

Appendix B: Program Evaluations Completed in FY 2005

INTRODUCTION

EPA relies on program evaluations and analyses to inform decisions, design effective strategies, and adjust approaches to improve results. Appendix B lists and summarizes information for each program evaluation completed in FY 2005. It includes evaluations that apply to a specific annual performance goal (APG) (which are also listed under relevant APGs in Section 2 of this report) and broader evaluations that encompass more than one APG. This appendix lists evaluations by goal and objective, and provides information on the evaluator; scope of the evaluation; relevant findings; recommendations; EPA's response; and public access to the evaluation reports.

Goal I

Evaluation Title: EPA Needs to Fulfill Its Designated Responsibilities to Ensure Effective BioWatch Program.

Evaluator: U.S. EPA, Office of the Inspector General (OIG). **Date:** March 23, 2005.

Scope of Evaluation: Goal I, Objective I.

BioWatch is an early-warning system funded and overseen by the Department of Homeland Security. The EPA is an important partner in the BioWatch program and has a major role in sampling operations. The evaluation sought to answer the following questions:

- What are EPA's designated responsibilities in the BioWatch program?
- How well is EPA implementing its designated responsibilities in the BioWatch program?

Evaluation Findings: The report determined that EPA's responsibilities include monitor deployment, site security, oversight and assessing monitor technology. The report found that EPA needs to be involved in assessing technologies that are more reliable and timely, and reduce costs. Consequence management planning also needs to be built into the program.

Evaluation Recommendations: The OIG recommended that the Assistant Administrator for Air and Radiation should ensure that EPA fulfills all its BioWatch-designated responsibilities, including ensuring quality assurance guidance is adhered to. The OIG also recommended that OAR work with its BioWatch partners to use its air monitoring expertise to identify and test alternative technologies and ensure that EPA is prepared to assist with consequence management plans.

Planned Response: OAR agreed with the report and has begun working with EPA regions to address many of the issues identified.

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050323-2005-P-00012.pdf>. Report No. 2005-P-00012.

Evaluation Title: Substantial Changes Needed in Implementation and Oversight of Title V Permits if Program Goals are to be Fully Realized.

Evaluator: U.S. EPA, Office of the Inspector General (OIG). **Date:** March 9, 2005.

Scope of Evaluation: Goal I, Objective I.

In 1990 Congress enacted Federal clean air permitting requirements designed to reduce violations and improve enforcement of air pollution laws for the largest sources of air pollution. Known as Title V, this provision requires that all major stationary sources of air pollutants obtain a permit to operate. More than 17,000 sources are subject to Title V permit requirements. The OIG sought to determine

Evaluation Title: Substantial Changes Needed in Implementation and Oversight of Title V Permits if Program Goals are to be Fully Realized.

Evaluator: U.S. EPA, Office of the Inspector General (OIG). Date: March 9, 2005.

Scope of Evaluation (continued):

whether (1) selected Title V permits contained adequate provisions consistent with key Clean Air Act (CAA) requirement; (2) EPA's oversight and guidance contributed to improvements in Title V implementation, and, (3) Title V had achieved its goals of improving the implementation and enforcement of the CAA.

Evaluation Findings: The OIG's analysis identified concerns with five key aspects of Title V permits: permit clarity, statements of basis, monitoring provisions, annual compliance certifications and practical enforceability. Collectively, these problems can hamper the ability of EPA, state and local regulators, and the public to understand what requirements sources of air pollution are subject to, how they will be measured, and ultimately to hold sources accountable for meeting applicable air quality requirements. EPA's oversight and guidance of Title V activities have resulted in some improvements in Title V programs, however areas of further improvement remain. Despite implementation problems, the Title V program has resulted in some significant benefits; the inclusion of all relevant CAA requirements in one document has enabled stakeholders to obtain the information needed to understand the applicable requirements for major emitting sources and to express their concerns.

Evaluation Recommendations: The OIG made several recommendations for EPA to reduce the factors that negatively impact permit clarity, improve national Title V guidance, actively identify monitoring deficiencies in state implementation plans, and develop a comprehensive Title V oversight strategy.

Planned Response: OAR is expanding the use of our stakeholder workgroup as a means of identifying what is working (and what is not working), to streamline the petition response process where feasible and to develop operating plans that combine oversight with permit reviews and evaluations. We are also working with the Regional Offices on improving the implementation of the Title V program when specific issues arise with a given permitting authority.

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050309-2005-P-00010.pdf>. Report No. 2005-P-00010.

Evaluation Title: Progress Made in Monitoring Ambient Air Toxics, But Further Improvements Can Increase Effectiveness.

Evaluator: U.S. EPA, Office of the Inspector General (OIG). Date: March 2, 2005.

Scope of Evaluation: Goal I, Objective I.

The Clean Air Act identifies 188 air toxics. EPA defines air toxics as "those pollutants that are known or suspected to cause cancer or other serious health effects or adverse environmental effects." EPA's goal is to reduce unacceptable health risks from air toxics for 95% of the population by 2020. Ambient monitoring is important to assess progress towards this goal. The OIG performed this review to evaluate EPA's progress in establishing a national network and determine the status of ambient air toxics monitoring nationwide. A viable ambient monitoring program to detect areas of unhealthy air toxics concentrations and to measure national and local trends in those concentrations is key to assessing progress in reducing air toxics-related health risks.

