

# Enabling *and* Support Program Results

Many of EPA's efforts—improving the quality and availability of environmental and health information, strengthening management practices, implementing human capital strategies—contribute to the Agency's results across all of its goals and objectives. The following FY 2005 results for EPA's enabling and support programs reflect progress achieved by such organizations as EPA's Office of Administration and Resource Management, Office of Environmental Information, Office of the Inspector General (OIG), and Office of the Chief Financial Officer. Sample highlights of FY 2005 performance include:

## **STRENGTHENING FINANCIAL AND PROGRAM MANAGEMENT**

EPA consistently met accelerated financial reporting goals, maintaining "green" status and progress scores on the President's Management Agenda (PMA) scorecard. The Agency attained an unqualified opinion for FY 2004 financial statements, and did so by November 15, 2004, an accelerated reporting goal established by the Office of Management and Budget. EPA also satisfied Government-wide Financial Reporting System

requirements by the accelerated November 18, 2004, deadline. During FY 2005, EPA continued its support of the consolidated government-wide reporting effort by issuing its interim financial statements within 21 days after each quarter.

The Agency identified opportunities and strategies for enhancing financial information provided to decisionmakers across the Agency. Efforts are underway in partnership with the Office of Grants and Debarment to address key grants management risk areas and challenges integrating grants and financial management data, create single point data entry, and have better information to assess the capabilities of nonprofit grantees. See *Improving Grants Management*.

EPA continued to enhance the Annual Commitment System (ACS) it launched last year to assist national programs and regional managers in negotiating and agreeing on annual regional performance commitments. In FY 2005, the Agency developed and implemented a new ACS performance tracking feature to support the entry and tracking of actual performance data against annual regional performance commitments.

An investigation conducted jointly by EPA's OIG and a number of other federal organizations resulted in a contractor (PricewaterhouseCoopers) repaying the government \$42 million to settle allegations that it made false claims for travel reimbursement.

## **IMPROVING GRANTS MANAGEMENT**

To ensure that grant funds are being used properly, EPA began implementing a new policy for assessing the financial management capabilities of nonprofit recipients. Under the policy, every nonprofit grantee receiving an award greater than \$200,000 must complete a questionnaire on its capability to administer the grant. Should EPA determine that a grantee lacks this capability, the grantee must take action to address its weaknesses before the grant can be awarded.

EPA revised its Order 5700.5 (now Order 5700.5A1, effective January 15, 2005) to further increase competition for assistance agreements. The revised order clarifies requirements for noncompetitive justifications, provides guidance for identifying possible conflicts of interest, requires statements from

reviewers that they do not have any unresolved conflicts of interest, and reinforces grant management officers' responsibilities.

## MANAGING HUMAN CAPITAL

EPA's Human Capital Strategy has increased personal accountability and linked job requirements to the Agency's mission and goals. The strategy provides the framework to fill mission-critical positions, ensure that planning and budgeting anticipate and address workforce needs, and train its diverse workforce.

EPA implemented a new five-level performance management system for general service/general manager employees. By linking job performance standards to the Agency's strategic goals and objectives, the Performance Appraisal and Recognition System (PARS) promotes increased accountability and productivity among all employees. PARS provides a framework within which EPA employees will be able to demonstrate excellence in delivering effective and efficient government services.

## ADDRESSING INFORMATION CHALLENGES

EPA conducted an Agency-wide planning process to rank key data gaps (identified in the Agency's 2003 *Draft Report on the Environment*<sup>1</sup> and through input provided by the Agency's partners and stakeholders) and establish priorities for filling them. EPA is integrating results from this data gaps analysis into its process for

developing its 2006-2011 *Strategic Plan* and expects that many of the data gaps will be addressed in its next draft *Report on the Environment*, scheduled for 2006.

