

**Environmental Protection Agency
2005 Annual Performance Plan and Congressional Justification**

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Environmental Protection Agency

FY 2005 Annual Performance Plan and Congressional Justification

ENABLING/SUPPORT PROGRAMS
(Dollars in Thousands)

Office of Air and Radiation

Program Project	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.
Homeland Security: Protection of EPA Personnel and Infrastructure	\$0.0	\$600.0	\$600.0

FY 2005 REQUEST

Homeland Security: Protection of EPA Personnel and Infrastructure

The Agency's security and protection of personnel and infrastructure are critical to EPA's ability to respond to terrorist incidents. In FY 2005 the Agency will continue to take steps to safeguard staff members, ensure the continuity of operations, and protect the operational capability of vital infrastructure assets.

COORDINATION WITH OTHER AGENCIES

N/A

STATUTORY AUTHORITIES

Appropriations Law
Clean Air Act
Computer Security Act
Defense Against Weapons of Mass Destruction Act (Title XIV of Public Law 104-201)
Executive Order 10831 (1970)
Electronic Freedom of Information Act
EPA's Environmental Statutes, and the Federal Grant and Cooperative Agreement Act
Federal Acquisition Regulations (FAR), contract law, and EPA's Assistance Regulations (40CFR Parts 30, 31, 35, 40, 45, 46, 47)
Federal Manager's Financial Integrity Act (1982)
Freedom of Information Act
The Government Performance and Results Act (1993)
Government Management Reform Act (1994)
Homeland Security Act of 2002

National Response Plan
Paperwork Reduction Act
Privacy Act Public Health Security and Bioterrorism Emergency and Response Act of 2002
Public Health Service Act, as amended 42 U.S.C 201 et seq.
Public Law 86-37
Reorganization Plan No. 3 (1970)
Title 5 United States Code
Various Presidential Decision Directives

Office of Solid Waste and Emergency Response
(Dollars in Thousands)

Program Project	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.
Homeland Security: Protection of EPA Personnel and Infrastructure	\$0.0	\$600.0	\$600.0

FY 2005 REQUEST

Homeland Security: Protection of EPA Personnel and Infrastructure

Presidential Decision Directive 67 directs all Executive branch departments and agencies to have in place a viable Continuity of Operation (COOP) and Continuity of Government program. In FY 2005 EPA will concentrate on developing agency-wide minimum requirements to achieve such a capability. Once established, efforts will focus on helping regions to enhance their COOP facilities and procure equipment to conduct activities involving national security materials. Training and guidance will be provided to all COOP essential personnel in headquarters and the regions.

COORDINATION WITH OTHER AGENCIES

N/A

STATUTORY AUTHORITIES

Appropriations Law
Clinger-Cohen Act
Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)
Computer Security Act
Defense Against Weapons of Mass Destruction Act (Title XIV of Public Law 104-201)
Electronic Freedom of Information Act
Emergency Planning and Right to Know Act
EPA's Environmental Statutes, and the Federal Grant and Cooperative Agreement Act
Executive Order 10831 (1970)
Federal Acquisition Regulations (FAR), contract law, and EPA's Assistance Regulations (40CFR Parts 30, 31, 35, 40, 45, 46, 47)
Federal Manager's Financial Integrity Act (1982)
Freedom of Information Act
Government Management Reform Act (1994)
Homeland Security Act of 2002
National Oil and Hazardous Substances Pollution Contingency Plan (NCP)

National Response Plan
Ocean Dumping Act
Oil Pollution Act
Paperwork Reduction Act
Pollution Prevention Act
Privacy Act
Public Health Security and Bioterrorism Emergency and Response Act of 2002
Public Health Service Act, as amended 42 U.S.C 201 et seq.
Public Law 86-37
Reorganization Plan No. 3 (1970)
Resource Conservation and Recovery Act (EPCRA)
Superfund Amendments and Reauthorization Act
The Government Performance and Results Act (1993)
Title 5 United States Code
Toxic Substances Control Act
Various Presidential Decision Directives

Office of Enforcement and Compliance Assurance

Program Project	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.
Congressional, Intergovernmental, External Relations	\$1,807.3	\$2,253.3	\$2,467.2
IT / Data Management	\$22,244.7	\$25,641.1	\$26,261.9

FY 2005 REQUEST

EPA will continue to ensure the security and integrity of its compliance information systems. Efforts will be made to upgrade computer systems, databases, and tracking systems to enable the Agency to respond to increasing demands for compliance and environmental information. Further, the Agency will significantly improve the exchange of compliance and permitting information with states and tribes, through modernization of the National Pollutant Discharge Elimination System (NPDES) database.

In FY 2005, the enforcement and compliance assurance programs will support state agencies' implementation of their own Environmental Management Systems. Members of the environmental justice community, and the general public, will have improved access to the data they need to hold facilities and local government managers accountable for meeting environmental goals.

IT/Data Management

Reliable, comprehensive and up-to-date data systems are key to EPA's ability to identify non-complying facilities, target compliance monitoring and assistance to environmental problems posing the highest risk, and measure the effectiveness of its enforcement activities. In FY 2005, the enforcement and compliance assurance program will continue developing a consolidated enforcement and compliance information management system, making enforcement and compliance information available to the public through the Enforcement and Compliance History On-line Internet website, and implementing a data quality strategy.

Integrated Compliance Information System (ICIS). The Agency will continue to develop the Integrated Compliance Information System (ICIS) which will consolidate enforcement and compliance information currently contained in the thirteen legacy media-based systems. ICIS will reduce burden and duplication by providing a single source for data entry; improving public access to data; supporting the development of risk reduction strategies; and providing states and Regions with a modernized system to meet their program management and accountability responsibilities.

In FY 2005, the Agency will continue modernization of the Permit Compliance System (PCS) to address serious data gaps, provide easy access to data through the Internet, and support Agency efforts to implement an EPA/state network for exchange of environmental data. PCS serves as the national database of record for the permitting, enforcement, and compliance program needs of the Clean Water Act (CWA) National Pollutant Discharge Elimination System

(NPDES). Also, in FY 2005 the Agency will complete the system software development for the fully modernized PCS system. The software testing, data migration, and system implementation will be completed for the first release of the Modernized PCS (Version 1) in December 2005. Version 1 of the modernized system will be available for direct users of the system to include; EPA Headquarters, all Regional offices, and nine of the approximately 18 direct user states. The remaining direct user states will be implemented by the end of May 2006. Full implementation (final system release with all states implemented) of the Modernized PCS is scheduled to take place by June 2007.

Enforcement and Compliance History On-line (ECHO). The Enforcement and Compliance Assurance Program will continue to make enforcement and compliance information available to the public through the Enforcement and Compliance History On-line (ECHO) Internet website during FY 2005. The existing website has been improved in response to the comments of the public and industry. The Sector Facility Indexing Project (SFIP) is being discontinued in FY 2004 and will be subsumed by ECHO. The compliance and enforcement program will also continue to make all significant enforcement and compliance guidance, policy statements, planning documents, and accomplishments electronically accessible to the Regions, states, industry, and the public through the Internet.

Data Quality Strategy. The Enforcement and Compliance Assurance program is implementing a Data Quality Strategy focusing on objective verification of core data fields across systems and programs, through random sampling technology and resolution of data quality problems, as they relate to interpretation of data definitions. Each office within the Office of Enforcement Compliance Assurance has an approved Quality Management Plan (QMP). In FY 2003 OECA also instituted a requirement for semiannual executive certification of the overall accuracy of information provided to support the reporting of Federal enforcement and compliance activities for GPRA and other significant program measures.

FY 2005 CHANGE FROM FY 2004

EPM

- (+\$233,500, +0.9 FTE) Technical adjustment made from Goal 5, Objective 1 to reflect data quality efforts under the Agency's IT/Data Management program.
- There are additional increases for payroll, cost of living, and enrichment for new and existing FTE
- ***Congressional, Intergovernmental, External Relations***

EPA will respond to Congressional requests for information, written and oral testimony, briefings, and briefing materials. The Agency will also develop legislative strategies to support the enforcement and compliance assurance program; inform the public about environmental problems and goals; strengthen communications with the public and news media; and, increase

public awareness and enhance public perceptions of environmental issues. The Agency will also continue to work with states and state associations to ensure that state concerns are considered in Agency enforcement and compliance policies, guidance, regulations, and issues relating to the National Environmental Performance Partnerships System (NEPPS).

FY 2005 CHANGE FROM FY 2004

EPM

- There are additional increases for payroll, cost of living, and enrichment for new and existing FTE.

STATUTORY AUTHORITIES

Clinger-Cohen Act

Computer Security Act

Congressional Review Act

Congressional Review Act

CPRKA of 1986

Federal Managers Financial Integrity Act (FMFIA)

Government Paperwork Elimination Act (GPEA)

Government Performance and Results Act (GPRA)

Paperwork Reduction Act Amendment of 1995 (44 U.S.C. 3501-3520)

Plain Language Executive Order

Privacy Act

Regulatory Flexibility Act

Unfunded Mandates Reform Act

Office of Administration and Resources Management

Program Project	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.
Homeland Security: Protection of EPA Personnel and Infrastructure	\$39,968.1	\$19,288.0	\$19,309.3
Facilities Infrastructure and Operations	\$385,000.8	\$418,840.5	\$439,297.8
Acquisition Management	\$40,740.9	\$41,846.3	\$43,659.5
Human Resources Management	\$46,491.7	\$49,191.0	\$48,553.1
Financial Assistance Grants / IAG Management	\$17,792.2	\$20,313.4	\$23,262.1

FY 2005 REQUEST

Homeland Security: Protection of EPA Personnel and Infrastructure

The Agency's security and protection of personnel and infrastructure are critical to EPA's ability to respond to terrorist incidents. In FY 2005 the Agency will continue to take steps to safeguard staff members, ensure the continuity of operations, and protect the operational capability of vital infrastructure assets.

In FY 2005, the Agency will update its physical security *vulnerability assessments* at 146 facilities; begin *mitigating medium vulnerabilities* at our most sensitive facilities; improve the Agency's *personnel security* program by expanding background checks and investigations to include contractors, grantees, and other personnel with access to EPA space; and enhance *security operations* to include increased guard services and improvements to the Agency's Occupant Emergency Planning.

In FY 2005, the Agency plans to redirect resources within its Homeland Security base to provide funding for two E-Gov initiatives. The first is the procurement of universal, technology-enhanced smart cards and equipment for identifying and credentialing appropriate personnel that will grant access to EPA facilities and sensitive information. This will increase facility and data security through automated features that provide positive identification as well as automatic or directed expiration. The second initiative is the development and implementation of an interface with the Office of Personnel Management's E-Clearance initiative to allow timely and efficient background checks and investigations.

In addition, this will enhance the Agency's National Security Information and Segmented Compartment Information (NSI/SCI) program. EPA will develop and disseminate updated policies and procedures detailing roles and responsibilities for safeguarding NSI/SCI documents and develop and implement a computer based training course to increase employee and clearance-holder awareness of NSI/SCI policies and procedures.

Facilities Infrastructure and Operations

The Agency manages activities and support services in many centralized administrative areas such as health and safety, environmental compliance, occupational health, medical monitoring, fitness/wellness and safety, and environmental management functions at EPA. This program also provides a full range of ongoing facilities management services including: facilities maintenance and operations; security; space planning; shipping and receiving; property management; printing and reproduction; mail management; and transportation services. Also provided is management of repairs and improvements and new construction programs at EPA facilities.

Within this program/project the Agency's goal is supported through the construction of new facilities, and the design and establishment of state-of-the-art laboratories. These facilities provide the tools essential to research innovative solutions to current and future environmental problems and enhancing our understanding of environmental risks. In addition, EPA is highly engaged in reducing energy use needed to operate these facilities. In FY 2005, the Agency will continue to improve operating efficiency and encourage the use of new and advanced technologies and energy savings performance contracts.

Resources in this objective will also be used to comply with Executive Orders (EO) 13149¹, *Greening the Government through Federal Fleet and Transportation Efficiency* and EO 13123², *Greening the Government through Efficient Energy Management*.

EO 13149 requires that by FY 2005, petroleum use be twenty percent lower than that in 1999. EPA will direct resources towards acquiring alternative fuel vehicles and more fuel-efficient passenger cars and light trucks to meet this goal. EO 13123 requires a twenty percent reduction of energy consumption (per square foot or per unit production) in laboratory facilities by FY 2005. The Agency will attain this goal through several initiatives including comprehensive facility energy audits, sustainable building design in Agency construction and alteration projects, energy savings performance contracts to achieve energy efficiencies, the use of off-grid energy equipment, energy load reduction strategies, and the use of Energy Star products and buildings.

FY 2005 CHANGE FROM FY 2004

MULTIPLE APPROPRIATIONS

- (+\$10,889,400 EPM, +\$2,204,400 SF) Provides additional resources for increases in rent costs.
- (+\$1,490,500 EPM, +\$1,481,400 SF) Provides additional resources for increases in utilities costs.