Evaluation Findings: Since 2000, EPA has significantly increased its ambient air toxics monitoring efforts to establish a national network and support State and local agencies' monitoring activities. Additional effort and improvement is needed to ensure that sufficient ambient air toxics data is available to identify areas of unhealthy ambient air toxics concentrations, identify national air toxics trends, and assess the effectiveness of air toxics reduction strategies. The OIG also highlighted inconsistencies in the sampling frequencies and quality assurance measures for the national trends sites. The OIG identified key barriers to ambient air toxics monitoring as adequacy of funding and lack of methods to monitor certain air toxics.

Evaluation Recommendations: The OIG recommended that with respect to monitoring conducted on a local scale (i.e., certain State and local network monitors and EPA's local project grant program), EPA should develop a strategy—in coordination with State, local and tribal partners—for siting monitors in locations that are estimated to present the greatest health risks from exposure to air toxics. Recommendations were also made to improve the programmatic aspects of the national trends sites, particularly with respect to quality assurance, quality control and data completeness.

Planned Response: The recommendations provided by the OIG generally align with current OAR improvement efforts. Funding remains a key barrier.

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050302-2005-P-00008.pdf>. Report No. 2005-P-00008.

Evaluation Title: EPA Needs to Direct More Attention, Efforts and Funding to Enhance Its Speciation Monitoring Program for Measuring Fine Particulate Matter.

Evaluator: U.S. EPA, Office of the Inspector General (OIG). Date: February 7, 2005.

Scope of Evaluation: Goal 1, Objective 1.

Airborne particulate matter 2.5 microns or less in size (PM_{2.5}) is comprised of a complex mixture of particles composed of sulfate, nitrate, ammonium, organic carbon, elemental carbon, and organic and inorganic compounds. Tens of thousands of premature deaths yearly are associated with exposure to excess levels of PM_{2.5}. By 2010, EPA estimates that compliance with PM_{2.5} emission control strategies will cost industry more than \$37 billion annually. EPA's speciation monitoring network is a critical component in the development of these control strategies. Determining the chemical make-up of a particle—known as speciation—is largely accomplished through data generated by this network.

The OIG performed an evaluation to determine whether EPA's PM_{2.5} speciation air monitoring network is sufficient to (a) adequately identify sources of fine particulate matter (PM_{2.5}) and (b) facilitate the development of effective control strategies to reduce PM_{2.5} to safe levels.

Evaluation Findings: EPA has made substantial progress in establishing a speciation monitoring network to facilitate the development of PM_{2.5} control strategies but still faces a number of challenges in ensuring that the controls are directed at the right sources. Although the speciation network provides information for understanding the make-up and origin of PM_{2.5}, the network does not fully assist in providing the data for EPA and States to identify or quantify the chemical make-up of PM_{2.5} particles, reliably trace particles back to their source, or account for chemical changes that occur after particles are released into the atmosphere. Speciation data are available to begin working on control strategies and EPA and the States are beginning the development of control strategies; however, increased monitoring efforts are needed.

Evaluation Recommendations: The OIG recommended that OAR increase its research on technologies that can more fully identify the chemical make-up of PM_{2.5}, account for the atmospheric impacts on PM_{2.5}, and assay the resultant changes that occur to the composition of the particle. This includes increasing opportunities for cooperation with the private sector to develop improved continuous speciation monitors.

Planned Response: EPA disagrees with the OIG's conclusions regarding the sufficiency of currently available speciation data to "fully" develop effective control strategies. Nevertheless, EPA recognizes that improvements are clearly needed in our current inventory, monitoring and modeling programs to further improve the efficiency and credibility of control strategies. We will consider the OIG final recommendations along with recommendations from the Clean Air Act Advisory Committee Air Quality Management review, and related recommendations received on an ongoing basis from the Clean Air Scientific Advisory Committee's subcommittee on ambient air monitoring and methods.

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050207-2005-P-00004.pdf>. Report No. 2005-P-00004.

Evaluation Title: Gasoline Markets: Special Gasoline Blends Reduce Emissions and Improve Air Quality, but Complicate Supply and Contribute to Higher Prices.

Evaluator: U.S. Government Accountability Office (GAO). Date: June 2005.

Scope of Evaluation: Goal 1, Objective 1.

The Clean Air Act, as amended, requires some areas with especially poor air quality to use a "special gasoline blend" designed to reduce emissions of volatile organic compounds (VOC) and nitrogen oxides (NO_x) and requiring the use of an oxygenate such as ethanol. In less severely polluted areas, the Act allows states, with EPA approval, to require the use of other special blends as part of their effort to meet air quality standards. GAO reviewed the following: (1) To what extent are special gasoline blends used in the United States and how, if at all, is this use expected to change in the future? (2) What effect has the use of these blends had on reducing vehicle emissions and improving overall air quality? (3) What is the effect of these blends on the gasoline supply? (4) How do these blends affect gasoline prices?

Evaluation Findings: GAO found 11 distinct special blends in use during the summer of 2004. Further, when different octane grades and other factors are considered, there were at least 45 different kinds of gasoline produced in the United States during all of 2004. To date, EPA has generally approved such applications and does not have authority to deny an application to use a specific special blend as long as that blend meets criteria established in the CAA. EPA models show that use of special gasoline blends reduces vehicle emissions by varying degrees. Regarding air quality, EPA and others have concluded that improvements are, in part, attributable to the use of special blends.

Evaluation Title: Gasoline Markets: Special Gasoline Blends Reduce Emissions and Improve Air Quality, but Complicate Supply and Contribute to Higher Prices (continued).

Evaluator: U.S. Government Accountability Office (GAO). Date: June 2005.

Evaluation Findings (continued):

The proliferation of special gasoline blends has put stress on the gasoline supply system and raised costs, affecting operations at refineries, pipelines, and storage terminals. There is general consensus that increased complexity, and higher costs associated with supplying special blends, contribute to higher gasoline prices either because of more frequent or severe supply disruptions or because higher costs are likely passed on at least in part to consumers.