Managed by EPA, the E-Rulemaking Initiative is overcoming barriers to public participation in the federal regulatory process by improving the public's ability to access, understand, and comment on federal regulatory actions. In its September 2005 report, *Electronic Rulemaking, Progress Made in Developing Centralized E-Rulemaking System*, the Government Accountability Office cited EPA for successfully integrating the needs of its federal partners. EPA's effective collaboration was critical to the successful launching of the Federal Docket Management System.<sup>2</sup>

## ADVANCING COLLABORATION

EPA continues to work collaboratively with its partners—states, tribes, and other federal agencies, to ensure a national focus on the most important environmental problems and the most efficient and effective use of limited

Performance Targets and Current Results Under EPA's Grants Management Plan

| Performance Measure  | Target                     | Progress in FY 2005            |
|--|----------------------------|--------------------------------|
| Percentage of grants managed by certified project officers   | 100%                       | 97.7%                          |
| Percentage of new grants subject to the competition order that are competed                          | 85%                        | 92.7%                          |
| Percentage of new grants to non-profit recipients subject to the competition order that are competed | 75%                        | 87.5%                          |
| * Percentage of active recipients who receive advanced monitoring                                    | 10%                        | 9.4%                           |
| Percentage of regional grant packages submitted electronically                                       | 100%                       | 99.3%                          |
| Percentage of eligible grants closed out   | 99% in 2003<br>90% in 2004 | 97.7% in 2003<br>76.6% in 2004 |
| **Percentage of grant workplans that include a discussion of environmental                           | 80%                        | Evaluation in progress         |

\* These performance measures are tracked on a calendar year basis.

\*\* EPA is currently conducting an evaluation, expected to be completed in January 2006. This evaluation is of the Agency's progress under EPA Order 5700.7, "Environmental Results Under EPA Assistance Agreements".

resources. In FY 2005, EPA and the Environmental Council of the States (ECOS) established a Partnership and Performance Workgroup to provide a forum for collaboration. The workgroup explored ways to support state strategic planning and improve dialogue around planning and priority setting.

EPA continued to work with tribes on a government-to-government basis to protect the land, air, and water in Indian country. In June, the Grand Traverse Band of Chippewa Indians hosted the Sixth Annual National Tribal Environmental Conference for Environmental Management. During this conference, more than 750 tribal, federal, and state officials shared solutions on ongoing environmental and public health problems in Indian country.

# ESP Annual Performance Goals

## APG ESP-1 Information Exchange Network

### PERFORMANCE

Under this APG, EPA provides a centralized approach to receiving and distributing information and improves access to timely and reliable environmental information. EPA believes that these efforts will allow for the exchange of secure, accurate, and timely information that supports environment and health decisions.

In FY 2005, EPA added features to the Central Data Exchange (CDX), including user registration and increased security. The Agency continues to work on easing reporting burden by bringing more states on line and adding more systems to the CDX. Shared services are allowing external groups to leverage the CDX's capabilities more efficiently and have increased the number of CDX users to 45,000.

**Data Quality:** A description of the data used to measure EPA's performance can be found in Appendix C, pages C-79–C-80.



**FY 2005:** Improve the quality, comparability, and availability of environmental data for sound environmental decision-making through the Central Data Exchange (CDX).

**Baseline:** The CDX program began in FY 2001.

#### Performance Measures

- 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.
- 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.
- Customer help desk calls are resolved in a timely manner.

#### Planned

12 Systems

40 States

20,000 Users

96%

#### Actual

22 Systems

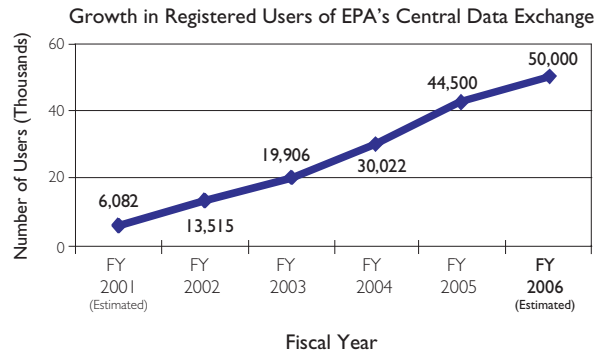
40 States

45,000 Users

96%



Data Source(s): Data are provided by state, private sector, local, and tribal government CDX users. Also see [www.epa.gov/cdx](http://www.epa.gov/cdx).