¹ Information available at <http://www.epa.gov/fedsite/eo13149.htm>

² Information available at <http://www.epa.gov/fedsite/eo13123.htm>

- (+\$5,014,600 EPM, +\$2,636,900 SF) Provides additional resources for increases in security costs.

Acquisition Management

Resources in this program/project support activities related to the management of contract/acquisition management at headquarters, Regions, Research Triangle Park and Cincinnati. This program/project focuses on maintaining a high level of integrity in the management of EPA's procurement activities, and fostering relationships with state and local governments to support the implementation of environmental programs.

In FY 2005, the Agency will improve electronic government capabilities and enhance the education of its contract workforce. The Agency will meet the President's Management Agenda initiative³ on electronic government by:

- Web-enabling the Program Office Interface (POI) and Small Purchase/Electronic Data Interface (SPEDI), which will allow access to these systems through EPA's Intranet;
- Utilizing the central contractor registry, which is the single government-wide database for vendor data and part of the Integrated Acquisition Environment (IAE)⁴;
- Submitting contract actions directly, at the time the action is issued, into the Federal Procurement Data Base-Next Generation (FPDS-NG), which is another IAE initiative;
- Extending the use of electronic signatures;
- Developing interfaces with current Agency-wide financial systems involved in the purchasing and paying process; and,
- Working to eliminate paper-processing in the acquisition process, and to manage acquisition records electronically.

To meet the President's goal that 90 percent of all acquisition employees meet mandatory training requirements by FY 2005, the Agency will improve the qualifications and education of its contract workforce by providing appropriate training opportunities and establishing and enforcing mandatory training requirements.

³ The President's Management Agenda: FY 2002. Washington, DC: U.S. Government Printing Office. Available at <http://www.whitehouse.gov/omb/budget/fy2002/mgmt.pdf>

⁴ Integrated Acquisition Environment available at <http://www.whitehouse.gov/omb/egov/internal/acquisition.htm>

FY 2005 CHANGE FROM FY 2004

MULTIPLE APPROPRIATIONS

- There are additional increases for payroll, cost of living, and enrichment for new and existing FTE.

Human Resources Management

Resources in this program/project support activities related to the provision of human resources management services to the entire Agency. Specifically, EPA supports functions in all aspects of human resources programs, organizational development, and management activities including support to Agency-wide and interagency councils and committees and serving as EPA's liaison on interagency management improvement initiatives. The Agency provides assessment/evaluation/review of effectiveness of human resource and workforce functions, programs and activities; employee development; leadership development; workforce planning; and succession management.

EPA has accomplished many important milestones in implementing its original Strategy for Human Capital⁵ and is committed to fully implementing the revised version of the Strategy that was issued in December 2003. This Strategy sets EPA on a course so that by July 1, FY 2004, the Agency can achieve a "Yellow" status in Human Capital in the President's Management Agenda. EPA will continue its improvement efforts to attain and maintain a "Green" status.

Specifically, the Agency will continue to take advantage of the Workforce Planning System throughout the entire organization to identify competency gaps. A focused effort will also target the delivery of training in the Workforce Development Strategy⁶ to help organizations eliminate their competency gaps. Further, as a result of the OMB Circular A-76 "Implementation of the Federal Activities Inventory Reform Act of 1998⁷ (Public Law 105-270) ("FAIR Act")" Study, competitive sourcing will also be given consideration.

FY 2005 CHANGE FROM FY 2004

MULTIPLE APPROPRIATIONS

- There are additional increases for payroll, cost of living, and enrichment for new and existing FTE

⁵ US EPA Investing in OUR People II, EPA's Strategy for Human Capital. Available at http://www.epa.gov/ocfo/finstatement/2000ar/ar00_sec3.pdf

⁶ Workforce Assessment Project: Executive Summary and Tasks 1 - 4 Final Reports. Available at <http://www.epa.gov/epahrist/workforce/wap.pdf>

⁷ Available at <http://www.whitehouse.gov/omb/fedreg/fair2002notice4.html>

Financial Assistance Grants / IAG Management

Resources in this program/project support activities related to the management of Financial Assistance Grants/IAG and suspension and debarment at headquarters, Regions, Research Triangle Park and Cincinnati. This program/project focuses on maintaining a high level of integrity in the management of EPA's assistance agreements, and fostering relationships with State and Local governments to support the implementation of environmental programs.

A key component of this program/project is EPA's management of grants, which comprise over half of the Agency's budget, to meet the highest fiduciary standards and produce measurable environmental results. In FY 2005, additional resources are needed to strengthen EPA's ability to carry out its new long-term Grants Management Plan⁸. The Plan will promote a consistent, Agency-wide approach to pre-award and post-award grants management. EPA will report on the performance measures in the Plan in the Agency's FY 2005 Annual Report. In furtherance of the Plan, this investment will assist the Regional Grants Management Offices by providing: six-fold increase in the required number of Regional on-site reviews; an on-line training program for at-risk recipients; and funding for critical indirect cost rate negotiations for non-profit recipients. This investment will also address congressional concerns over EPA's accountability for effective grants management by supporting Agency-wide training for Headquarters and Regional managers and supervisors on their grants management responsibilities.

FY 2005 CHANGE FROM FY 2004

EPM

- (+\$1,000,000) This increase will provide funding to increase support for grants management in the regional grants management offices and to provide mandatory, on-line grants management training for managers.

STATUTORY AUTHORITY

Annual Appropriations Act

Clinger-Cohen Act

Comprehensive Environmental Response, Compensation and Liability Act

Computer Security Act

Electronic Freedom of Information Act

EPA's Environmental Statutes, and the Federal Grant and Cooperative Agreement Act

Federal Acquisition Regulations (FAR), contract law, and EPA's Assistance Regulations (40CFR Parts 30, 31, 35, 40, 45, 46, 47)

Federal Manager's Financial Integrity Act (1982)

⁸ US EPA, EPA Grants Management Plan. EPA-216-R-03-001, April 2003. Available at <http://www.epa.gov/ogd/EO/finalreport.pdf>

Freedom of Information Act
 Government Management Reform Act (1994)
 Paperwork Reduction Act
 Privacy Act
 The Government Performance and Results Act (1993)
 Title 5 United States Code

ANNUAL PERFORMANCE GOALS AND MEASURES

Energy Consumption Reduction

In 2005 By 2005, EPA will achieve a 20% energy consumption reduction from 1990 in its 21 laboratories which is in line to meet the 2005 requirement of a 20% reduction from the 1990 base. This includes Green Power purchases.

In 2004 By 2004, EPA will achieve a 16% energy consumption reduction from 1990 in its 21 laboratories which is in line to meet the 2005 requirement of a 20% reduction from the 1990 base. This includes Green Power purchases.

In 2003 The Agency achieved 15.3% energy consumption reduction from 1990 in its 21 laboratories.

Performance Measures:	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.	
Cumulative percentage reduction in energy consumption (from 1990).	15.3	16	20	Percent

Baseline: In FY 2000, energy consumption of British Thermal Units (BTUs) per square foot is 320,000 BTUs per square foot.

VERIFICATION AND VALIDATION OF PERFORMANCE MEASURES

Performance Measure: Cumulative percentage reduction in energy consumption in EPA's 21 laboratories from the 1990 base.

Performance Database: The Agency's contractor receives energy bills regularly – either monthly or quarterly – from the utility companies. This information is compiled in the contractor's database and provided to the Agency quarterly and annually. The contractor is responsible for validating the data.

Data Source: Energy bills from the utility companies, as compiled by the Agency's contractor.

QA/QC Procedures: Agency staff/contractor review utility bills from laboratories.

Data Quality Review: EPA's Sustainable Facilities Practices Branch.

Data Limitations: N/A

New/Improved Data or Systems: N/A

References: N/A

Data Source: The Office of Human Resources and Organizational Services (OHROS) will assist Program Offices in determining their demand for future mission-critical skills and competencies, identifying their gaps, and developing a methodology for filling the gaps. This information will be entered by the Program Offices into the Agency's Workforce Planning module in PeoplePlus, the Agency's integrated human resources/time&labor/payroll system.

QA/QC Procedures: The information will be verified through collaboration with Program Managers, e.g., through focus groups.

Data Quality Review: N/A

Data Limitations: Some of the data, like a determination of current competencies and skills, will be generated by employees themselves.

New/Improved Data or Systems: PeoplePlus is the Agency's new integrated system set to go live in early October 2003.

References: <http://intranet.epa.gov/institute/wds/planning.htm>

Office of Environmental Information

Program Project	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.
Homeland Security: Communication and Information	\$0.0	\$3,820.3	\$3,820.3
Exchange Network	\$21,282.4	\$33,295.3	\$27,762.2
Information Security	\$21,516.2	\$13,337.4	\$4,697.2
IT / Data Management	\$86,198.4	\$112,124.9	\$130,019.6

In FY 2005, EPA proposes increased focus on the following five critical areas:

- Address critical technology gaps affecting EPA’s ability to deliver information access consistently where interfacing with external partners is an essential dimension of operations.
- Deliver a high speed network and information technology (IT) infrastructure that has the capacity to handle the massive amounts of data needed to perform environmental analyses, support environmental decision making, and share environmental data with partners inside and outside EPA.
- Improve management and reduce the cost of IT investments to modernize Agency technology and information infrastructure through adoption of sound investment strategies and architecture planning, consistent with the President’s Management Agenda (PMA) and e-Gov concepts⁹.
- Implement cyber-security for environmental information to assess and mitigate highest priority risks, address critical homeland security requirements, and ensure reliable, secure information access for all EPA personnel, emergency responders (EPA and local), and all external partners.
- Enhance EPA’s Web site management procedures and processes to keep pace with technological advances as well as homeland defense concerns on the disclosure of certain information, and the public’s demand for access to environmental information.

EPA’s Chief Information Officer (CIO) will continue to pursue a strategy which supports a strong Agency architecture program and investment management process as outlined by the Federal CIO Council and required by the Clinger-Cohen Act. Our approach to information will allow EPA to collect and share data while making key information, technology, and funding decisions at an enterprise-wide level and strengthening the efficiency and effectiveness of the governance structure and operations.

⁹ Office of Management and Budget. “The President’s Management Agenda.” Available (or accessible) only through the Internet: <http://www.whitehouse.gov/omb/budget/fy2002/mgmt.pdf>

The vast majority of environmental data are collected by states and tribes, not directly by EPA. Through a five-year partnership effort, EPA is working with states and tribes to develop an internet-based Environmental Information Exchange Network (Exchange Network). The Exchange Network is the means by which EPA and our partners are migrating from antiquated, inaccessible, “stove pipe” data systems (or sometimes even paper systems) to digital, high quality, integrated environmental information systems. These new systems, with their “network portals” allow multiple types of data to be exchanged over the internet between EPA, states, tribes, the regulated community, and the public. The Exchange Network was conceived and designed by EPA and the states to enhance environmental decision making at the Federal, state, and local level. It increases the availability of data, ensures better data quality and accuracy, maintains security of sensitive data, prevents avoidance of redundant data, and reduces the burden on those who provide and those who access data. It is an effort which supports both public servants and private citizens’ environmental choices.

In addition to the value inter-governmental partnerships and environmental information exchange provide to environmental policy making, EPA and others also benefit from the economies of scale and efficiencies which improve the quality of services and drive down the cost of basic government functions. The Agency’s enterprise-wide investment and planning will result in improved services beyond the institutional boundaries of EPA. The PMA’s e-Gov efforts seek to simplify processes and unify operations to better serve citizens’ needs. EPA will continue its efforts to implement this vision, and eliminate redundancies and overlap. Specific activities include small business compliance, payroll, geospatial information, online rulemaking, and other enterprise-wide resource functions.

FY 2005 REQUEST

Homeland Security

Sound decision making is based upon accurate and timely information. EPA possesses unique capabilities to collect, synthesize, interpret, manage, and disseminate complex information about environmental and human-made contaminants and the condition of the environment. Effectively managing and sharing this information within the Agency with its partners at all levels of government and industry will help the Nation to detect, prepare for, and respond to terrorist incidents.

It is the responsibility of OEI to provide timely and accurate environmental information. Integrated and accurate information about EPA-regulated facilities and areas of environmental interest is critical to support the Department of Homeland Security and to conduct EPA’s homeland security responsibilities. In the event of an emergency, the Agency’s success will depend on its ability to identify and report on regulated facilities, their location and spatial coordinates, their inventory of materials, and their corporate ownership to provide relevant risk information to the national security community. Through its FY 2005 investments, EPA will deliver secure, reliable, and timely data access and communication to first responders, on-scene coordinators, emergency response teams, and investigators wherever they are located and regardless of what jurisdiction they operate under.

EPA's primary effort to enhance collection and sharing of environmental data and information is the development of the Exchange Network. The Exchange Network is a collaborative effort by EPA, states, and tribes to exchange data among all partnering entities via the Internet. The Central Data Exchange (CDX) has been established to handle electronic data transfers as well as non-electronic submissions such as paper forms and diskettes. Working in partnership with states and tribes, EPA has identified and set priorities for the information systems that will be supported by these electronic exchanges; as of early 2003, five such systems are being supported by the CDX facility and the technical design work is underway for seven additional systems.

