that undermine Agency integrity and create imminent environmental risks. Investigations will focus on: (1) fraudulent activities in the awarding, performance, and payment of funds under EPA contracts, grants, and other assistance agreements to individuals, companies, and organizations; (2) criminal activity or serious misconduct affecting EPA programs or involving EPA personnel which could undermine or erode the public trust; (3) laboratory fraud relating to payments made by EPA for erroneous environmental testing data and results that could undermine the bases for EPA decision-making, regulatory compliance, and enforcement actions; (4) intrusions into and attacks against EPA's network, as well as incidents of computer misuse and theft of intellectual property; and (5) release of, or unauthorized access to or use of sensitive or proprietary information.

Public Liaison

Public liaison work will continue to address critical public and governmental concerns. This activity involves responding to requests from the public, Congress, EPA employees, or other government entities for information regarding and responses to complaints or allegations of fraud, waste, abuse, or mismanagement in EPA programs. To accomplish this work, the OIG initiates reviews and, if needed, contracts with subject matter experts to assist with such reviews. Public liaison issues reports and coordinates its efforts with ongoing audits, evaluations, or investigations.

Follow-up

To further promote economy, efficiency and effectiveness, the OIG will conduct follow-up reviews of Agency responsiveness to OIG recommendations to determine if appropriate actions have been taken and intended improvements have been achieved. This process will serve as a means for keeping EPA leadership apprised of accomplishments and needed corrective actions, and will facilitate greater accountability for results from OIG operations.

**Performance Targets:**

<b>Measure Type</b>	<b>Measure</b>	<b>FY 2007 Actual</b>	<b>FY 2007 Target</b>	<b>FY 2008 Target</b>	<b>FY 2009 Target</b>	<b>Units</b>
Outcome	Environmental and business actions taken for improved performance or risk reduction.	464	318	334*	318	Actions

<b>Measure Type</b>	<b>Measure</b>	<b>FY 2007 Actual</b>	<b>FY 2007 Target</b>	<b>FY 2008 Target</b>	<b>FY 2009 Target</b>	<b>Units</b>
Efficiency	Return on the annual dollar investment, as a percentage of the OIG budget, from audits and investigations.	189	150	120*	120	Percentage

<b>Measure Type</b>	<b>Measure</b>	<b>FY 2007 Actual</b>	<b>FY 2007 Target</b>	<b>FY 2008 Target</b>	<b>FY 2009 Target</b>	<b>Units</b>
Output	Environmental and business recommendations or risks identified for corrective action.	949	925	971*	903	Recommendations

<b>Measure Type</b>	<b>Measure</b>	<b>FY 2007 Actual</b>	<b>FY 2007 Target</b>	<b>FY 2008 Target</b>	<b>FY 2009 Target</b>	<b>Units</b>
Output	Criminal, civil, administrative, and fraud prevention actions.	103	80	80	80	Actions

\* Note: Affected targets are subject to being revised upward based upon decisions for funding and oversight of work related to the Defense Contract Audit Agency.

**FY 2009 Change from FY 2008 Enacted Budget (Dollars in Thousands)**

- (+\$1,725.0) This is a reallocation of payroll resources to reflect FTE distribution between the Inspector General and Superfund Transfer appropriations, as well as an increase for payroll and cost of living for existing FTE.
- (-\$3,992.0) This is a reduction of additional congressionally directed increases in the FY 2008 Omnibus.
- (+\$651.0) This change reflects restoration of the 1.56% rescission to all program projects.
- (+27.9 FTE) This reflects a redistribution of FTE between the Inspector General and Superfund Transfer appropriations.

**Statutory Authority:**

Inspector General Act, as amended; Government Management Reform Act; Reports Consolidation Act; Single Audit Act; and Pesticides Registration Improvement Act; CFO Act; RCRA; FFMIA; FISMA; FQPA.