## APG ESP-2 Data Quality and Accessibility

### PERFORMANCE

EPA monitors progress in providing environmental data to a variety of users in forms that are accessible and available. In 2005, EPA updated the list of proposed indicators for the 2007 Report on the Environment (ROE) Technical Document based on comments from the July 2005 public peer review. The additional



**FY 2005:** EPA will improve the quality and scope of information available to the public for environmental decisionmaking.

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

#### Performance Measures

- 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.

#### Planned

1 Report



#### Actual

1 Report<sup>3</sup>



proposed indicators were announced in the Federal Register. In addition, EPA is updating its Strategic Plan (2006-2011 update) and has included consideration of the proposed 2007 indicators and data and information needs identified during development of the 2003 Draft Report on the Environment in its deliberations.

**Data Quality:** A description of the data used to measure EPA's performance can be found in Appendix C, page C-80.



|  |   |                       |  |
|--|---|-----------------------|--|
| <br><b>GOAL MET</b>   | <b>FY 2005:</b> EPA will improve the quality and scope of information available to the public for environmental decisionmaking. |                       |  |
| <b>Baseline:</b> An effort to develop a State-of-the-Environment report based on environmental indicators was initiated in FY 2002.  |   |                       |  |
| <b>Performance Measures (continued)</b> <ul style="list-style-type: none"> <li>• Responders to the baseline questionnaire on customer satisfaction on the EPA Web site report overall satisfaction with their visit to EPA.GOV.</li> </ul> |   | <b>Planned</b><br>60% | <b>Actual</b><br>63%  |

Data Source(s): 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 will comprise an Agency baseline of indicators. Customer satisfaction data are provided by customers completing the questionnaire. Also see [www.epa.gov/indicators](http://www.epa.gov/indicators).

### APG ESP-3 Information Security

#### PERFORMANCE

Under this APG, EPA tracks its compliance with Office of Management and Budget (OMB) security criteria. EPA believes that constant system and network monitoring is necessary to detect and identify any potential weaknesses or vulnerabilities that compromise its information assets. These proactive efforts will allow the Agency to develop cost effective solutions that support EPA's long-term goal of building and analytical capacity. EPA's Security Program has continuously implemented security measures to comply with OMB requirements. The Agency has

|  |  |                       |  |
|--|--|-----------------------|--|
| <br><b>GOAL MET</b>   | <b>FY 2005:</b> OMB reports that all EPA information systems meet/exceed established standards for security. |                       |  |
| <b>Baseline:</b> In FY 2002, the Agency started planning an effort to expand and strengthen its information security infrastructure.   |  |                       |  |
| <b>Performance Measures</b> <ul style="list-style-type: none"> <li>• Percent compliance with criteria used by OMB to assess Agency security programs reported annually to OMB under Federal Information Security Management Act/Government Information Security Reform Act.</li> </ul> |  | <b>Planned</b><br>75% | <b>Actual</b><br>90%  |

Data Source(s): Information technology system owners in Agency program and regional offices.

exceeded this target for the past several fiscal years, and it has adjusted the target for FY2 006 to better align with performance.

**Data Quality:** A description of the data used to measure EPA's performance can be found in Appendix C, page C-80.

### APG ESP-4 Fraud Detection and Deterrence

#### PERFORMANCE

The OIG has begun including the non-monetary results of "Single Audits" and audits performed for OIG in its targets and results by acknowledging the increasing number and significance of actionable recom-

mendations in these audits to improve the management of assistance agreements. Therefore, OIG adjusted its original targets submitted to OMB to account for the large increase in the expected and actual number of improved business practices and systems and the number of business recom-

mendations, risks, and best practices identified. OIG is constantly seeking ways of improving how it plans and measures the value of its work, and will continue to refine its targets and actions with data and experience in recognizing these opportunities. OIG work is, by its nature, responsive to com-

peting priorities of risks and stakeholder need; therefore, OIG results may be variable or time-lagged by measure in relation to annual targets. For example, the number of criminal, civil and administrative actions has increased, reflecting a greater number of debarments and suspensions of contractors, and the number of cases involving laboratories, which are time-lag results of prior years' performance. The 285 percent return on the dollar investment in OIG represents \$143.8 million in questioned costs, recommended efficiencies and fines, recoveries, and penalties.

**Data Quality:**

A description of the data used to measure EPA's performance can be found in Appendix C, page C-81.