Exchange Network

The Exchange Network is a comprehensive and integrated approach that will facilitate information sharing among EPA and its partners using standardized data formats and definitions, a web-enabled approach to receiving and distributing information, and improved access to timely and reliable environmental information¹⁰. Through the Exchange Network, environmental partners quickly and easily share information and EPA will be better able to take advantage of the wealth of environmental and health data collected by other Federal agencies, states, and local governments.

EPA, the states, and tribes will migrate from the old, inaccessible, "stove pipe" data systems of the past in favor of new, secure, high quality, integrated air, water, and waste information systems. These new systems are being designed to include "network portals" through which data can be exchanged over the internet between EPA, states, tribes, the regulated community and the public. The Exchange Network will fundamentally change the way the Agency, states, and tribes do business because it will result in the increase of the quality and quantity of available environmental information, streamlined data transactions between partners, and improved environmental information for decision making at all levels.

The result of a five-year partnership between states and EPA is the creation of the Exchange Network. EPA will continue work with its state partners under the State/EPA Information Management Workgroup (IMWG) and the Network Steering Board. The IMWG has created action teams to jointly develop key information projects that will benefit both states and EPA. The action teams consist of EPA, state, and Tribal members. They are structured to result in consensus solutions to information management issues which affect states, tribes, and EPA, such as the development and use of environmental data standards, and implementation of new technologies for collecting and reporting information.

EPA is measuring the results of the CDX initiative against its long-term focus on improving analytical capacity, adopting a uniform approach to information governance, and providing excellence in information service delivery. Currently, much of EPA's environmental reporting consists of non-electronic reporting instruments, multiple reporting points, less-than-

¹⁰ Network Steering Board. "Exchange Network Net" Web site. Washington DC: NSB. Date of Access: December 22, 2003. Available only on the Internet at: <http://www.exchangenetwork.net>

optimal data timeliness, and data quality issues. At the end of FY 2005, the Exchange Network, by way of the CDX, will enable:

- fully supported electronic data exchange for major EPA environmental systems, allowing for faster receipt, processing, and quality checking of data;
- states to exchange data with CDX through state nodes in real time, using new web-based data standards that allow for automated data-quality checking; and,
- private sector, local, and Tribal governments, and other regulated entities, including laboratories, to choose to use CDX to report environmental data to EPA electronically, taking advantage of automated data quality checks and online customer support¹¹.

All these FY 2005 performance measures will result in the increase of high quality health and environmental information, the first of the three objectives based upon EPA's information management strategy.

FY 2005 CHANGE FROM FY 2004

MULTIPLE APPROPRIATIONS

- (-\$4,950,500, +10.0 FTE EPM, -\$582,600 SF) This change reflects the establishment of an Enterprise Portal which will service the data collection and data integration needs of the CDX partners from the Exchange Network.

Information Security

EPA's Information Security program protects the confidentiality, availability, and integrity of the Agency's information assets. It establishes a risk-based cyber security program that creates defenses against cyber attacks on multiple levels throughout EPA's information systems and IT infrastructure. This "defense-in-depth" approach includes partnering with other Federal agencies, states, and tribes to ensure that security components are coordinated and comprehensive and take advantage of potential economies of scale.

EPA maintains a robust information security program to protect the Agency's IT infrastructure and data. The program is based on a framework of policies, procedures, and standards that are applicable across the Agency and are consistent with Federal requirements. Key elements of the program include implementing technical controls to protect the network, infrastructure, and systems; conducting independent testing to evaluate the effectiveness of the security program; conducting risk assessments of systems and infrastructure to maintain awareness of evolving threats and vulnerabilities; establishing an incident response capability; maintaining up-to-date security and contingency plans for all Agency major IT applications and

¹¹ U.S. Environmental Protection Agency. "Central Data Exchange" Web site. Washington DC: EPA. Date of Access: December 22, 2003. Available only on the Internet at: <http://www.epa.gov/cdx>.

general support systems performing annual security awareness training for all employees; and conducting technical training for employees with significant security responsibility.

EPA's information security program continuously strengthens the Agency's capacity to protect the availability, integrity, and confidentiality of information resources against known threats. The Agency's continued vigilance against expanding and evolving threats supports its long-term focus on increasing analytical capacity, improving uniform information governance, and providing excellent information service delivery. The Agency's FY 2005 plans for performance are integrated into a long-term program that identifies priority incremental improvements that must be demonstrated throughout all EPA's information assets and services. Performance measures include assuring that progress is maintained and improved through implementation and validation of annual enhancements as reported to OMB.

FY 2005 CHANGE FROM FY 2004

MULTIPLE APPROPRIATIONS

- (-\$9,149,100 and -0.5 FTE EPM, +\$508,900 and +0.5 FTE SF) This change reflects the establishment of an Enterprise Portal which will service the data collection and data integration needs of the CDX partners from the Exchange Network.

IT/Data Management

EPA is critically dependent on information services to fulfill its mission and provide environmental and human health protection in partnership with states, tribes, and other Federal agencies. EPA's ability to conduct program operations and make management decisions requires stable, secure information services with adequate capacity. Emergency responders in the field need secure remote access to EPA information resources. Federal, state, and private sector scientists need adequate network capacity to exchange data and collaborate on high priority projects (e.g. modeling of environmental effects in a crisis situation).

EPA has moved to performance-based, outsourced services to obtain the best solutions (value for cost) for the range of program needs. This includes innovative multi-year leasing that sustains and renews technical services in a least-cost, stable manner as technology changes over time. EPA manages these services and ensures best value for the entire Agency portfolio of information investments through management planning and control processes that translate business needs into technology action. These governance processes align IT decisions with mission priorities and resource commitments, allowing EPA to fulfill multi-year outsourcing and leasing commitments, while successfully supporting statutorily mandated inherently governmental priority functions.

Through IT/Data Management, EPA promotes analytical approaches that integrate data from different sources to provide a more holistic view and understanding of the environment, thus encouraging informed environmental and human health decision-making. Insights gained through environmental analysis tools will support a fuller understanding of environmental outcomes and remaining problems and challenges. EPA is advancing the use of indicators as a

means of more effective reporting on environment conditions. Building on the work leading to EPA's "Draft Report on the Environment," EPA continues to identify data gaps and advance the use of indicators as a means of measuring¹².

IT/Data Management will continue to provide support to local program offices in the Regions' areas of hardware requirements determination, software programming and applications, records management systems, data base services, local area network activities, intranet web design, and desktop support. EPA's environmental information efforts require the Agency to ensure that it is keeping pace with the states in the areas of data collection, management and utilization. Additionally, this program will continue to focus on information security and the need for each Region to have an internal IT security capacity. The Regions will implement Agency information resource management policies in areas such as data and technology standards, central data base services, and telecommunications. The Regions will also continue to work on the implementation of cost accounting procedures to capture in detail all IT expenditures for EPA offices. This will enable the Agency to better address OMB's IT reporting requirements.

IT/Data Management is designed to provide EPA with methods to manage the quality of its environmental data collection, generation, and use. The primary goal of the EPA Quality System is to ensure that its environmental data are of sufficient quantity and quality to support the data's intended use. As part of the Agency's Quality System, policies and procedures have been developed to assist individual data collectors, data users, and decision makers in defining their needs for data and assessing data against these needs, and to provide EPA management with methods for overseeing the quality-related activities of their programs.

In FY 2005, EPA will measure its efforts to increase the use of environmental indicators to inform the public and manage for results against its strategic focus on analytic capacity and excellent information service delivery. EPA's FY 2005 planned progress includes establishing an improved suite of indicators for use by EPA for more effective strategic planning and measurement by building on work completed to produce the "Draft Report on the Environment."

FY 2005 CHANGE FROM FY 2004

MULTIPLE APPROPRIATIONS

- (+\$2,484,800 EPM, +\$464,200 SF, +\$632,100 S&T) Resources transferred from the other EPA program offices to OEI in to centralize the management EPA's website.
- (+\$14,194,200 and -13.0 FTE EPM, -\$55,000 and -0.5 FTE SF) This change reflects the establishment of an Enterprise Portal which will service the data collection and data integration needs of the CDX partners from the Exchange Network.

¹² U.S. Environmental Protection Agency, Office of Environmental Information, Draft Report on the Environment – 2003 (EPA 260-R-02-006), <http://www.epa.gov/indicators/roe/>, Date of Access: January 2, 2004

ANNUAL PERFORMANCE GOALS AND MEASURES

Information Exchange Network

- In 2005 Improve the quality, comparability, and availability of environmental data for sound environmental decision-making through the Central Data Exchange (CDX).
- In 2004 Improve the quality, comparability, and availability of environmental data for sound environmental decision-making through the Central Data Exchange (CDX).
- In 2003 Continued to improve data access to ensure that decision makers have access to the environmental data that EPA collects and manages to make sound environmental decisions while minimizing the reporting burden on data providers.

Performance Measures:	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.	
States using the Central Data Exchange (CDX) to send data to EPA.	49			States
CDX will fully support electronic data exchange requirements for major EPA environmental systems, enabling faster receipt, processing, and quality checking of data.			12	Systems
States will be able to exchange data with CDX through state nodes in real time, using new web-based data standards that allow for automated data-quality checking.			40	States
States, tribes, laboratories, and others will choose to use CDX to report environmental data electronically to EPA, taking advantage of automated data quality checks and on-line customer support.			20,000	Users
Customer help desk calls are resolved in a timely manner.			96	Percent
In preparation for increasing the exchange of information through CDX, implement four data standards in 13 major systems and develop four additional standards in 2003.	7			Data Standards
Number of private sector and local government entities, such as water authorities, will use CDX to exchange environmental data with EPA.		2000		Entities
CDX offers online data exchange for all major national systems by the end of FY 2004.		13		Systems
Number of states using CDX as the means by which they routinely exchange environmental data with two or more EPA media programs or Regions.		46		States

Baseline: The Central Data Exchange program began in FY 2001.

Data Quality

- In 2005 EPA increasingly uses environmental indicators to inform the public and manage for results.
- In 2005 EPA will improve the quality and scope of information available to the public for environmental decision-making.
- In 2004 EPA increasingly uses environmental indicators to inform the public and manage for results.
- In 2003 The public had access to a wide range of Federal, state, and local information about local environmental conditions and features in an area of their choice.

Performance Measures:	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.	
Establish an improved suite of environmental indicators for use by EPA's programs and partners in the Agency's strategic planning and performance measurement process.			1	Report
Responders to the baseline questionnaire on customer satisfaction on the EPA Website report overall satisfaction			60	Percent

Performance Measures:	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.	
with their visit to EPA.GOV.				
Window-to-My Environment is nationally deployed and provides citizens across the country with Federal, state, and local environmental information specific to an area of their choice.	Nationally			Deployed
Establish the baseline for the suite of indicators that are used by EPA's programs and partners in the Agency's strategic planning and performance measurement process.		1		Report

Baseline: An effort to develop a State of the Environment report based on environmental indicators was initiated in FY 2002.

Information Security

In 2005 OMB reports that all EPA information systems meet/exceed established standards for security.
 In 2004 OMB reports that all EPA information systems meet/exceed established standards for security.
 In 2003 OMB reported that all EPA information systems meet/exceed established standards for security.

Performance Measures:	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.	
Percent compliance with criteria used by OMB to assess Agency security programs reported annually to OMB under Federal Information Security Management Act/Govt. Information Security Reform Act.	75	75	75	Percent
Percent of intrusion detection monitoring sensors installed and operational.	100			Percent

Baseline: In FY 2002, the Agency started planning an effort to expand and its strengthen information security infrastructure.

Agency-Wide IT Infrastructure

In 2004 Manage Agency-wide information technology assets consistent with the Agency's multi-year strategic information resource management plan (Enterprise Architecture) reflecting current Agency mission priorities and resources.

Performance Measures:	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.	
Designated upgrades to technology infrastructure and enterprise information tools occur on schedule per plan.		1		Report

Baseline: The baseline for this program is zero, as it will just begin in FY 2004.

VERIFICATION AND VALIDATION OF PERFORMANCE MEASURES

FY 2005 Performance Measures:

- **The Central Data Exchange (CDX) will fully support electronic data exchange requirements for major EPA environmental systems, enabling faster receipt, processing, and quality checking of data.**
- **States will be able to exchange data with CDX through state nodes in real time, using new web-based data standards that allow for automated data-quality checking.**
- **Private sector, local and tribal governments, and other regulated entities, including laboratories, will choose to use CDX to report environmental data electronically to EPA, taking advantage of automated data quality checks and on-line customer**

support.

- **Customer-help desk calls resolved in a timely fashion.**

Performance Database: CDX Customer Registration Subsystem.

Data Source: Data are provided by state, private sector, local, and tribal government CDX users.

Methods, Assumptions, and Suitability: All CDX users must register before they can begin reporting to the system. The records of registration provide an up-to-date, accurate count of users. Users identify themselves with several descriptors.