Evaluation Recommendations: GAO recommended that EPA, with DOE and others, develop a plan to balance the environmental benefits of using special fuels with the impacts of these fuels on the gasoline supply infrastructure. GAO also recommended that EPA work with other agencies to identify what statutory or other changes are required to implement this plan and request those authorities from Congress.

Planned Response: EPA does not have any comment on these findings.

Public Access: Report available at: <http://www.gao.gov/newitems/d05421.pdf>. Report No. GAO-05-421.

Evaluation Title: Additional Analyses of Mercury Emissions Needed Before EPA Finalizes Rules for Coal-Fired Electric Utilities.

Evaluator: U.S. EPA, Office of the Inspector General (OIG). Date: February 3, 2005.

Scope of Evaluation: Goal 1, Objective 1.

On January 30, 2004, EPA proposed rules for regulating mercury emissions from coal-fired steam generating electric utility units. EPA proposed two options for controlling mercury emissions, one a control technology standard with emission limits and the other a performance based cap-and-trade approach. Members of the Senate Environment and Public Works Committee requested that we review EPA's development of its proposed rule for controlling mercury emissions from coal-fired electric utilities.

Evaluation Findings: The OIG evaluation was conducted and completed before the Agency had completed the rulemaking process. The observations and characterizations about the process reflect the status of the rulemaking process at the time we completed our review.

Evaluation Recommendations: The OIG recommended that EPA reanalyze mercury emissions data collected and conduct a revised cost-benefit analysis for the updated MACT that takes into account the impact of mercury co-benefits through the proposed CAIR. The OIG also recommended that the Agency strengthen its cap-and-trade proposal. Further, the OIG also recommended that the Agency conduct an integrated analysis with respect to whether emissions reductions under either of these proposals are the most child-protective, timely, and cost-effective.

Planned Response: EPA promulgated the mercury rule on March 15, 2005. Earlier that month, EPA promulgated the Clean Air Interstate Rule.

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050203-2005-P-00003.pdf>.

Evaluation Title: Clean Air Act: Observations on EPA's Cost-Benefit Analysis of its Mercury Control Options.

Evaluator: U.S. Government Accountability Office (GAO). Date: February 2005.

Scope of Evaluation: Goal 1, Objective 1.

On January 30, 2004, EPA proposed rules for regulating mercury emissions from coal-fired steam generating electric utility units. EPA proposed two options for controlling mercury emissions, one a control technology standard with emission limits and the other a performance based cap-and-trade approach. EPA is directed by statute and executive order to analyze the costs and benefits of proposed rules, and the Agency summarized its analysis underlying the two options in the proposal. In this context, GAO was asked to assess the usefulness of EPA's economic analysis for decision making.

Evaluation Findings: GAO identified four major shortcomings in the economic analysis underlying EPA's proposed mercury control options:

Evaluation Title: Clean Air Act: Observations on EPA's Cost-Benefit Analysis of its Mercury Control Options (continued).

Evaluator: U.S. Government Accountability Office (GAO). Date: February 2005.

Evaluation Findings (continued):

- the Agency did not consistently analyze the options or provide an estimate of the total costs and benefits of each option;
- EPA did not document some of its analysis or provide information on how changes in the proposed level of mercury control would affect the cost-and-benefit estimates for the technology-based option, as it did for the cap-and-trade option;
- EPA did not estimate the value of the health benefits directly related to decreased mercury emissions and instead estimated only some secondary benefits; and,
- EPA did not analyze some of the key uncertainties underlying its cost-and benefit estimates.

Evaluation Recommendations: GAO recommended that as the Agency revises its economic analysis prior to selecting a mercury control option, the EPA Administrator take the following actions:

- analyze and fully document the economic effects of each policy option by itself, as well as in combination with the interstate rule, over their full implementation periods;
- ensure that the Agency documents its analysis supporting the final rule and consistently analyzes the effect that different levels of mercury control would have on cost-and-benefit estimates under each policy option;
- include monetary estimates, where possible, of the human health benefits of reductions in mercury emissions from power plants or, at a minimum, provide qualitative information on how these benefits are likely to compare under the two options over a consistent time frame, reflecting full implementation of both options; and, further
- analyze uncertainties surrounding estimates of costs and benefits, as directed by OMB guidance, and evaluate how these uncertainties could affect overall estimates of the rule's impacts.

Planned Response: Prior to issuing the final mercury regulation on March 15, 2005 EPA conducted additional analyses that largely addressed the findings and recommendations identified in this report.

Public Access: Report available at: <http://www.gao.gov/newitems/d05252.pdf>. Report No. GAO-05-252.

Evaluation Title: Clean Air Act: Emerging Mercury Control Technologies Have Shown Promising Results, but Data on Long-Term Performance are Limited.

Evaluator: U.S. Government Accountability Office (GAO). Date: May 2005.

Scope of Evaluation: Goal 1, Objective 1.

In March 2005, EPA issued a rule that will limit emissions of mercury from coal-fired power plants, the nation's largest industrial source of mercury emissions. Under the rule, mercury emissions are to be reduced from a base of 48 tons per year to 38 tons in 2010 and to 15 tons in 2018. In the rule, EPA set the emissions target for 2010 based on the level of reductions achievable with technologies for controlling other pollutants—which also capture some mercury—because it believed emerging mercury controls had not been adequately demonstrated. EPA and the Department of Energy (DOE) coordinate research on mercury controls. In this context, GAO was asked to: describe the use, availability, and effectiveness of technologies to reduce mercury emissions at power plants; and, identify the factors that influence the cost of these technologies and report on available cost estimates. In completing the review, GAO did not independently test mercury controls.