**CHALLENGES**

OIG is attempting to balance current and emerging priorities, especially those from an increasing number of Congressional requests, expanding management and financial quality control requirements, and exigent responses to EPA's emergency hurricane actions.

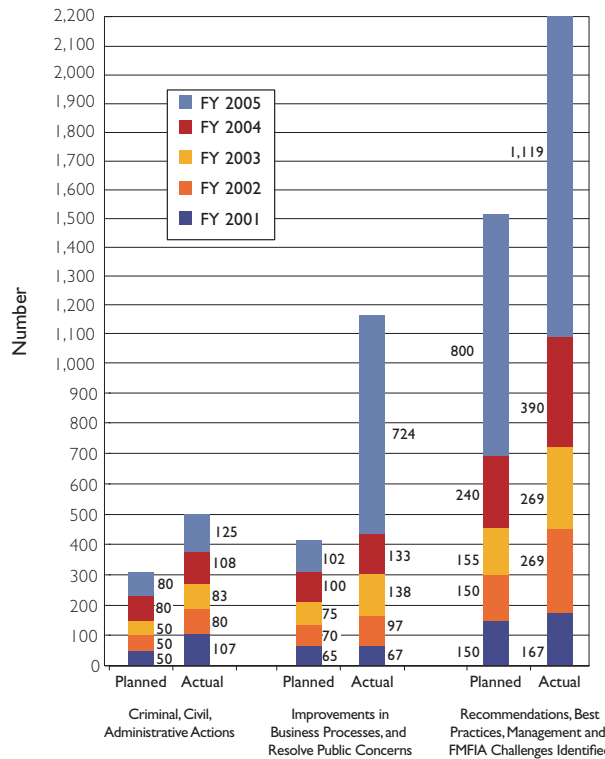
✓
**GOAL MET**

**FY 2005:** OIG will improve Agency business and operations by identifying 240 recommendations; potential savings and recoveries equal to 150% 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.

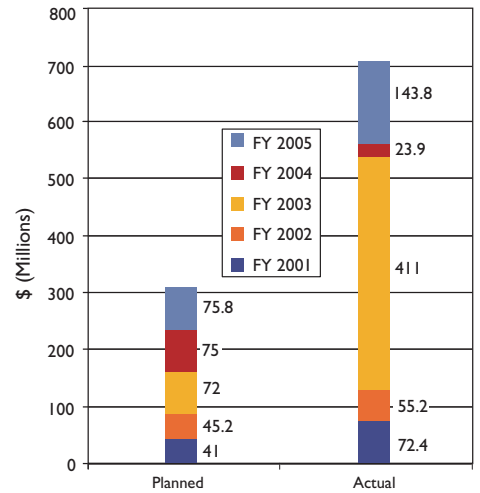
|   |                                  |                      |
|---|----------------------------------|----------------------|
| <p><b>Baseline:</b> In FY 2002, OIG established a baseline of 150 business recommendations; 70 improved business practices; 50 criminal, civil, and administrative actions for improving Agency management; and a 100% potential dollar return on the investment in the OIG from savings and recoveries.</p> <p><b>Performance Measures</b></p> <ul style="list-style-type: none"> <li>• Number of improved business practices and systems.</li> <li>• Number of criminal, civil, and administrative actions.</li> <li>• Number of business recommendations, risks, and best practices identified.</li> <li>• Return on the annual dollar investment in OIG.</li> </ul> | <p><i>Planned</i></p>            | <p><i>Actual</i></p> |
|   | 220 <sup>1</sup> Improvements    | 724 ✓                |
|   | 80 Actions                       | 125 ✓                |
|   | 800 <sup>5</sup> Recommendations | 1,119 ✓              |
|   | 150%                             | 285% ✓               |

Data Source(s): 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. Also see [www.epa.gov/oig/index.htm](http://www.epa.gov/oig/index.htm).

**EPA's OIG Helps Improve Agency Management, Accountability, and Program Operations**



**EPA's OIG's Questioned Costs, Efficiencies, Savings, Fines, Recoveries**



Data obtained from OIG information systems, IGOR and PMRS.