QA/QC Procedures: QA/QC have been performed in accordance with a CDX Quality Assurance Plan [*Quality Assurance Project Plan for the Interim Central Data Exchange System*. Document number: EP005T7. Sept. 17, 2001] and the CDX Design Document v.3, Appendix K registration procedures [*Central Data Exchange Electronic Reporting Prototype System Requirements: Version 3*; Document number: EP005S3. December 2000]. Specifically, data are reviewed for authenticity and integrity. There are plans to update these procedures during FY 2004 to incorporate new technology and policy requirements. Automated edit checking routines are performed in accordance with program specifications and CDX quality assurance guidance [*Quality Assurance Project Plan for the Interim Central Data Exchange System*. Document number: EP005T7. Sept. 17, 2001].

Data Quality Reviews: CDX successfully completed independent security risk assessment in the summer 2001. In addition, routine audits of CDX data collection procedures and customer service operations are provided weekly to CDX management and staff for review. Included in these reports are performance measures such as the number of CDX new users, number of submissions to CDX, number of help desk calls, number of calls resolved, ranking of errors/problems, and actions taken. These reports are reviewed and actions discussed at weekly project meetings.

Data Limitations: The CDX system collects, reports, and tracks performance measures on data quality and customer service. While its automated routines are sufficient to screen systemic problems/issues, a more detailed assessment of data errors/problems generally requires a secondary level of analysis that takes time and human resources.

Error Estimate: CDX incorporates a number of features to reduce errors, such as pre-populating data whenever possible, edit checks, etc. The possibility of an error in the number of states registered for CDX, e.g., double-counting of some sort, is extremely remote (far less than 1 %).

New/Improved Performance Data or Systems: CDX coalesces the registration/submission requirements of many different state-to-EPA, private sector-to-EPA, and local and tribal governments-to-EPA data exchanges into a single web-based system. The system allows for a more consistent and comprehensive management and performance tracking of many different external customers. The creation of a centralized registration system, coupled with the use of

web forms and web-based approaches to submitting the data, invite opportunities to introduce automated quality assurance procedures for the system and reduce human error.

References: CDX website (www.epa.gov/cdx).

FY 2005 Performance Measure: Establish an improved suite of environmental indicators for use by EPA's programs and partners in the Agency's strategic planning and performance measurement process.

Performance Database: Initial collection of indicators compiled during the drafting of EPA's "Report on the Environment," supplemented by indicators currently used in the Agency's strategic planning and performance measurement process (e.g., EPA's Strategic Plan, Annual Performance Plan, Annual Performance Report, Annual Operating Plan, and National Environmental Performance Partnership Agreements), will comprise an Agency baseline of indicators.

Methods, Assumptions and Suitability: The Office of Environmental Information (OEI), the Office of Research and Development (ORD), and the Office of the Chief Financial Officer (OCFO) will review the planning documents and establish a baseline of indicators in consultation with key Agency steering committees.

QA/QC Procedures: As the baseline is established, protocols also will be developed to ensure that the data supporting the indicators are accurate and complete.

Data Quality Reviews: To be determined and conducted once a baseline has been established.

Data Limitations: The challenge is to develop suitable indicators with sufficient data of known quality.

Error Estimate: To be determined.

New/Improved Performance Data or Systems: The baseline indicators and supporting data are in development.

References: EPA's "Draft Report on the Environment" and "Technical Support Document" (EPA pub. no. 260-R-02-006). Draft Report on the Environment Technical Document (Publication # EPA 600-R-03-050). Both Dated June 2003

Web site: <http://www.epa.gov/indicators/roe/html/roePDF.htm>

FY 2005 Performance Measure: Percent compliance with criteria used by OMB to assess Agency security programs reported annually to OMB under the Federal Information Security Management Act (FISMA).

Performance Database: Automated Security Self-Evaluation and Remediation Tracking (ASSERT) database.

Data Source: Information technology (IT) system owners in Agency Program and Regional offices.

Methods, Assumptions, and Suitability: Annual IT security assessments are conducted using the methodology mandated by the Office of Management and Budget (OMB), the National Institute of Standards, and Technology (NIST) Security Self_Assessment Guide for Information Technology Systems. ASSERT has automated and web-enabled this methodology.

QA/QC Procedures: Automated edit checking routines are performed in accordance with ASSERT design specifications to ensure answers to questions in ASSERT are consistent. Independent evaluations are conducted on the assessments by both the Office of Inspector General consistent with §3545 FISMA and the Chief Information Officer's information security staff. The Agency certifies results to OMB in the annual FISMA report.

Data Quality Reviews: Program offices are required to develop security action plans composed of tasks and milestones to address security weakness. Program offices self-report progress toward these milestones. EPA's information security staff review these self-reported data, conduct independent validation of a sample, and discuss anomalies with the submitting office.

Data Limitations: Resources constrain the security staff's ability to validate all of the self-reported compliance data submitted by program systems' managers.

Error Estimate: N/A

New/Improved Data or Systems: N/A

References: Annual Information Security Reports to OMB: <http://intranet.epa.gov/itsecurity/progreviews/>; OMB guidance memorandum: <http://www.whitehouse.gov/omb/memoranda/2003.html>; ASSERT web site: <https://cfint.rtpnc.epa.gov/assert/>; NIST Special Publication 800-26, *Security Self_Assessment Guide for Information Technology Systems*, November 2001: <http://csrc.nist.gov/publications/nistpubs/index.html>; and, Federal Information Security Management Act, PL107-347: http://csrc.nist.gov/policies/FISMA_final.pdf.

FY 2005 Performance Measures: Responders to the baseline questionnaire on customer satisfaction on the EPA Website report overall satisfaction with their visit to EPA.GOV. baseline levels.

Performance Database: Customer Satisfaction Questionnaire

Data Source: Data are provided by customers completing the questionnaire.

Methods, Assumptions, and Suitability: Customers visiting the EPA's Website are given an opportunity to provide feedback by completing a short customer satisfaction questionnaire. In an

effort to maintain the objectivity of the questionnaire results, EPA has contracted with an independent group, which specializes in hosting online surveys, to gather and analyze data. No personal information is collected as a result of completing the survey.

QA/QC Procedures: The EPA Website provides access to information produced by the EPA's program and Regional offices. Information published on the Website must go through a product review conducted by the program/Region producing the information. Additionally, all information must adhere to Agency Website policies and guidance. The customer satisfaction questionnaire database has controls in place to prevent repeated entries.

Data Quality Reviews: An annual EPA Website accounts audit is conducted by The Office of Environmental Information's (OEI's) Office of Information Analysis and Access and requires EPA's program offices to review the content and quality of their material and to re-authorize who can post to their Web area. The customer satisfaction database is reviewed quarterly.

Data Limitations: The customer satisfaction questionnaire is voluntary.

Error Estimate: N/A

New/Improved Data or Systems: The EPA Website was converted to a single look and feel that provides a more consistent approach to presenting information on the Web. In FY 2004, to help users access the information more easily, and to provide information in an integrated manner, the website's search engine will be replaced.

References: EPA Web site (www.epa.gov)

EFFICIENCY MEASURES/MEASURE DEVELOPMENT PLANS

- EPA plans to track the costs incurred for the Central Data Exchange (CDX) relative to production system, state node, and CDX user.
- Regarding information security, the Agency will measure the number of incidents that occurred from known threats that should have been anticipated relative to the number of Computer Emergency Response Team (CERT) advisories implemented within EPA's infrastructure.

COORDINATION WITH OTHER AGENCIES

EPA works with its state partners under the State/EPA Information Management Workgroup and the Network Steering Board. This workgroup has created action teams to jointly develop key information projects. Action teams consist of EPA, state, and Tribal members. They are structured to result in consensus solutions to information management issues which affect states, tribes, and EPA, such as the development and use of environmental data standards, and implementation of new technologies for collecting and reporting information.

EPA also participates in multiple workgroups with other Federal agencies including the United States Geological Survey (USGS), Federal Geographic Data Committee (FGDC), and CIO Council. The Agency is actively involved with several agencies in developing government-wide e-government reforms, and continues to participate with the Office of Homeland Security and national security agencies on homeland security. These multi-agency workgroups are designed to ensure consistent implementation of standards and technologies across Federal agencies in order to support efficient data sharing.

EPA will continue to coordinate with key Federal data sharing partners including the USGS, Bureau of Indian Affairs, and the Fish and Wildlife Service as well as state and local data sharing partners in public access information initiatives. With respect to community-based environmental programs, EPA coordinates with state, Tribal, and local agencies, and with non-governmental organizations, to design and implement specific projects.

The nature and degree of EPA's interaction with other entities varies widely, depending on the nature of the project and the location(s) in which it is implemented. EPA is working closely with the FGDC and the USGS to develop and implement the infrastructure for national spatial data. EPA is coordinating its program with other state and Federal organizations, including the Council for Environmental Quality and the Environmental Council of States, to insure that the appropriate context is represented for observed environmental and human health conditions.

EPA will continue to coordinate with other Federal agencies on IT infrastructure and security issues by participating on the Federal CIO Council. For example, EPA (along with the Department of Labor) recently co-chaired a Federal government committee on security. EPA will continue to participate on the CIO Council committees on security, capital planning, workforce development, interoperability, and e-Gov, and will engage with other Federal agencies in ensuring the infrastructure for homeland security.

EPA is a leader in many areas, such as E-dockets. EPA has a modern well-supported system that can host other Agencies' docket systems, thereby reducing their costs to develop or deploy such a system. EPA will also continue to coordinate with state agencies on IT infrastructure and security issues through state organizations such as the National Association of State Information Resources Executives. In addition, EPA, along with other Federal agencies, is involved in the OMB led e-Gov initiatives. As part of this effort, EPA, OMB, the Department of Transportation, and ten other Federal agencies are examining the expansion of EPA's Regulatory Public Access System, a consolidated on-line rule-making docket system providing a single point of access for all Federal rules. EPA is also coordinating efforts with the National Archives and Records Administration on an e-records initiative. This effort is aimed at establishing uniform procedures, requirements, and standards for electronic record keeping of Federal e-Gov records.

STATUTORY AUTHORITIES

Clean Air Act and amendments

Clean Water Act and amendments
Clinger-Cohen Act
Comprehensive Environmental Response, Compensation, and Liability Act
Computer Security Act
Electronic Freedom of Information Act
Emergency Planning and Community Right-to-Know
Environmental Research, Development, and Demonstration Act
Federal Advisory Committee Act
Federal Food, Drug and Cosmetic Act
Federal Insecticide, Fungicide, and Rodenticide Act
Food Quality Protection Act
Freedom of Information Act
Government Information Security Reform Act
Government Management Reform Act
Government Performance and Results Act
Paperwork Reduction Act
Privacy Act
Resource Conservation and Recovery Act
Safe Drinking Water Act and amendments
Superfund Amendments and Re-authorization Act
Toxic Substance Control Act

Office of the Chief Financial Officer

Program Project	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.
Central Planning, Budgeting, and Finance	\$74,889.4	\$86,143.4	\$86,655.3

Resources will support activities related to maintaining the highest-quality standards for environmental leadership and for effective internal management and fiscal responsibility of Agency resources. Activities under this program/project will support the management of integrated planning, budgeting, financial management, performance and accountability processes and systems to ensure effective stewardship of resources. In addition, this program/project supports a full range of national, local and specialized accounting, financial and customer services through the Agency's four Finance Centers.

FY 2005 REQUEST

Central Planning, Budgeting and Finance

In FY 2005 Agency activities under the Central Planning, Budgeting and Finance Program/Project will support performance and results-based decision making and sound financial stewardship including the following activities: Strategic Planning, Annual Planning and Budgeting, Financial Services, Financial Management, Performance Measurement Improvement and Accountability. Through this program/project the Agency provides executive direction for the Agency's budget, financial, and resource management functions; develops and manages a performance and results-based management system; manages the Agency's strategic planning process; manages the annual planning and budgeting process; provides financial accounting and fiscal services to the Agency; operates and maintains the Agency's integrated financial management system; provides support to the Agency's Superfund cost recovery efforts; prepares the annual financial statements and performance reports; and coordinates the planning and budgeting process for the Agency's working capital fund.

In addition, EPA's Environmental Finance Program assists states and localities to meet their critical environmental infrastructure needs in a sustainable manner. The program provides grants to a network of university-based Environmental Finance Centers which in turn, provide training, expert advice, education, and analysis to states, local communities and small businesses. As part of Agency efforts to provide the American public with innovative, market-based programs and services, EPA actively reviews programs as part of its Federal Activities Inventory Reform (FAIR) Act process.

In FY 2005, EPA will build on the accomplishment of "getting to green" in financial performance on the President's Management Agenda scorecard. Specific Agency activities that led to this achievement included receiving unqualified audit opinions, meeting Federal systems requirements, validating EPA's payment practices, strengthening the effectiveness of EPA's grants competition policy, demonstrating how Agency offices use financial and performance

information to support day-to-day decision making, and correcting all material weaknesses for the first time in 20 years.

The Agency will also continue development of innovative approaches to meet Federal financial management challenges and continue to improve the delivery of core financial management customer services. EPA's financial management innovations are focused on providing Agency decision makers with useful, reliable, and timely cost information associated with key results-based environmental information. This is to be accomplished, in part, by upgrading the Agency's electronic information systems to make crucial data more easily available and provide accurate, timely information to managers across the Agency for use in making financial and programmatic decisions.