Evaluation Findings: Mercury controls have not been permanently installed at power plants because, prior to the March 2005 mercury rule, federal law had not required this industry to control mercury emissions; however, some technologies are available for purchase and have shown promising results in field tests. Long-term test data are limited because most tests at power plants during normal operations have lasted less than three months. The cost of mercury controls depends on several site-specific factors such as the ability of existing air pollution controls to remove mercury. As a result, the available cost estimates vary widely.

Evaluation Recommendations: N/A

Planned Response: N/A

Public Access: Report available at: <http://www.gao.gov/newitems/d05612.pdf>. Report No. GAO-05-612.

Evaluation Title: Environmental Justice: EPA Should Devote More Attention to Environmental Justice When Developing Clean Air Rules.

Evaluator: U.S. Government Accountability Office (GAO). Date: July 2005.

Scope of Evaluation: Goal 1, Objective 1.

Executive Order 12898 made achieving "environmental justice" part of the mission of EPA and other federal agencies. According to EPA, environmental justice involves fair treatment of people of all races, cultures and incomes. EPA developed guidance for considering environmental justice in the development of rules under the Clean Air Act and other activities. GAO was asked to examine how EPA considered environmental justice during two phases of developing clean air rules: (1) drafting the rule, including activities of the workgroup that considered regulatory option the economic review of the rule's costs, and making the proposed rule available for public comment, and (2) finalizing the rule, including addressing public comments and revising the economic review. GAO reviewed: the rule to reduce sulfur in gasoline; the rule to reduce sulfur in diesel fuel; and the ozone implementation rule.

Evaluation Findings: GAO found that when drafting the three clean air rules, EPA generally devoted little attention to environmental justice. While EPA guidance on rulemaking states that workgroups should consider environmental justice early in this process, GAO found that a lack of guidance and training for workgroup members on identifying environmental justice issues may have limited their ability to identify such issues. GAO also indicated that while EPA officials stated that economic reviews of proposed rules consider potential environmental justice impacts, the gasoline and diesel rules did not provide decision makers with environmental justice analyses, and EPA has not identified all the types of data necessary to analyze such impacts. Finally in all three rules, EPA mentioned environmental justice when they were proposed but the discussion in the ozone implementation rule was contradictory.

Evaluation Recommendations: GAO recommends that EPA improve workgroups' ability to identify environmental justice issues and enhance the ability of its economic review to analyze potential environmental justice impacts.

Planned Response: EPA disagrees with the recommendations and believes it pays appropriate attention to environmental justice. The report does not accurately reflect the progress we are making in achieving environmental justice with respect to air pollution; nor does it accurately reflect the way in which the three final rules GAO reviewed, and EPA's development of them, address environmental justice issues.

Public Access: Report available at: <http://www.gao.gov/cgi-bin/getrept?GAO-05-289>.

Evaluation Title: Managerial and Scientific Review of the Particulate Matter (PM) / Ozone (Oz) Program.

Evaluator: U. S. EPA, Office of Research and Development, Board of Scientific Counselors (BOSC). Date: August 2005.

Scope of Evaluation: Goal 1, Objective 6.

In preparation for the OMB Program Analysis Rating Tool (PART) review of the PM/Oz Program, ORD elected to seek review of program management and science by an independent panel of experts. The ORD PM/Oz Program is valued at approximately \$70M with research support to intramural and academic scientists targeting protection from the health impacts of air pollution on the US public. The research encompasses investigation of health impacts, exposure issues, atmospheric sciences, emission characterizations, as well as methods and programs to control and mitigate air pollution and health outcomes. The Program is managed by ORD. The BOSC review focused on program organization progress, and achievement of outcome objectives which includes not only internal coordination but coordination with clients in OAR, states, regions and tribes who rely on the science to design and implement regulatory programs to minimize health and ecological impacts of air pollution.

Evaluation Findings: Overall science in both the intramural and extramural research laboratories was judged to be of high quality in terms of (1) academic scholarship and scientific publications; (2) credentials of the participating scientists; (3) its integrated and outcome oriented program design; and (4) its role in building a knowledge and information database. The Program was deemed to conduct a highly integrated program across all elements and disciplines that in design and communication address stakeholder and OAR client needs. Extramural research is coordinated to meet needs not met intramurally and is conducted through a merit based process.

Evaluation Recommendations: Editorial changes were offered to refine restructured long term goals to better meet outcome targets especially in the context of source to health outcome paradigm. It was also recommended that a periodic formalized process be established for assessing primary stakeholder satisfaction and outcome perceptions. Additionally, it was recommended that a methodology (including expert panel consultation) be developed to define baseline of uncertainty and to clarify the cost-effectiveness of regulatory actions.

Planned Response: ORD is expanding the use of evaluative tools including annual expert review of program process, bibliographic analysis for product quality and utility, and stakeholder satisfaction. Expanded efforts will be initiated in intramural and extramural program communication especially with stakeholders (regions, states and tribes).

Public Access: Report available at: <http://www.epa.gov/osp/bosc/subcomm-pm.htm>.

Goal 2

Evaluation Title: District of Columbia's Drinking Water: Agencies Have Improved Coordination, but Key Challenges Remain in Protecting the Public from Elevated Lead Levels.

Evaluator: U.S. Government Accountability Office (GAO). Date: March 31, 2005.

Scope of Evaluation: Goal 2, Objective 1.

