



# At a Glance

*Catalyst for Improving the Environment*

## Why We Did This Review

We evaluated the cost justifications for major Information Technology (IT) investments in the U.S. Environmental Protection Agency (EPA) IT investment portfolio. We also evaluated contracted work for IT investments to determine whether the work met EPA's (1) time and budget estimates, and (2) intended needs.

## Background

EPA received \$346 million in system development and/or maintenance funding for Fiscal Year 2007. This funding includes IT acquisition costs for contract services to develop and/or maintain IT systems.

For further information, contact our Office of Congressional and Public Liaison at (202) 566-2391.

To view the full report, click on the following link:  
[www.epa.gov/oig/reports/2008/20080922-08-P-0271.pdf](http://www.epa.gov/oig/reports/2008/20080922-08-P-0271.pdf)

## ***EPA Personnel Access and Security System Would Benefit from Improved Project Management to Control Costs and the Timeliness of Deliverables***

### **What We Found**

EPA has put into place processes to adequately justify costs of projects identified in its IT investments portfolio. However, the lack of key project management practices prevents it from achieving many of the projected milestone and budget estimates. In particular, EPA did not require the EPA Personnel Access and Security System (EPASS) contractor to follow Agency procedures for system development. EPASS did not have a Project Manager authorized to oversee the contractor's work. EPA also paid for invoices that contained contractor labor overcharges. These system development procedures are designed to help management better predict and control project costs. Had EPA implemented processes to mitigate many of the identified system development weaknesses, it would have been better able to anticipate and possibly avoid most of the additional \$983,216 in costs for EPASS. Further, had EPA implemented formal review procedures for contractor invoices, it would have prevented paying an estimated \$75,276 in over-billed contractor labor charges. We were unable to determine whether the EPASS work would meet EPA's intended needs because the project is under further development.

### **What We Recommend**

Our recommendations to the Director, Security Management Division, Office of Administration, Office of Administration and Resources Management, are to:

- Develop and maintain an EPASS System Management Plan that includes the required Change Management and information security documents.
- Appoint a certified EPASS Project Manager with authority to oversee contractor work and ensure compliance with EPA's System Life Cycle Management guidance.
- Issue a memorandum to all EPASS Task Order Project Officers that outlines and reinforces expectations for complying with EPA invoice reviewing guidance.
- Follow up with the Contracting Officer to ensure EPA collects from the contractor the amount EPA overpaid for billing rate errors in the contractor's invoices.

The Agency indicated that it has taken actions to address many of our concerns. However, we believe the actions taken do not adequately address our recommendations. The Agency needs to take steps to put into place a structure to ensure that the EPASS project progresses through the System Development Life Cycle process as required by EPA guidance.