To continue the Agency's compliance with government-wide accelerated reporting requirements for financial statements, EPA has identified opportunities to further automate financial statement preparation capabilities. In FY 2005, EPA plans to adopt several best practices, including the capability to perform more robust analyses, enhance data compilation, simplify footnote disclosure, reduce control risks, and support year-end closing within a 3-day period.

In FY 2005, EPA's priority is to continue efforts to modernize the Agency's financial systems and business processes that are rapidly becoming obsolete by today's standards. The modernization effort will reduce cost, comply with Congressional direction and new Federal financial system requirements, and improve EPA's management analysis and decision-making capability. The financial systems modernization initiative is fully aligned with the strategies under the President's Management Agenda, especially those related to Budget and Performance Integration, Improved Financial Performance, and Expanded Electronic Government (e-Gov). In addition, this work is framed by the Agency's Enterprise Architecture development efforts, and is being designed to make maximum use of enabling technologies for e-Gov initiatives, including e-Grants, e-Procurement, e-Payroll and e-Travel. The Agency's financial systems architecture will provide the supporting infrastructure for EPA and enable the organization to achieve its environmental goals and mission.

The Agency will launch a substantial upgrade to our budgeting and planning system and continue improvements in Agency financial data warehousing and reporting capabilities, while continuing preparations to implement the new financial management system in FY 2007, and improving Agency access to key cost accounting and performance information. EPA will support the administration's e-Payroll initiative by partnering to become a payroll customer of USDA's National Finance Center. In FY 2005, EPA will also support a government-wide e-Travel initiative by preparing to join the government-wide travel management system. In addition, EPA will continue collaborating with other Chief Financial Officer Act agencies to improve the quality and timeliness of information for the government as a whole and to explore opportunities to standardize financial business processes across government.

In FY 2005, EPA plans to continue to support program efforts to develop more outcome-based annual performance goals and measures, develop new sources of performance data, improve the quality and usability of existing data sources of performance data, improve the quality and usability of existing data sources, and develop tools to set strategic priorities and

track performance. EPA programs will work with state partners in targeted efforts to improve performance goals and measures that strengthen results-based management. Potential approaches include: addressing data gaps to develop more outcome oriented measures and goals, increasing state use of environmental data and performance information in environmental policy and management decisions, promoting integration of information on environmental conditions with other management systems used to make environmental policies and management decisions, supporting development of statistical models for linking program outputs and environmental improvements, and developing best practices and case studies based on current successful EPA or state environmental management efforts.

As part of these efforts, EPA will continue to consult with its partners and stakeholders (states, tribes, local government, other Federal agencies, environmental associations, industry groups, the EPA Science Advisory Board) and the Congress and OMB. EPA will work to link annual plans to long-term goals and objectives of the Agency. Our continued work with state governments through the Environmental Council of the States (ECOS) and Tribal governments will ensure collaboration and cooperation in achieving the Agency's short - and long-term goals and objectives. In the development of the Agency's Annual Plan and Budget, EPA will continue to significantly involve its regulatory partners (principally states and tribes) in identifying short- and long-term program priorities.

EPA will report on the results of its Annual Plan and Budget implementation in the Agency's Annual Report, which includes audited annual financial statements and information on results in achieving annual performance goals and measures and progress toward strategic objectives. The Annual Report provides Congress and the public a comprehensive picture of EPA's programs, financial, and management performance, including the results of annual performance goals and measures described in the Agency's revised final FY 2004 Annual Plan.

In addition to assessing the Agency's performance results and progress toward its longer-term strategic objectives, the Annual Report also summarizes the results of EPA's work to comply with the Federal Managers' Financial Integrity Act and the Inspector General Act Amendments. The Agency continuously assesses the effectiveness of EPA management controls, vulnerabilities and challenges, and monitors progress on audit closeout.

FY 2005 CHANGE FROM FY 2004 REQUEST

EPM

- (+\$1,500,000) The increase of \$1,500,000 in non-payroll resources will be used to further efforts in FY 2005 to modernize major Agency financial systems. The modernization will provide decision-makers throughout the Agency with integrated budget cost and performance information and timely and reliable financial information and reports to improve accountability, decision-making and program management. FY 2005 efforts will focus on significant upgrades to the Agency's budget and planning systems, new system integration capabilities and continued progress in replacing EPA's

integrated financial management system scheduled for implementation in FY 2007, and further developing desk-top access to key cost accounting and performance information.

SF

- (-\$1,700,000 SF) These Regional non-payroll resources were redirected to the superfund enforcement goal. These resources will support the full array of financial management support services necessary to pay Superfund bills and recoup cleanup and oversight costs for the trust fund.

ANNUAL PERFORMANCE GOALS AND MEASURES

Strengthen EPA's Management

- In 2005 Strengthen EPA's financial management services in support of the Agency's mission while addressing the challenges included in the President's Management Agenda
- In 2004 Strengthen EPA's financial management services in support of the Agency's mission while addressing the challenges included in the President's Management Agenda
- In 2003 Strengthen EPA's financial management services in support of the Agency's mission while addressing the challenges included in the President's Management Agenda

Performance Measures:	FY 2003 Enacted	FY 2004 Pres. Bud.	FY 2005 Request	
Agency audited Financial Statements are timely, and receive an unqualified opinion.	1	1	1	Financial statement

Baseline: The Agency's audited FY 2004 Financial Statements will be submitted on time, in accordance with the new accelerated schedule, to OMB and receive an unqualified opinion.

VALIDATION AND VERIFICATION OF PERFORMANCE GOALS

Performance Measure: Agency's audited Financial Statements meet the new accelerated schedule and receive an unqualified opinion.

Performance Database: N/A

Data Source: OMB acknowledgement of receipt of financial statements, OIG audit report.

QA/QC Procedures: OCFO management review, OIG audit

Data Quality Review: OIG audit. The annual financial audit opinion, rendered by the OIG, is a gauge of the accuracy and fair presentation of the financial activity and financial balances of the Agency. The unqualified opinion is rendered by the OIG.

Data Limitations: N/A

New/Improved Data or Systems: N/A

References: Fiscal Year 2003 EPA Annual Report

COORDINATION WITH OTHER AGENCIES

EPA will develop and issue guidance for executive agencies to use when purchasing goods and services in response to Executive Order 13101 to show a preference for "environmentally preferable" products and services.

To achieve its mission, OCFO has undertaken specific coordination efforts with Federal and state agencies and departments through two separate vehicles: 1) the National Academy of Public Administration's Consortium on Improving Government Performance; 2) active contributions to standing interagency management committees, including the Chief Financial Officers Council and the Federal Financial Managers' Council. These groups are focused on improving resources management and accountability throughout the Federal government. OCFO also coordinates appropriately with Congress and other Federal agencies, such as Department of Treasury, Office of Management of Budget, and the General Accounting Office.

STATUTORY AUTHORITY

Annual Appropriations Act

Clinger-Cohen Act

Comprehensive Environmental Response, Compensation and Liability Act

Computer Security Act

E – Government Act of 2002

Electronic Freedom of Information Act

EPA's Environmental Statutes, and the Federal Grant and Cooperative Agreement Act

Federal Activities Inventory Reform Act (FAIR)

Federal Acquisition Regulations (FAR), contract law, and EPA's Assistance Regulations (40CFR Parts 30, 31, 35, 40, 45, 46, 47)

Federal Manager's Financial Integrity Act (1982)

Freedom of Information Act

Government Management Reform Act (1994)

Improper Payments Information Act

Inspector General Act of 1978 and Amendments of 1988

Paperwork Reduction Act

Privacy Act

The Chief Financial Officers Act (1990)

The Government Performance and Results Act (1993)

The Prompt Payment Act (1982)

Title 5 United States Code

Office of International Activities

Program Project	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.
Homeland Security: Protection of EPA Personnel and Infrastructure	\$0.0	\$0.0	\$35.0

FY 2005 REQUEST

Homeland Security: Protection of EPA Personnel and Infrastructure

To address the critical need of providing secure and safe overseas facilities, the Department of State and OMB has developed a cost sharing initiative to meet this objective. The construction program will be funded in part through a Capitol Security Cost Sharing program managed by the Department of State. Under this program, all agencies with an overseas presence in U.S. diplomatic facilities will pay a proportionate share for accelerated construction of new embassies and consulate facilities. EPA provides personnel overseas to support the work of our Mexico program and the Organization of Economic Cooperation and Development. In addition, EPA provides key technical assistance to developing countries and works in partnerships with developed countries on global environmental issues of mutual concern in furtherance of EPA's mission.

COORDINATION WITH OTHER AGENCIES

EPA's environmental mandate and expertise make it uniquely qualified to represent the nation's environmental interests abroad. While the Department of State (DOS) is responsible for the conduct of overall U.S. foreign policy, implementation of particular programs, projects, and agreements is often the responsibility of other agencies with specific technical expertise and resources.

STATUTORY AUTHORITIES

Appropriations Law
Clean Air Act
Clean Water Act
Clinger-Cohen Act
Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)
Computer Security Act
Defense Against Weapons of Mass Destruction Act (Title XIV of Public Law 104-201)
Electronic Freedom of Information Act
Emergency Planning and Right to Know Act
EPA's Environmental Statutes, and the Federal Grant and Cooperative Agreement Act

Executive Order 10831 (1970)
Federal Acquisition Regulations (FAR), contract law, and EPA's Assistance Regulations (40CFR Parts 30, 31, 35, 40, 45, 46, 47)
Federal Food, Drug and Cosmetic Act
Federal Insecticide, Fungicide and Rodenticide Act
Federal Manager's Financial Integrity Act (1982)
Food Quality Protection Act
Freedom of Information Act
Government Management Reform Act (1994)
Homeland Security Act of 2002
National Oil and Hazardous Substances Pollution Contingency Plan (NCP)
National Response Plan
Ocean Dumping Act
Oil Pollution Act
Paperwork Reduction Act
Pollution Prevention Act
Privacy Act
Public Health Security and Bioterrorism Emergency and Response Act of 2002
Public Health Service Act, as amended 42 U.S.C 201 et seq.
Public Law 86-37
Reorganization Plan No. 3 (1970)
Resource Conservation and Recovery Act (EPCRA)
Safe Drinking Water Act
Superfund Amendments and Reauthorization Act
The Government Performance and Results Act (1993)
Title 5 United States Code
Toxic Substances Control Act
Various Presidential Decision Directives

Office of the Administrator

Program Project	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.
Homeland Security: Communication and Information	\$874.0	\$0.0	\$500.0
Congressional, Intergovernmental, External Relations	\$52,341.0	\$45,198.9	\$46,082.8
Administrative Law	\$4,464.4	\$4,705.1	\$4,929.3
Civil Rights / Title VI Compliance	\$11,770.7	\$12,113.8	\$12,414.2
Regional Science and Technology	\$2,840.1	\$3,609.2	\$3,626.2
Science Advisory Board	\$3,748.7	\$4,409.0	\$4,757.1
Small Minority Business Assistance	\$2,105.8	\$2,214.5	\$2,282.0

FY 2005 REQUEST

The Office of the Administrator (AO) consists of the Immediate Office, which provides overall supervision to the Agency, three Associate Administrators and their offices, as well as ten staff offices. In addition to these 14 individual offices at Headquarters, this request includes resources for the ten Regional Administrators and their staffs, as well as Regional functions that are counterparts to certain functions found within the Office of the Administrator (for example, congressional liaison and public affairs).

Administrative Law

The Environmental Appeals Board (EAB) will issue final Agency decisions in environmental adjudications on appeal to the Board¹³. These decisions are the end point in the Agency's administrative enforcement and permitting programs. The right of affected persons to appeal these decisions within the Agency is conferred by various statutes¹⁴, regulations and constitutional due process rights. The Administrative Law Judges (ALJs) will preside in hearings and issue decisions in cases initiated by EPA's enforcement program against those accused of environmental violations under various environmental statutes. The ALJs have increased their use of alternative dispute resolution techniques to facilitate the settlement of cases

¹³ The full text of all formal EAB opinions may be accessed electronically at the EAB's website (<http://www.epa.gov/eab>) and by subscribers to the Lexis and Westlaw computerized legal research firms. The opinions are also published in a series of bound volumes titled *Environmental Administrative Decisions* (E.A.D.), which may be purchased from the U.S. Government Printing Office, and which may be read at several hundred public and law libraries that are designated as Federal Depository Libraries. The opinions are also commercially available in the EPA Administrative Law Reporter, EPA Shadow Law™ and ELI Environmental Law Reporter.

¹⁴ OALJ does not publish its decisions in bound printed book form. Copies of these decisions are maintained in printed form in the Office of the Administrative Law Judges in Washington, D.C., and in the case file for the case they pertain to in the Regional Docket Clerk's Office and Headquarters Docket Clerk's Offices, until archived. The best and simplest way for the public to search and access these decisions is via EPA's free website (<http://www.epa.gov/oalj>) or through computerized legal research firms like Lexis and Westlaw, for which you must pay for access.

and, thereby, avoided more costly litigation. The EAB and ALJs recently acquired access to videoconferencing technology, which is being used to reduce expenses for parties involved in the administrative litigation process.