The purpose of the study was to evaluate how agencies in the District of Columbia are (1) implementing the Lead and Copper Rule, and (2) working to better coordinate efforts to reduce lead levels. The report also collected information on public education efforts in other communities and looked at the state of research on lead exposure and how it applies to drinking water.

Evaluation Findings: GAO found that the agencies overseeing drinking water quality in the District have improved their coordination, but that significant challenges remained. The report described methods that utilities across the nation use in carrying out activities required when they exceed the action level—including lead service line replacement and public education. The report also found that there was a limited amount of research evaluating the health effects from exposure to low levels of lead in drinking water.

Evaluation Recommendations: GAO is recommending that EPA (1) identify and publish best practices that water systems are using to educate their customers about lead in drinking water; and (2) develop a strategy for closing information gaps in the health effects of lead in drinking water.

Planned Response: In addition to distributing and promoting use of our existing Public Education guidance, EPA will work with states and water utility associations to identify best practices for public education and disseminate them to a wide audience. The Agency is also developing a health advisory that should help inform the discussion and a paper that will summarize toxicokinetic research published since the rule was issued in 1991.

Public Access: Report available at: <http://www.gao.gov>. Report No. GAO-05-344.

Evaluation Title: Progress Report on Drinking Water Protection Efforts.

Evaluator: U. S. EPA, Office of the Inspector General (OIG). Date: August 22, 2005.

Scope of Evaluation: Goal 2, Objective 1.

This evaluation sought to determine the progress made by EPA and its partners to address Congress' intended goal in the 1990 Safe Drinking Water Act (SDWA) Amendments to protect drinking water from contamination.

Evaluation Findings:

- Progress has been made towards implementing SDWA provisions.
- Challenges remain regarding implementation.
- Current performance measures leave extent of progress uncertain.

Evaluation Recommendations:

- EPA needs to identify methods to improve the Consumer Confidence Report.
- EPA should continue to develop measures for individual SDWA provisions.

Planned Response: EPA's Office of Water, in its response to the draft report, agreed that Consumer Confidence Reports can improve communication with consumers. EPA is convening a working group to the NDWAC to evaluate public information requirements under the SDWA. It is expected that efforts carried out by this working group will also help the Agency develop information to improve CCRs.

Public Access: Report available at: www.epa.gov/oig/reports/2005/20050822-2005-P-00021.pdf. Report No. 2005-P-00021.

Evaluation Title: Source Water Assessment and Protection Programs Show Initial Promise, But Obstacles Remain.

Evaluator: U. S. EPA, Office of the Inspector General (OIG). Date: March 28, 2005.

Scope of Evaluation: Goal 2, Objective 1.

This evaluation sought to determine the progress made by EPA and its partners to address Congress' intended goal in the 1990 Safe Drinking Water Act (SDWA) Amendments to protect drinking water from contamination.

Evaluation Findings:

- States are making progress on assessments and protection, though several obstacles have been identified that hinder States' efforts to protect source water.
- Source water assessments are valuable to the public, but use and accessibility are limited.
- Substantial obstacles faced, but opportunities to overcome exist.

Evaluation Recommendations:

- Issue a public statement to re-affirm that the source water assessment and protection programs are a priority for EPA.
- Encourage States to target assessments not only to utilities, but also to local governments, councils, planners, building and zoning officials, and other stakeholders.
- Provide guidance to states on how to leverage financial and technical resources from other EPA programs, partners, and stakeholders.
- Continue to improve cooperation and coordination between states and EPA assistance contractors.
- Work with regions and states to: (1) integrate environmental programs, and (2) determine how best to disseminate locally-applicable best practices for contaminant source management and motivation.

Planned Response: EPA's Office of Water, in its response to the draft report (March 4, 2005), agreed that source water assessments have the potential to improve drinking water protection, while acknowledging that the assessment content, utility, and availability can be improved. EPA also agreed that moving from assessment to voluntary protection will require substantial effort, including state and local capacity building, environmental program integration, and inter-agency coordination.

Public Access: Report available at: www.epa.gov/oig/reports/2005/20050328-2005-P-00013.pdf. Report No. 2005-P-00013.

Evaluation Title: EPA Needs to Determine What Barriers Prevent Water Systems from Securing Known Supervisory Control and Data Acquisition (SCADA) Vulnerabilities.

Evaluator: U. S. EPA, Office of the Inspector General (OIG). Date: January 6, 2005

Scope of Evaluation: Goal 2, Objective 1.

Federal Directives highlighted the need to secure cyberspace, including SCADA, from terrorists and other malicious actors, and stated that securing SCADA is a national priority. We learned from stakeholder contacts that utilities may require assistance in order to secure their SCADA system vulnerabilities.

Evaluation Findings: OIG reported:

SCADA networks were developed with little attention paid to security. Some areas and examples of possible SCADA vulnerabilities include operator errors and corruption, unsecured electronic communications, hardware and software limitations, physical security weaknesses, natural disasters, poorly written software, and poor security administration.

Through preliminary research, we found several possible reasons why utilities have not successfully reduced or mitigated identified vulnerabilities: current technological limitations may impede implementing security measures; companies may not be able to afford or justify the required investment; utilities may not be able to conduct background checks on existing employees; officials may not permit SCADA penetration testing; and, technical engineers may have difficulty communicating security needs to management.

Evaluation Recommendations (if applicable): OIG recommended:

- EPA should identify impediments preventing water systems from successfully reducing or mitigating SCADA vulnerabilities and take steps to reduce those impediments.

Evaluation Title: EPA Needs to Determine What Barriers Prevent Water Systems from Securing Known Supervisory Control and Data Acquisition (SCADA) Vulnerabilities (continued).