**APG ESP-5 Audit and Advisory Services**

**PERFORMANCE**

**Goal Not Met:** These performance results generally represent complex environmental actions to be taken

subsequently to OIG recommendations, risks, and best practices identified. While the results for Environmental Actions and

Improvements indicate the measure was not met, the system used to track this information currently does not capture actions taken by

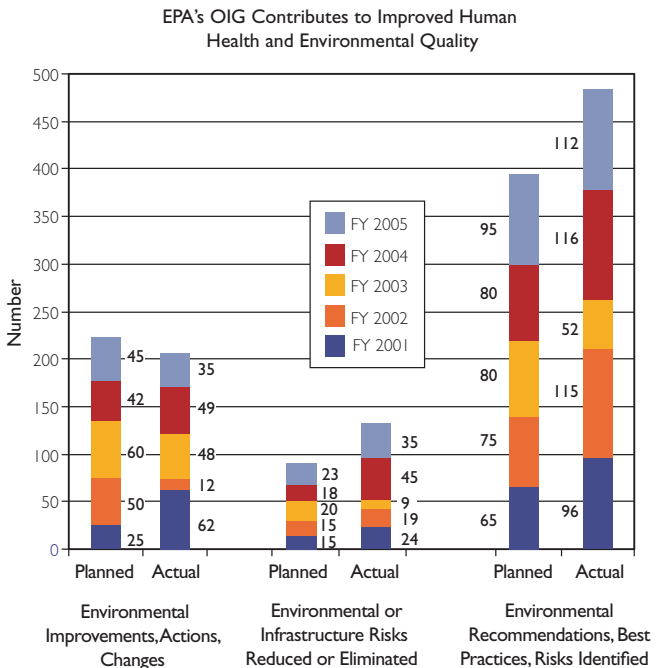
EPA program managers prior to the issuance of the Inspector General’s final report, which means the number of actions taken (35) is probably artificially low from errors of omission. Further, there are a considerable number of primary and secondary actions and improvements that are time lagged, occurring beyond the immediate scope of recognition as reportable results because of their complexity and expanded residual effect, thereby making them difficult to track. Therefore, the reported results for this measure are conservative and do not fully reflect the scope or number of actions taken and improvements made. The OIG is working to provide greater follow-up to ensure better accountability and recognition of agreed to actions by the Agency and its partners on OIG recommendations, and is also developing measures that capture actions and results accruing prior to report issuance. As mentioned in ESP APG 4, there are competing priorities for OIG resources based largely on external factors. Due to the responsive nature of OIG work and the time-lag nature of its results, performance evaluated over several fiscal years, better demonstrates the OIG’s significant strategic achievements in relation to its APGs.

|   |   |  |
|---|---|--|
| <b>X</b><br><b>GOAL NOT MET</b>   | <b>FY 2005:</b> 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. |  |
| <b>Baseline:</b> In FY 2002, OIG established a baseline of 75 recommendations, best practices and risks identified contributing to improved Agency environmental goals; established 15 environmental actions; and reduced 15 environmental risks. |   |  |
| <b>Performance Measures</b>   |   |  |
| <ul style="list-style-type: none"> <li>• Number of environmental risks reduced.</li> <li>• Number of environmental actions.</li> <li>• Number of environmental recommendations, risks, and best practices identified.</li> </ul>                  | <b>Planned</b>  | <b>Actual</b>                            |
|   | 23 Risks  | 35 <span style="color: green;">✓</span>  |
|   | 45 Improvements   | 35 <span style="color: red;">X</span>    |
|   | 95 Recommendations  | 112 <span style="color: green;">✓</span> |

Data Source(s): Data are from OIG performance evaluations, audits, research, court records and EPA documents, data systems and reports that track environmental and management actions or improvements made and risks reduced or avoided. OIG also collects independent data from EPA’s partners and stakeholders. Also see [www.epa.gov/oig/index.htm](http://www.epa.gov/oig/index.htm).

**CHALLENGES**

OIG is attempting to balance current and emerging priorities, especially those from an increasing number of Congressional requests and exigent responses to EPA’s emergency hurricane actions. Additionally, obtaining the needed staff skill mix to perform complex program evaluations is a continuing challenge.