FY 2005 CHANGE FROM FY 2004

EPM

- There are additional increases for payroll, cost of living, and enrichment for new and existing FTE.

Civil Rights/Title VI Compliance

In 2005, policy direction and guidance will be provided within the Agency on equal employment opportunity, civil rights and diversity issues. The Agency will continue to work diligently to process all Title VII internal employment discrimination complaints. Appropriate training will be provided to Office of Civil Rights (OCR) staff to conduct Title VII counseling and investigations. OCR will continue to administer and monitor the implementation of affirmative employment programs. OCR will manage special emphasis programs designed to improve the representation, utilization, and retention of minorities, women, older workers, persons with disabilities and persons with differing sexual orientations in the Agency's workforce.

In addition, external compliance, including Title VI of the Civil Rights Act of 1964, will prohibit discrimination in programs and activities that receive financial assistance from EPA. OCR will also issue Title VI guidance on limited English proficiency and develop a Title VI compliance review program. Finally, OCR provides expert advice and consultation to supervisors and managers of EPA, and technical assistance to EPA employees and applicants for employment on matters related to the Americans with Disabilities Act; the Rehabilitation Act of 1973, as amended; the Civil Rights Act of 1964, as amended; section 188 of the Workforce Investment Act of 1998; and other applicable civil rights laws, with particular attention to providing assistance to managers, employees, and applicants in obtaining reasonable accommodations for persons with disabilities.

FY 2005 CHANGE FROM FY 2004

EPM

- There are additional increases for payroll, cost of living, and enrichment for new and existing FTE.

Congressional, Intergovernmental and External Relations

The Office of Congressional and Intergovernmental Relations (OCIR) responds to congressional requests for information, writes and/or reviews written and oral testimony, briefings, and briefing materials. It ensures that Congress and EPA's managers receive the information they need to make policy and program decisions on environmental and public health issues. In addition to working with Congress, OCIR works closely with the Agency's program offices to keep them informed of current activities that affect their particular subject areas. OCIR develops legislative strategies to support the Agency's mission and policy positions and coordinates Agency appearances before congressional committees, as well as responses to congressional transcripts and written correspondence. In addition to these activities, OCIR also manages EPA's OMB/interagency clearance of Administration positions, congressional testimony and other legislative materials.

OCIR is the Agency's lead on issues relating to the National Environmental Performance Partnerships System. "Performance Partnerships" is a joint effort with the states to advance joint planning and priority setting in the oversight of state programs, and is a long-term effort focused on improving the relationship between EPA and the states. OCIR also serves as the Agency's primary liaison with state and local government environmental agencies. In that capacity, the office provides regular and timely communications for both the Agency's leadership and members of Congress, ensuring their ability to address priority issues and respond to questions arising from elected officials in state and local governments. OCIR also works with states and state associations to ensure that state concerns are considered in the development of EPA's rules, policies, guidance and annual budget. OCIR supports the Local Government Advisory Committee and its Small Community Advisory Subcommittee. These committees, formed under the provisions of the Federal Advisory Committee Act, provide both the Agency and local governments with a direct forum for addressing issues and exchanging information regarding local governments' role in managing environmental programs¹⁵.

Americans request environmental protections that preserve and protect America's environment, in an environmental protection framework that is based on partnerships with state and Tribal governments. They are challenging their leaders to adopt tough but achievable goals for the environment (cleaner air, purer water, and healthy communities) and to offer people and institutions the flexibility to find cost-effective ways to achieve those goals. The Immediate Office of the Administrator will provide the vision and leadership needed to enable EPA to meet its commitments to protect public health and the environment in 2005 and beyond. The Regional Administrators and their staffs will provide leadership in their respective Regions and the states they service. They will work with the states and negotiate performance partnerships with the states to agree on environmental outcomes the states will achieve with resources received from EPA.

The Office of Executive Services will provide the Office of the Administrator with management infrastructure services, including personnel, administrative, budget, planning,

¹⁵ Available only on the Internet at <http://www.epa.gov/ocir/nepps/index.htm>

integrity, ethics, computer support, information management security, and financial management services. The office will assist AO's managers and supervisors in hiring a qualified and diverse staff in accordance with the Agency's affirmative action and human resource management programs and principles. This office will also provide the expertise, reports, financial and program analyses, and related information that managers need to make decisions and understand the resource implications of their management decisions, and to ensure that the Office of the Administrator operates within its authorized funding levels. Automated data processing and information resource management support will also be provided to meet the increasing information resource needs of the Office of the Administrator, as well as development and implementation of information management security policies needed to protect electronic data.

The Office of the Executive Secretariat logs, assigns, and tracks correspondence received by the Administrator and Deputy Administrator to help ensure that citizens' comments, questions, ideas, and concerns are directed to the appropriate program and/or Regional offices for informed response, for inclusion in official public comment files, and/or for other necessary action. This office also ensures the quality of executive responses.

The integrity of one of the Agency's primary stakeholder engagement and public participation processes--formally chartered Federal Advisory Committees--will be assured through the oversight, training, and policy functions of the Office of Cooperative Environmental Management (OCEM). OCEM has Agency-wide responsibility for Federal Advisory Committees¹⁶ and thus, will ensure compliance with applicable laws and regulations; provide uniform guidance; collect and share best practices; re-engineer processes; and train the Agency's designated federal officials to increase the efficiency and minimize the vulnerability of Federal Advisory Committees.

OCEM will also provide direct support to four Federal Advisory Committees that advise the Administrator, the President, and Congress. The National Advisory Council for Environmental Policy and Technology provides the Administrator and the Agency with stakeholder advice on a broad range of environmental policy and technology issues that will improve the quality of EPA's environmental decision making. The statutorily mandated Good Neighbor Environmental Board¹⁷ will provide the President and Congress with advice and recommendations on environmental and infrastructure issues along the U.S. border with Mexico. The National and Governmental Advisory Committees, mandated by the North American Agreement on Environmental Cooperation¹⁸ and by Executive Order¹⁹, provide advice to the Administrator and the U.S. Government that will help the U.S. achieve its objectives in

¹⁶ On February 18, 1998, the EPA Deputy Administrator designated OCEM as the national program manager for EPA's committee management program

¹⁷ The Good Neighbor Environmental Board is authorized under Section 6 of the Enterprise for the Americas Act of 1992, 7 U.S.C. section 5404.

¹⁸ Articles 17 and 18 of the North American Agreement on Environmental Cooperation

¹⁹ Executive Order No. 12915

implementing the environmental side accords to the North American Free Trade Agreement with Canada and Mexico.

The Office of Public Affairs (OPA) uses diverse media resources to aid the public's understanding of science to increase awareness and perception of environmental issues and their technological and scientific solutions. The office informs the public about environmental problems and goals, and strengthens the integration of policy/regulatory decisions in its communications messages. OPA, and its Regional and program office counterparts, manages development and approval of communications products and publishes them in print and on EPA's web site in coordination with the Office of Environmental Information. OPA manages the Agency website's homepage, press release database, the Administrator's speeches database; and the newsroom Web page. The office conducts oversight of web and printed publications and directs audit reports to appropriate offices. OPA works with the Administrator to keep Agency staff and the public informed about major policy decisions, initiatives, events, and key personnel appointments. The office is also responsible for the electronic distribution of mass mail information for the Administrator and his or her designees.

FY 2005 CHANGE FROM FY 2004

EPM

- There are additional increases for payroll, cost of living, and enrichment for new and existing FTE.
- (-\$500,000) These resources will be redirected within the Office of the Administrator to support EPA's new Office of Homeland Security.

Regional Science and Technology

In addition to its liaison responsibilities, the Office Congressional and Intergovernmental Relations (OCIR) also manages the Regional Science and Technology (RS&T) account on behalf of the Regional laboratories. OCIR is responsible for replacing or supplying the sophisticated equipment the laboratories need to effectively undertake their responsibilities. The Regional laboratories are critical in supporting all of the Agency's programs and goals by supplying specialized expertise and high quality results in sampling procedures, data documentation, analytical methodology, protocol and/or statutory guidelines²⁰. In FY 2005, the laboratory equipment will support Regional implementation of the Agency's statutory mandates through: field operations for environmental sampling and monitoring; Regional laboratories for environmental analytical testing; quality assurance oversight and data management support; and, laboratory accreditation.

²⁰. U.S. EPA, Office of Regional Operations, *Science to the Power of 10; Regional Laboratory System Annual Report FY 2002*

The RS&T program provides in-house scientific expertise and technical capabilities in the generation of data for Agency decisions, not only in the normal course of activities, but also in response to emergency and catastrophic events of concern to homeland security, such as those that occurred on September 11, 2001. Following the September 11 attacks, RS&T divisions supported the development of critical and timely environmental data and data review activities. This expertise is also utilized in oversight of state and private laboratory certification for the National Drinking Water Program. The scientific expertise required to design and execute these analyses is used to provide advice, expert testimony, and critical environmental analyses in Regional and national program decisions, and civil and criminal litigation and enforcement cases.

FY 2005 CHANGE FROM FY 2004

EPM

- There are additional increases for payroll, cost of living, and enrichment for new and existing FTE.

Science Advisory Board

For many years, the goal of EPA's Science Advisory Board (SAB) has been to make a positive difference in the development and use of science at EPA. Established by Congress in 1978, the SAB utilizes non-government technical experts who serve as its 87 members and more than 400 consultants. They come from a broad range of disciplines -- physics, chemistry, biology, mathematics, engineering, ecology, economics, medicine, and other fields. Operating under the Federal Advisory Committee Act (FACA), the SAB empanels technically strong and diverse groups to ensure a balanced range of technical views from academia, communities, states, independent research institutions, and industry.

EPA's SAB plans to enhance its mission by advising the Agency to focus on priority environmental issues that greatly impact overall environmental protection, address novel problems or principles, influence long-term technological development, deal with problems that transcend Agency boundaries, strengthen the Agency's basic capabilities, and/or serve Congressional and other leadership interests. The Board also recognizes that economic and other social science issues are particularly important, given that EPA has generated new information-based, voluntary approaches to environmental protection -- such as working with stakeholders in communities and sectors to achieve environmental goals that voluntarily go beyond regulatory activities.

Additionally, the SAB supports the President's Management Agenda on Competitive Sourcing and has evaluated staff operations and identified several functions which were previously performed by its administrative and technical staff that are now being performed by the private sector. The direct conversion of four work years to contractor support was effective in FY 2003, and continues. The EPA SAB's attention to competitive sourcing has lead to a

management review of overall staff operations. The Board is in the process of developing an effective human capital strategy, a government-wide initiative that will better identify its human capital needs and how it will acquire, develop, and deploy its human capital to better align its organizational objectives with EPA's mission and goals.

FY 2005 CHANGE FROM FY 2004

EPM

- There are additional increases for payroll, cost of living, and enrichment for new and existing FTE.

Small Minority Business Assistance

EPA's Office of Small and Disadvantaged Business Utilization (OSDBU) and its Regional counterparts provide technical assistance to headquarters and Regional program office personnel to ensure that small, minority and women-owned businesses receive a fair share of EPA's procurement dollars. This fair share may be received either directly or indirectly through EPA contracts, grants, cooperative agreements, or interagency agreements. Pursuant to P.L.102-389, the Agency has a national goal of 8% utilization of minority and women-owned businesses. In addition, pursuant to P.L. 101-549, the Agency has a national goal of 10% utilization of these firms for research conducted under the Clean Air Act Amendments of 1990.

OSDBU and its Regional counterparts also assist the Agency in meeting its direct procurement goals for small, small disadvantaged, Historically Underutilized Business Zones, Women-Owned, and Service Disabled Veteran-Owned Small Businesses. These efforts enhance the ability of small, minority and women-owned businesses to participate in the Agency's objective to protect human health and the environment. As a result of the Supreme Court's decision in *Adarand v. Peña*, 115 S. Ct. 2097 (1995), EPA is in the process of proposing a rule for the participation of Disadvantaged Business Enterprises in procurements funded through assistance agreements. In 2005, the Agency plans to draft the final rule and begin implementing the certification requirements of the final rule.

FY 2005 CHANGE FROM FY 2004

EPM

- There are additional increases for payroll, cost of living, and enrichment for new and existing FTE.

Homeland Security

EPA's Office of Homeland Security (OHS) is responsible for ensuring implementation of the Agency's homeland security responsibilities; coordinating homeland security policy development across the Agency; serving as primary liaison with senior officials in the

Department of Homeland Security and other Federal agencies with responsibilities for homeland security; providing a more centralized and efficient system for receiving and evaluating important classified communications from multiple sources; and serving as primary liaison on matters relating to homeland security within EPA.

OHS will collaborate with EPA headquarters program and regional offices to develop and maintain a system to monitor progress on homeland security activities. This system will help EPA program and regional offices document their range of homeland security responsibilities and will facilitate the sharing of information across the Agency.

FY 2005 Change from FY 2004 Request

EPM

- (+\$500,000) These resources will be redirected from within the Office of the Administrator to support EPA's new Office of Homeland Security.