Evaluator: U. S. EPA, Office of the Inspector General (OIG). Date: January 6, 2005

Evaluation Recommendations (continued):

- If EPA identifies a problem with no apparent solution, the Agency should communicate this problem to the Department of Homeland Security, Congress, and others as appropriate.
- EPA should develop SCADA security measures to track the effectiveness of security efforts.

Planned response: We suspended our SCADA project because EPA agreed to incorporate our concerns into an Agency SCADA project. At EPA's request, we briefed the Agency on our preliminary research and prepared this briefing report.

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050106-2005-P-00002.pdf>.

Evaluation Title: Efforts to Manage Backlog of Water Discharge Permits Need to be Accompanied by Greater Program Integration.

Evaluator: U. S. EPA, Office of the Inspector General (OIG). Date: June 13, 2005

Scope of Evaluation: Goal 2, Objective 2.

The purpose of this evaluation was to determine:

- How successful EPA and States have been in eliminating the backlog.
- The potential environmental impact of the backlog.
- How well measures reflect environmental impacts.

Evaluation Findings: EPA and states have taken various actions to eliminate the NPDES permit backlog, but can do more to address continuing and anticipated challenges. Because the NPDES permit program is not the only program involved with improving surface water quality, eliminating the backlog alone may not have a significant impact on improving national water quality. EPA and states need to balance efforts to eliminate the backlog with other efforts to improve water quality. Further, EPA needs to ensure that its efforts to reduce the backlog do not result in it quickly reissuing permits that are not as effective as they should be to improve water quality. Also, EPA needs to improve its reporting of the GPRA backlog measure.

Evaluation Recommendations: EPA needs to build on the steps already initiated to reduce the NPDES permit backlog. EPA needs to take various steps to integrate the NPDES permit program with other point source programs that support the permit program. This would include creating a system for assessing the effectiveness and efficiency of its efforts related to clean water. EPA also needs to continue making improvements related to its measures, such as providing appropriate baselines. The OIG encourages EPA to continue refining the "Permitting for Environmental Results" Strategy to reduce the NPDES backlog and in general to improve the quality of the Nation's water bodies.

Planned Response: EPA is currently finalizing its response to incorporate the recommendations into the overall NPDES program.

Public Access: Report available at: <http://www.epa.gov/evaluate/reports.htmf>. Report No. 2005-P-00018.

Evaluation Title: Storm Water Pollution: Information Needed on the Implications of Permitting Oil and Gas Construction Activities.

Evaluator: U. S. Government Accountability Office (GAO). Date: February 2005

Scope of Evaluation: Goal 2, Objective 2.

GAO asked EPA to provide information about oil and gas construction activities—such as well drilling and pipeline construction—affected by Phase I and likely to be affected by Phase II, as well as Phase II's financial and environmental implications.

Evaluation Findings: A small fraction of total oil and gas construction activities have been permitted under Phase I of EPA's storm water program. Industry has sought to have its drilling activities permitted on few occasions because it has determined that most drilling activity involves distinct projects that disturb less than five acres each. In states reviewed, there were few reported compliance problems associated with oil and gas construction activities. The oil and gas construction activities affected by the rule may lead to increased financial costs

Evaluation Title: Storm Water Pollution: Information Needed on the Implications of Permitting Oil and Gas Construction Activities (continued).

Evaluator: U. S. Government Accountability Office (GAO). Date: February 2005

for the oil and gas industry and federal agencies implementing the rule. Many of the potential costs stem from meeting permit requirements to review the impact of construction activities on endangered species, although this impact would be site specific and difficult to quantify. Potentially offsetting these costs, the rule may lead to additional environmental protections that are difficult to quantify, such as decreased levels of sediment in water and benefits for endangered species and their habitat. After delaying implementation of this rule for oil and gas construction activities for 2 years to study the impact of Phase II, EPA is analyzing the impact but, as yet, has not quantified the number of activities affected or the potential financial and environmental implications.

Evaluation Recommendations: GAO recommends that EPA's Administrator complete the Agency's analysis of the Phase II program before making a final decision on its implementation.

Planned Response: In reviewing the GAO draft report, EPA agreed with the recommendation. EPA subsequently proposed an extension for the Phase II deadline for small oil and gas activities until June 2006 to allow time to complete its analysis. Subsequently, Congress passed a rider in the FY2006 energy bill exempting oil and gas construction from NPDES permitting requirements.

Public Access: Report available at: <http://www.gao.gov/new.items/d05240.pdf>. GAO-05-240

Evaluation Title: Audit Report: Region 10's Grant for Alaska Village Safe Water Program Did Not Meet EPA Guidelines.

Evaluator: U. S. EPA, Office of the Inspector General (OIG). Date: June 16, 2005

Scope of Evaluation: Goal 2, Objective 2.

The purpose of this audit was to follow up to a prior audit on the Alaska Village Safe Water Program. The OIG sought to answer "Did EPA Region 10 meet EPA guidelines before awarding the program grant of \$34 million in 2004?"

Evaluation Findings:

- There is a lack of grants oversight by EPA Region 10. The Region did not follow grants guidance nor conduct adequate post-award monitoring.
- There is no ability to determine whether objectives are being met or to quantify benefits achieved. There was no development of program goals, objectives or measures.
- Original audit was conducted in September 2004.

Evaluation Recommendations:

- Establish controls to ensure that Region 10 fulfills all EPA requirements before awarding grants.
- Suspend work under Grant No. XP-970847-01 until the state prepares a complete application and Region 10 adequately completes its review process following all EPA requirements.
- Ensure that a revised or reinstated award clearly addresses ineligible projects and administrative cost issues, and directly addresses compliance with the federal cost principles in OMF Circular A-87 and the statutory limits on administrative costs.
- Place the state on a reimbursement payment basis, in accordance with 40 CFR 31.12, until EPA has verified that the State's cash management system fully complies with the requirements of 40 CFR 31.21 (b).