**APG ESP-6 Strengthen EPA's Management**

**PERFORMANCE**

EPA prepared timely accurate financial statements which earned an unqualified (clean) opinion. The auditors identified nine reportable conditions, one non-compliance issue and no material weaknesses.

|   |  |                                      |
|---|--|--------------------------------------|
| <b>✓</b><br><b>GOAL MET</b>   | <b>FY 2005:</b> Strengthen EPA’s management services in support of the Agency’s mission while addressing the challenges included in the President’s Management Agenda. |                                      |
| <b>Baseline:</b> Financial statements will be submitted on time to OMB and receive an unqualified opinion.                              |  |                                      |
| <b>Performance Measures</b>   |  |                                      |
| <ul style="list-style-type: none"> <li>• Agency audited financial statements are timely, and receive an unqualified opinion.</li> </ul> | <b>Planned</b>   | <b>Actual</b>                        |
|   |  | <span style="color: green;">✓</span> |

Data Source(s): Integrated Financial Management System (IFMS). Also see [www.epa.gov/ocfo](http://www.epa.gov/ocfo).

**Data Quality:** A description of the data used to measure EPA's




performance can be found in Appendix C, page C-82.

## APG ESP-7 Energy Consumption and Reduction

### PERFORMANCE

EPA complied with Executive Order 13123 “Greening the Government through Efficient Energy Management” that requires the Agency to reduce its reportable energy use by 20 percent in FY 2005 from an FY 1990 baseline. Reduced energy consumption reduces greenhouse gas production and other environmental impacts associated with conventional energy sources. It is also important that EPA lead by example to reduce energy/operating costs by demonstrating energy efficient mechanical systems and operations to the public.

EPA relied heavily on green power purchases to meet this goal. EPA is currently implementing several building commissioning and mechanical system upgrades that will significantly reduce actual energy consumption. The data from onsite consumption logs are compared to invoices to verify that reported consumption and

|   |   |                |   |
|---|---|----------------|---|
| <br><b>GOAL MET</b>  | <b>FY 2005:</b> EPA will achieve a 20% energy consumption reduction from 1990 in its 29 laboratories, which is in line to meet the 2005 requirement of a 20% reduction from the 1990 base contained in EO 13123. This includes green power purchases. |                |   |
| <b>Baseline:</b> In FY 1990, energy consumption is 357,864 BTUs per square foot.  |   |                |   |
| <b>Performance Measures</b>   |   | <i>Planned</i> | <i>Actual</i>   |
| <ul style="list-style-type: none"> <li>• Cumulative percentage reduction in energy consumption (from FY 1990).</li> <li>• FY 2004: Cumulative percentage reduction in energy consumption (from FY 1990). The data lag was due to the reported billing cycle.</li> </ul> |   | 20%            | 25%  |
|   |   | 16%            | 17%  |

Data Source(s): The Agency's contractor collects quarterly energy data from each of EPA's laboratories. The data are based on metered readings from the laboratory's utility bills (e.g., natural gas, electricity). Also see [www.epa.gov/greeningepa/](http://www.epa.gov/greeningepa/).

cost data are correct. EPA's Sustainable Facilities Practices Branch compares reported energy use at each facility against previous billing data to see if there are any significant and unexplainable increases or decreases in energy quantities and costs.

EPA exceeded this goal. Based on the data available (through the third quarter of FY 2005), EPA should show a reduction of reportable energy to the Department of Energy and OMB of 25 percent for FY 2005. The

fourth quarter information will not be available until December 2005.

**Data Quality:** A description of the data used to measure EPA's performance can be found in Appendix C, pages XXX-XXX.

### CHALLENGES

While EPA's new main laboratory facility at Research Triangle Park, North Carolina, continues to improve, its operations have not yet fully stabilized.

### NOTES

- 1 See [www.epa.gov/indicators](http://www.epa.gov/indicators).
- 2 See [www.gao.gov/](http://www.gao.gov/).
- 3 This document is only an interim status update, not a full report on approved indicators.
- 4 OIG revised its target from 102 to 220 by including non-monetary results of Single Audits, which will also be included in FYs 2006 and 2007.
- 5 OIG revised its target from 240 to 800 by including non-monetary results of Single Audits, which will also be included in FYs 2006 and 2007.