COORDINATION WITH OTHER AGENCIES

EPA will continue to work with the Small Business Administration, as appropriate, on regulations that affect small businesses.

The EPA SAB interacts with comparable advisory bodies within and outside the Agency; in some cases seeking and maintaining liaison and integrated membership with some of these bodies. For example, the chairs of the Office of Research and Development's Board of Scientific Counselors, the Federal Insecticide, Fungicide, and Rodenticide Act's Scientific Advisory Panel, and the Children's Health Protection Advisory Committee participate in the quarterly meetings of the SAB Executive Committee meetings. There are also membership contacts and exchanges with technical advisory bodies in the Department of Defense, Department of Energy, and the National Research Council of the National Academy of Sciences. In addition, the SAB has sought interactions with advisory groups at different levels (e.g., the advisory committee to the Mayor of Columbus, Ohio; the environmental advisory board to the Governor of the State of Michigan; the Health Council of the Netherlands; and the Academy of Sciences of Australia). The success of the SAB is measured, in part, by the extent to which the board is used as a model for advisory boards at various levels of government -- from the local to the international level.

EPA's Office of Homeland Security will work with senior officials in the Department of Homeland Security and other Federal agencies with responsibilities for homeland security.

STATUTORY AUTHORITIES

Administrative Procedure Act

Americans with Disabilities Act
Civil Rights Act of 1964, Title VI
Civil Rights Act of 1964, Title VII
Clean Air Act Amendments of 1977 and 1990
Clinger-Cohen Act
Commission and the North American Development Bank
Computer Security Act
Congressional Review Act
Enterprise for the Americas Initiative Act (7 U.S.C. 5404)
Environmental Research, Development, and Demonstration Authorization Act of 1978
Federal Advisory Committee Act (FACA) (5 U.S.C. App.)
Government Performance and Results Act (GPRA)
Executive Order 12915 - Federal Implementation of the North American Agreement on
Environmental Cooperation
Executive Order 12916 - Implementation of the Border Environment Cooperation
Commission and the North American Development Bank
North American Agreement on Environmental Cooperation
Rehabilitation Act of 1973
The National Strategy for Homeland Security, White House Office of Homeland Security, July
2002
Uniting and Strengthening America by Providing Appropriate Tools Required to
Intercept and Obstruct Terrorism Act (USA Patriot Act)

Office of the General Counsel

Program Project	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.
Alternative Dispute Resolution	\$877.9	\$1,153.4	\$1,889.6
Legal Advice: Environmental Program	\$33,913.7	\$34,722.9	\$35,522.8
Legal Advice: Support Program	\$8,871.3	\$12,240.9	\$12,521.7

The Office of General Counsel (OGC) and the Offices of Regional Counsel (ORCs) will provide legal representational services, legal counseling, and legal support for all Agency environmental activities and for all activities necessary for the operation of the Agency. Additionally, these resources are used by the OGC to provide environmental Alternative Dispute Resolution services.

FY 2005 REQUEST

Alternative Dispute Resolution

In FY 2005, this OGC program will provide conflict prevention and alternative dispute resolution (ADR) services to EPA Headquarters and Regional Offices, and external stakeholders on environmental matters. The national ADR program assists in developing effective ways to anticipate, prevent, and resolve disputes, and makes neutral third parties – such as facilitators and mediators -- more readily available for those purposes. Under EPA's ADR Policy, the Agency encourages the use of ADR techniques to prevent and resolve disputes with external parties in many contexts, including adjudications, rulemaking, policy development, administrative and civil judicial enforcement actions, permit issuance, protests of contract awards, administration of contracts and grants, stakeholder involvement, negotiations, and litigation.

FY 2005 CHANGE FROM FY 2004

EPM

- (+\$125,000) Provides funding for contractor support to use ADR in environmental matters, including those involving EPA's core regulatory programs, to resolve disputes more efficiently. \$75,000 of this increase represents a transfer of funds from OECA to support ADR enforcement and compliance activities under the Agency's reorganization that consolidated resources for EPA's environmental ADR program. The remaining \$50,000 is an increase in extramural funding for contractor support to use ADR in Regional environmental matters.

- (-\$266,226, -2 FTE) Represents a transfer of workyears and related support costs to OARM in accordance with the Agency's reorganization of the ADR function to support EPA's Workplace Solutions Staff.
- There are additional increases for payroll, cost of living, and enrichment for new and existing FTE.

Superfund

- (+\$874,700, +2 FTE) Represents a transfer of resources from OECA to support ADR enforcement and compliance activities under the Agency's reorganization of the environmental ADR program.

Legal Advice: Environmental Program

Legal advice to environmental programs includes, but is not limited to: representing EPA and providing litigation support in cases where EPA is a defendant as well as those cases where EPA is not a defendant but may have an interest in the case; providing legal advice, counsel and support to Agency management and program offices on matters involving environmental issues including, for example, providing interpretations of relevant and applicable laws, regulations, directives, policy and guidance documents, and other materials.

FY 2005 CHANGE FROM FY 2004

EPM

- There are additional increases for payroll, cost of living, and enrichment for new and existing FTE.

SF

- There are additional increases for payroll, cost of living, and enrichment for new and existing FTE.

Legal Advice: Support Program

In FY 2005, legal advice to support programs, provided by the Office of General Counsel (OGC) and the Offices of Regional Counsel (ORCs), will provide legal representational services, legal counseling and legal support for all Agency activities necessary for the operation of the Agency (i.e., contracts, personnel, information law, ethics, and financial/monetary issues). Legal services includes, but are not limited to: representing EPA and providing litigation support in cases where EPA is a defendant as well as those cases where EPA is not a defendant, but may have an interest in the case; providing legal advice, counsel and support to the Agency management and administrative offices on matters involving actions affecting the operation of

the Agency, including, for example, providing interpretations of relevant and applicable laws, regulations, directives, policy and guidance documents, and other materials.

FY 2005 CHANGE FROM FY 2004

EPM

- There are additional increases for payroll, cost of living, and enrichment for new and existing FTE.

STATUTORY AUTHORITIES

This program/project provides legal advice and services related to all statutes that affect EPA's implementation of environmental programs. These statutes include but are not limited to the:

Administrative Dispute Resolution Act of 1996
Age Discrimination in Employment Act
Americans with Disabilities Act
Anti-deficiency Act
Anti-Lobbying Act
Civil Rights Act of 1964
Civil Service Reform Act
Clinger Cohen Act
Clean Air Act
Clean Water Act
Competition in Contracting Act
Comprehensive Environmental Response, Compensation, and Liability Act
Computer Security Act
Congressional Review Act
Contract Disputes Act
Copyright Act
Endangered Species Act
Emergency Planning and Community Right_to_Know Act
EPA's various appropriations acts Act of 1990
Equal Pay Act
Federal Activities Inventory Reform Act
Federal Advisory Committee Act
Federal Claims Collection Act
Federal Food, Drug, and Cosmetic Act
Federal Grant and Cooperative Agreement Act
Federal Managers' Financial Integrity Act
Federal Records Act
Federal Technology Transfer Act
Federal Tort Claims Act
Federal Insecticide, Fungicide, and Rodenticide Act
Freedom of Information Act
Government Paperwork Elimination Act

Government Performance and Results Act
Military and Civilian Employees' Claims Act
Negotiated Rulemaking Act of 1996
National Environmental Policy Act
North American Agreement on Environmental Cooperation
Oil Pollution Act
Paperwork Reduction Act
Pollution Prevention Act
Privacy Act
Regulatory Flexibility Act
Rehabilitation Act
Resource Conservation and Recovery Act
Safe Drinking Water Act
Small Business Regulatory Enforcement Fairness Act
Superfund Amendments and Reauthorization Act
Toxic Substances Control Act
Trademark (Lanham) Act
U.S. Patent Statute
Unfunded Mandates Reform Act
Uniform Relocation Assistance and Real Property Acquisition Policies Act
Whistleblower Protection Act

Office of the Inspector General

Program Project	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.
Audits, Evaluations, and Investigations	\$46,612.9	\$50,021.3	\$51,135.6

All Office of the Inspector General (OIG) work is planned based on the anticipated value toward influencing resolution of the Agency's major management challenges, reducing risk, improving practices and program operations, and saving taxpayer dollars while leading to the attainment of EPA's Strategic Goals. Our strategic plan aligns OIG products and services with current Agency goals and priorities based upon emerging issues, legislative initiatives, needs of various customers, clients and stakeholders, and multiple dynamic external factors.

FY 2005 REQUEST

Audits, Evaluations, and Investigations

The OIG provides audit, evaluation, investigative, and advisory services that fulfill the requirements of the IG Act, as amended, and contribute to improved Agency management, environmental quality, and human health. The work of the OIG supports the attainment of Agency Strategic Goals and assists the Agency in resolving its top management challenges. Audits and program evaluations, selected based on relative risk, materiality, and results of past reviews, identify best practices, areas for improvement, and cooperative solutions to problems. Investigations focus on alleged fraud, waste, abuse, and other illegal activities by EPA employees, contractors, and grantees. Advisory and assistance services, which include a wide range of products and services, are designed to give Agency managers and congressional requesters information they need more expediently than audits or evaluations, and to assist EPA management in assessing and/or implementing control systems and processes.

During FY 2005, the OIG will: 1) **perform program evaluations and audits** to provide Congress and the Agency with best practices, analyses, and recommendations to address the most serious management challenges, accomplish environmental objectives, achieve Government Performance and Results Act (GPRA) goals, and safeguard resources; 2) **conduct investigations** which focus on detection and prosecution of financial fraud, laboratory fraud, and cyber crime; 3) **partner with others**, including other Federal and State auditors, evaluators, law enforcement officials, and associations who also have environmental missions, to leverage our resources to attain maximum environmental benefits with available resources; and, 4) **implement human capital strategies** that will ensure that the OIG has a diverse, highly motivated, and accountable staff with the skill sets and tools needed to perform increasingly complex work.

The IG will also hold the position of Inspector General for the Chemical Safety and Hazard Investigation Board (Board) as stipulated in Conference Report 108-401 on the "Consolidated Appropriations Act, 2004." The Board is an independent Federal Agency, authorized by the Clean Air Act Amendments of 1990, whose mission is to prevent industrial

chemical accidents and save lives. The duties of the IG regarding the Board are those outlined in the IG Act, as amended.

Audits and Evaluations use sophisticated analytical tools, methodologies, and specialized skills to determine the extent to which the desired results and benefits envisioned by the Administration and Congress are being efficiently and effectively achieved. *Investigations* focus on the detection and prosecution of financial fraud, cyber crime, and laboratory fraud.

OIG *audit* work determines whether EPA's programs, systems, and processes are operating effectively and efficiently. Contract audits determine whether or not a cost claimed by contractors is permissible, can be allocated and is reasonable. Contract audits also assess the effectiveness of EPA's contract management. Assistance agreement audits consist of financial and performance audits of EPA's State Revolving Fund programs, EPA grants, interagency agreements, and cooperative agreements. Financial statement audits include audits of the Agency's financial systems and statements to ensure that adequate controls are in place and the Agency's financial information is timely, accurate, reliable, and useful, and complies with applicable laws and regulations. System audits review the economy, efficiency, and effectiveness of operations by examining the Agency's support systems for achieving environmental goals, including its information systems and systems for setting priorities, developing and implementing strategies to accomplish them, and measuring performance. Our work will focus on key processes including those related to financial systems, information systems, human capital, and project management.

OIG *program evaluation* work will determine whether EPA's programs, projects, and tasks are achieving the desired results and impacts in the most efficient and cost-effective manner. Staffed with a mix of program analysts, scientists, auditors, economists, and others, program evaluations will assist the Agency in identifying what works and at what cost. Process evaluations assess the extent to which a program is operating as it was intended; outcome evaluations assess the extent to which a program achieves its outcome-oriented objectives; impact evaluations assess net effect of a program by comparing outcomes with the absence of the program; and cost benefit evaluations compare a program's outputs or outcomes with the costs to produce them.

OIG *investigative* work will contribute to improving the environment and EPA programs and operations; identify and close high risk vulnerabilities and systemic weaknesses; and obtain prosecutions, recoveries, indictments, and convictions for criminal activity, and appropriate civil and administrative remedies. Financial fraud investigations include several types of investigations. Contract fraud investigations focus on financial crimes, criminal activity, or serious misconduct in the performance of EPA contracts, or are related to contract procurement practices. Assistance agreement investigations focus on financial crimes, criminal activity, or serious misconduct in the performance of EPA grants to individuals, businesses, or organizations, or are related to the application and awarding of EPA grant monies. These investigations address similar activity in the use of EPA money involved in State Revolving Funds, interagency agreements, and cooperative agreements awarded to state, local, and Tribal governments, universities, and nonprofit recipients.

Employee integrity investigations focus on allegations of criminal activity or serious misconduct by EPA employees that could threaten the credibility of the Agency, validity of executive decisions, security of personnel or business information entrusted to the Agency, or financial loss to the Agency. Program integrity investigations focus on serious misconduct or criminal activity that could undermine or erode the public trust and confidence in EPA, its programs, or its employees.