Planned Response:

- Costs reviews were not performed prior to the award of the FY 2004 grant. Costs reviews will be performed prior to the award for the FY 2005 grant.
- EPA does not believe that sufficient justification exists to suspend work under Grant No. XP-970847-01 at this time. The Agency believes that the application is complete as it contains environmental outcomes that directly support the EPA 2003-2008 Strategic Plan and that have been accepted by the OMB PART review process.
- The Region will revise the FY 2004 award to incorporate the results of the completed cost review and define the administrative costs for the July 1, 2004 to June 31, 2005 time frame.
- The Region will modify the grant terms to indicate that the state will meet the U.S. Treasury cash management requirements.

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050616-2005-P-00015.pdf>.

Goal 3

Evaluation Title: Evaluation of the Interagency Open Dump Cleanup Project for Tribes.

Evaluator: U.S. EPA, Office of Policy, Economics and Innovation. Date: December 2004

Scope of Evaluation: Goal 3, Objective 1.

The evaluation was designed to determine to what extent:

- The Cleanup Project has resulted in the cleanup, closure, or prevention of open dumps.
- Workgroup funds have contributed to the development of sustainable SWM programs.
- There has been a recurrence of open dumping in the Project-affected lands.
- Administrative issues affect the Workgroup's ability to achieve its goals.

Evaluation Findings:

- Tribes are making steady progress in the cleanup and closure of existing open dumps and are building solid waste management capacity.
- Building SWM capacity requires supportive tribal council, outreach, and community involvement.
- Tribes experience difficulty eliminating illegal dumping, due to distance to compliant facilities, lack of adequate roadways, individual household costs, and insufficient outreach.

Evaluation Recommendations: The Interagency Workgroup should consider:

- developing Workgroup Performance Measures that Inform Funding Priorities.
- developing Uniform Reporting Mechanisms to Record Progress.
- adopting Flexible Funding Approach in Considering Tribal Needs.
- supporting Tribal Efforts to Inventory and Map Open Dumps.
- offering More Opportunities for Tribal Networking.
- developing and Publicize Tribal Case Studies.
- developing "Smart" Funding Process to Reduce Administrative Burden.

Planned Response:

- Develop performance measures on projects.
- Conduct training session at NTCEM conference in 6/05 and RCAP meeting in 8/05.
- Publish case studies through Tribal Journal and OSW's tribal website.
- Improve the accuracy and completeness of open dump inventory.
- Incorporate remaining evaluation recommendations at Interagency Workgroup meetings.
- Increase interaction and coordination among Federal Agencies.

Public Access: Report available at: http://www.epa.gov/evaluate/tribecleanup_20050218.pdf.

Evaluation Title: An Assessment of EPA's Policies for Streamlining Federal Facility Cleanups.

Evaluator: U.S. EPA, Federal Facilities Restoration and Reuse Office. Date: May 2005

Scope of Evaluation: Goal 3, Objective 2.

The purpose of this evaluation was to determine how innovations found in streamlining and cleanup acceleration policies issued in the late 1990s have been implemented at federal hazardous waste sites and identify areas for improvement in the development of future policies.

Evaluation Findings: The policies evaluated contributed to improving the overall process by which stakeholders collaborate, plan, and resolve issues at federal facilities. The issuance of the policies elevated the importance of streamlining and spurred wider application of

Evaluation Title: An Assessment of EPA's Policies for Streamlining Federal Facility Cleanups (continued).

Evaluator: U.S. EPA, Federal Facilities Restoration and Reuse Office. Date: May 2005

Evaluation Findings (continued):

streamlining principles and innovative techniques. EPA's culture and openness to innovation is just as important as any current streamlining policy which helps to facilitate application of these approaches.

Evaluation Recommendations: Eight recommendations resulted from the evaluation: 1) develop measurable streamlining goals and performance metrics, 2) incorporate EPA oversight priorities in performance based contracts issued by other federal agencies, 3) consolidate EPA streamlining policies, 4) develop facility exit strategies, 5) develop applied guidance and training for EPA regional personnel, 6) amend interagency agreements to reflect evolving situations at federal facilities, 7) continue to explore the potential benefits of new presumptive remedies, and 8) identify and mitigate organizational barriers and concerns at the earliest stages.

Planned Response: The Superfund Federal Facilities Response Program is developing an action plan to address the recommendations which resulted from the evaluation.

Public Access: Report available by contacting Tracey Seymour (OSWER Federal Facilities Restoration and Reuse Office) at (703) 603-0048.

Evaluation Title: EPA Practices for Identifying and Inventorying Hazardous Sites Could Assist in Similar Department of the Interior Efforts.

Evaluator: U. S. EPA, Office of the Inspector General (OIG). Date: August 22, 2005

Scope of Evaluation: Goal 3, Objective 2.

The purpose of this evaluation was to identify relevant promising EPA practices for the Department of Interior to consider improving its processes with respect to hazardous waste sites.

Evaluation Findings: Several EPA practices could be used by DOI to ensure DOI addresses its highest priority sites first.

Evaluation Recommendations: N/A

Planned Response: N/A

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050822-2005-P-00020.pdf>

Evaluation Title: An Internal Review of Procedures for Community Involvement in Superfund Risk Assessments.

Evaluator: U.S. EPA, Office of Superfund Remediation and Technology Innovation. Date: March 2005

Scope of Evaluation: Goal 3, Objective 2.