The OIG Computer Crimes Directorate (CCD) focuses on *cyber crime* and interacts with the law enforcement community, such as the Federal Bureau of Investigation, sharing expertise and working collaboratively. The CCD develops investigative responses to suspect computer intrusions, supports the OIG and Agency personnel with a Penetration Laboratory, and assists the Office of Investigations with its Forensic Laboratory. The CCD's Intrusion Unit monitors all computer incidents reported to or by the Agency and performs intrusion assessments to determine whether investigative activity is warranted. The Penetration Laboratory supports Agency information security personnel as they examine the Agency network for weaknesses and vulnerabilities. The Forensics Unit conducts forensic examinations to locate and preserve evidence in electronic media.

The OIG initiative to uncover criminal activity in laboratories focuses on investigating indicators of *laboratory fraud* within the environmental community to include commercial and EPA laboratories. The Agency relies upon laboratory test results to assess environmental threats and determine what actions are necessary to control hazardous wastes, toxins, and other contaminated substances that pollute our air, water, and land. These investigations generally are part of contract investigations or program integrity investigations.

The OIG will concentrate work in the following areas during FY 2005:

Air

Particulate Matter: How can EPA maximize the effectiveness of its fine particulate matter (PM 2.5) ambient monitoring and emissions control strategies? *Ozone Attainment:* How can EPA better execute ozone reduction strategies?

Air Toxics: How can EPA improve the effectiveness of its efforts to assess, monitor, control, and reduce the risks of toxic air pollutants to human health and the environment?

Challenges to Further Progress: How can EPA maximize the contributions of State, local, and Tribal agencies in continuing progress toward meeting clean air goals?

Water

Drinking Water: How can EPA effectively implement the Safe Drinking Water Amendments of 1996?

Watershed Protection: How can EPA effectively control, protect, and monitor watersheds and water quality?

Reducing Pollutant Loadings: How can EPA effectively use and improve policy tools to reduce water pollutant loadings?

Land

Superfund: Is EPA making progress toward effective risk reduction and waste cleanup?

Brownfields: Is EPA making progress toward effective risk reduction, cleanup, and restoring previously polluted sites to appropriate uses?

Resource Conservation and Recovery Act (RCRA): Is EPA making progress toward effective waste management, hazardous material management, and risk reduction?

Cross-Media

Homeland Security: How can EPA better execute its homeland security responsibilities to prevent, prepare for, and respond to a terrorist attack to minimize adverse impacts on human health and the environment?

Environmental Stewardship: Do the States and tribes use high performance concepts to deliver environmental and human health protection?

Environmental Justice: How well are environmental justice concerns incorporated into EPA decision making? Do EPA policies and practices disproportionately contribute to adverse impacts on human health and the environment in communities of concern?

Compliance Assurance and Enforcement: Is the employment of traditional and nontraditional enforcement approaches optimized to ensure compliance with environmental rules and regulations that are designed to protect human health and the environment?

Good Government

Financial Management: Does EPA have the people, processes, and systems needed to efficiently provide timely, accurate, complete, and useful financial information for decision making and accountability?

Information Resources Management: Does EPA have systems, processes, and controls in place to ensure that timely, reliable, and complete information is available to manage EPA's programs and report on environmental results?

Program Management: Does EPA have the systems and processes in place to plan, budget for, and manage programs, including the human capital needed to carry out its mission?

Assistance Agreements: Is EPA using assistance agreements to efficiently and effectively accomplish its mission?

Contracts: Is EPA using contracts to efficiently and effectively accomplish its mission?

Public Liaison

The OIG Hotline will receive and review complaints and allegations of inappropriate decisions, actions, or activities involving Agency programs, employees, contractors, or grantees. The Hotline recommends work assignments for staffing within OIG offices, monitors those work assignments, and reviews reports of findings and recommendations. The Ombudsman also informs external stakeholders of the results of reviews and reports on fiscal year activity.

FY 2005 Change from FY 2004

IG

- There are additional increases for payroll, cost of living, and enrichment for new and existing FTE.
- (+\$500,000) Increase for EPA's Office of Inspector General to carry out its new responsibilities as the Inspector General for the Chemical Safety and Hazardous Investigation Board.

SF

- (-\$75,000) Decrease to fund a portion of the fixed costs increase in Superfund.

ANNUAL PERFORMANCE GOALS AND MEASURES

Fraud Detection and Deterrence

- In 2005 In 2005, the OIG will improve Agency business and operations by identifying 240 recommendations, potential savings and recoveries equal to 200 percent of the annual investment in the OIG, 102 actions for better business operations, and 80 criminal, civil, or administrative actions reducing risk or loss of integrity.
- In 2004 In 2004, the OIG will improve Agency business and operations by identifying 240 recommendations, contributing to potential savings and recoveries equal to 150 percent of the annual investment in the OIG, 100 actions for greater efficiency and effectiveness, and 80 criminal, civil, or administrative actions reducing the risk of loss or integrity.
- In 2003 In the Annual Performance Report, our results for APG 2 were combined with the results for APG 1.

Performance Measures:	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.	
Number of improved business practices and systems.	138	100	102	Improvements
Number of criminal, civil, and administrative actions.	83	80	80	Actions
Number of business recommendations, risks, and best practices identified.	264	240	240	Recommendations

Performance Measures:	FY 2003	FY 2004	FY 2005	
	Actuals	Pres. Bud.	Pres. Bud.	
Return on the annual dollar investment in the OIG.	856	150	200	Percent

Baseline: In FY 2002, the OIG established a baseline of 150 business recommendations, 70 improved business practices, and 50 criminal, civil, and administrative actions for improving Agency management; and a 100% potential dollar return on the investment in the OIG from savings and recoveries.

Audit and Advisory Services

In 2005 In 2005, the OIG will contribute to improved environmental quality and human health by identifying 95 environmental recommendations, best practices, risks, or opportunities for improvement; contributing to the reduction or elimination of 23 environmental or infrastructure security risks; and 45 actions influencing environmental improvements or program changes.

In 2004 In 2004, the OIG will improve environmental quality and human health by identifying 80 recommendations, risks, or best practices; contributing to the reduction or elimination of 18 environmental risks; and 42 actions influencing positive environmental or health impacts.

In 2003 Improve environmental quality and human health by identifying 48 environmental recommendations, risks, and best practices; contributing to the reduction of 9 environmental risks, and 47 actions influencing positive environmental or health impacts.

Performance Measures:	FY 2003	FY 2004	FY 2005	
	Actuals	Pres. Bud.	Pres. Bud.	
Number of environmental risks reduced.	9	18	23	Risks
Number of environmental actions.	47	42	45	Improvements
Number of environmental recommendations, risks, and best practices identified.	48	80	95	Recommendations

Baseline: In FY 2002, the OIG established a baseline of: 75 recommendations, best practices and risks identified contributing to improved Agency environmental goals; 15 environmental actions; and the reduction of 15 environmental risks. The FY 2004 performance measure targets for environmental measures were revised downward due to actual experience gained within the past year.

VERIFICATION AND VALIDATION OF PERFORMANCE MEASURES

FY 2005 Performance Measures: Number of actions taken for environmental improvement, reductions in environmental risks, and recommendations made for environmental improvement. Number of actions taken for improvement in business practices, criminal/civil/administrative actions, potential dollar return, and recommendations made for improved business practices.

Performance Database: The OIG Performance Measurement and Results System is used to capture and aggregate information on an array of measures in a logic model format, linking

immediate outputs with longer term intermediate outcomes and results. Because intermediate and long-term results may not be realized for several years, only verifiable results are reported in the year completed, while others remain prospective until completed and verified. Database measures include numbers of: 1) recommendations for environmental and management improvement; 2) legislative, regulatory policy, directive, or process changes; 3) environmental and integrity risks identified, reduced or eliminated; 4) best practices identified and transferred; 5) examples of environmental and management improvements; and 6) monetary value of funds questioned, saved, fined or recovered.

Data Source: Designated OIG staff enter data into the system. Data are from OIG performance evaluations, audits, research, court records and from EPA documents, data systems and reports that track environmental and management actions or improvements made, risks reduced or avoided. OIG also collects independent data from EPA's partners and stakeholders.

Methods, Assumptions and Suitability: OIG performance results are a chain of linked events, starting with OIG outputs (e.g., recommendations, reports of best practices and identification of risks). The subsequent actions taken by EPA or its stakeholders/partners, as a result of OIG's outputs, to improve operational efficiency and environmental program delivery are reported as intermediate outcomes. The resulting improvements in operational efficiency, risks reduced/eliminated, and conditions of environmental and human health are reported as outcomes. By using common categories of performance measures, quantitative results can be summed and reported. Each outcome is also qualitatively described, supported and linked to an OIG product or output. The OIG can only control its outputs, and has no authority, beyond its influence, to implement its recommendations.

QA/QC Procedures: All performance data submitted to the database require at least one verifiable source assuring data accuracy and reliability. Data quality assurance and control are performed as an extension of OIG products and services, subject to rigorous compliance with the Government Auditing Standards of the Comptroller General, and regularly reviewed by OIG management, an independent OIG Management Assessment Review Team, and external independent peer reviews. The statutory mission of the OIG is to independently evaluate the integrity of Agency operations and reporting systems. The OIG has also issued its own data quality policy and procedures.

Data Quality Reviews: There have not been any previous audit findings or reports by external groups on data or database weaknesses in the OIG Performance Measurement and Results System.

Data Limitations: All OIG staff are responsible for data accuracy in their products and services. However, there is a possibility of incomplete, miscoded, or missing data in the system due to human error or time lags. Data supporting achievement of results are often from indirect or external sources, with their own methods or standards for data verification/validation.

Error Estimate: The error rate for outputs is estimated at +/-5%, while the error rate for reported outcomes is estimated to be at least +/-10%.

New/Improved Data or Systems: The OIG developed the Performance Measurement and Results System as a prototype in FY 2001 and anticipates replacing it in FY 2004 with a more sophisticated system designed to integrate data collection, and analysis. We also expect the quality of the data to improve as staff gains greater familiarity with the system and measures. This system is a best practice in government for linking an array of measures from outputs to eventual results and impacts. With enhanced linkages to customer satisfaction results and resource investments, it will provide a full balanced scorecard with return on investment information for accountability and decision-making.

References: All OIG non-restricted performance results are referenced in the OIG Performance Measurement and Results System with supporting documentation available either through the OIG Web Site or other Agency databases. The OIG Web Site is www.epa.gov/oigearth.

Coordination with Other Agencies

The EPA Inspector General is a member of the President's Council on Integrity and Efficiency (PCIE), an organization comprised of Federal Inspectors General (IG). The PCIE coordinates and improves the way IGs conduct audits and investigations, and completes projects of government-wide interest. The EPA IG chairs the PCIE's Environmental Consortium, GPRA Roundtable, and Human Resources Committee. The Consortium, which seeks effective solutions to cross-cutting environmental issues, currently includes representatives from 19 executive agencies and GAO. The OIG Computer Crimes Unit coordinates activities with other law enforcement organizations that have computer crimes units such as the Federal Bureau of Investigation, the Secret Service, and the Department of Justice. In addition, the OIG participates with various inter-governmental audit forums, professional associations, and other cross-governmental forums to exchange information, share best practices, and directly collaborate efforts.

Statutory Authorities

Chief Financial Officers Act
Comprehensive Environmental Response, Compensation and Liability Act
Federal Financial Management Improvement Act
Federal Information Security Management Act
Food Quality Protection Act
Government Management Reform Act
Inspector General Act, as amended
Reports Consolidation Act
Single Audit Act

Environmental Protection Agency

FY 2005 Annual Performance Plan and Congressional Justification

ENABLING/SUPPORT PROGRAMS

Acquisition Management, ESP-8, ESP-10

Administrative Law, ESP-36

Alternative Dispute Resolution, ESP-45

Audits, Evaluations, and Investigations, ESP-49

Brownfields, ESP-52

Central Planning, Budgeting, and Finance, ESP-29

Civil Rights / Title VI Compliance, ESP-36

Congressional, Intergovernmental, External Relations, ESP-5, ESP-6, ESP-36

Environmental Justice, ESP-52

Exchange Network, ESP-15, ESP-16, ESP-17, ESP-18, ESP-19, ESP-20, ESP-21

Facilities Infrastructure and Operations, ESP-8, ESP-9

Financial Assistance Grants / IAG Management, ESP-8, ESP-12

Homeland Security

 Communication and Information, ESP-15, ESP-36

 Protection of EPA Personnel and Infrastructure, ESP-1, ESP-3, ESP-8, ESP-34

Human Resources Management, ESP-8, ESP-11

Information Security, ESP-15, ESP-18, ESP-22, ESP-24, ESP-25, ESP-28, ESP-56

IT / Data Management, ESP-5, ESP-15

Legal Advice

 Environmental Program, ESP-45, ESP-46

 Support Program, ESP-45, ESP-46

Regional Science and Technology, ESP-36, ESP-40

Science Advisory Board, ESP-31, ESP-36, ESP-41

Small Minority Business Assistance, ESP-36, ESP-42