The purpose of this evaluation was to determine:

- Effective approaches for involving communities in the risk assessment process,
- What EPA and the community have gained from involving communities in the risk assessment process, and
- If increasing public understanding of risk assessment has impact or increases public confidence in EPA's decisions.

Evaluation Findings:

- The factors influencing community involvement include proximity to the site; impact of contamination on property values; parental concerns; and media attention to the site.
- By involving community members in the risk assessment, the EPA often receives more complete information on a site's history, exposure pathways, and contamination sources and amounts; in addition it helps build confidence in EPA.
- Access to technical support makes a significant difference in the community's ability to understand and contribute to the risk assessment process.

Evaluation Title: An Internal Review of Procedures for Community Involvement in Superfund Risk Assessments (continued).

Evaluator: U.S. EPA, Office of Superfund Remediation and Technology Innovation. Date: March 2005

Evaluation Recommendations:

- Provide training for Superfund personnel on effective community involvement as well as risk communication.
- Promote and implement existing tools to formalize community involvement in the risk assessment process.
- Encourage remedial project managers to work closely with community involvement coordinators and risk assessors earlier in the Superfund process.

Planned Response: Review findings with an internal focus group to:

- Identify realistic short-term and long term goals.
- Set priorities for training and improving tools.
- Determine if further research/review is needed.

Public Access: Report available at: http://www.epa.gov/evaluate/cira_20041013.pdf.

Evaluation Title: Improved Effectiveness of Controls at Sites Could Better Protect the Public.

Evaluator: U. S. Government Accountability Office (GAO). Date: January 2005

Scope of Evaluation: Goal 3, Objective 2.

GAO was asked by Congress to review the extent to which (1) institutional controls are used at Superfund and RCRA sites and (2) EPA ensures that these controls are implemented, monitored, and enforced. GAO also reviewed EPA's challenges in implementing control tracking systems. To address these issues, GAO examined the use, implementation, monitoring, and enforcement of controls at a sample of 268 sites.

Evaluation Findings:

- Institutional controls were applied at most of the Superfund and RCRA sites GAO examined where waste was left in place after cleanup, but documentation of remedy decisions often did not discuss key factors called for in EPA's guidance.
- EPA faces significant challenges in ensuring that institutional controls are adequately implemented, monitored, and enforced.
- Institutional controls at the Superfund sites GAO reviewed were often not implemented before the cleanup was completed.
- EPA's monitoring of Superfund sites where cleanup has been completed but residual contamination remains often does not include verification that institutional controls are in place.
- EPA may have difficulties ensuring that the terms of institutional controls can be enforced at some Superfund and RCRA sites: that is, some controls are informational in nature and do not legally limit or restrict use of the property, and, in some cases, state laws may limit the options available to enforce institutional controls.
- To improve its ability to ensure the long-term effectiveness of institutional controls, EPA has begun implementing institutional control tracking systems for its Superfund and RCRA corrective action programs. The agency, however, faces significant obstacles in implementing such systems. The institutional control tracking systems being implemented track only minimal information on the institutional controls. Moreover, as currently configured, the systems do not include information on long-term monitoring or enforcement of the controls. In addition, the tracking systems include data essentially derived from file reviews, which may or may not reflect institutional controls as actually implemented.
- While EPA has plans to improve the data quality for the Superfund tracking system--ensuring that the data accurately reflects institutional controls as implemented and adding information on monitoring and enforcement--the first step, data verification, could take 5 years to complete.

Evaluation Recommendations: To ensure the long-term effectiveness of institutional controls, GAO recommended that EPA;

- clarify its guidance on when controls should be used;
- demonstrate that, in selecting controls, sufficient consideration was given to all key factors;
- ensure that the frequency and scope of monitoring efforts are sufficient to maintain the effectiveness of controls; and

Evaluation Title: Improved Effectiveness of Controls at Sites Could Better Protect the Public (continued).

Evaluator: U. S. Government Accountability Office (GAO). Date: January 2005

Evaluation Recommendations (continued):

- ensure that the information on controls reported in new tracking systems accurately reflects actual conditions.

Planned Response: EPA concurs with GAO's recommendations and has undertaken a number of activities to address GAO's recommendations, including: developing several guidances, conducting trainings and outreach, identifying and developing new IC tools, conducting detailed evaluations on the implementation, monitoring and enforcement of ICs, development of a National IC Strategy for the Superfund Program and Regional work plans.

Public Access: Report available at: <http://www.gao.gov/new.items/d05163.pdf>.

Evaluation Title: Evaluation of Three RCRA Regulations Designed to Foster Increased Recycling.

Evaluator: Industrial Economics, Inc. for U. S. EPA, Office of Planning Analysis and Accountability, U.S. EPA Office of Policy Economics and Innovation, and U.S. EPA Office of Solid Waste. Date: November 2004

Scope of Evaluation: Goal 3, Objective 1.

The evaluation examined the degree to which states and regulated entities were aware of three regulatory exclusions promulgated to allow more flexibility in the management of certain hazardous wastes under the Resource Conservation and Recovery Act (RCRA). The evaluation examined the extent to which these three rules have led to changes in waste management practices including an increase in recycling rates, factors that may have contributed to any observed changes, and impacts on natural resource conservation. The three exclusions examined were the 1995 universal waste rule for Ni-Cd batteries, the 1998 oil-bearing hazardous secondary materials and recovered oil rule, and the 2000 180-day accumulation time rule for recycled electroplating sludges.

Evaluation Findings:

- Recycling increased in the case of the universal waste rule and the exclusion for oil-bearing secondary materials, but not significantly in the case of the F006 180-day rule;
- Rule changes will have the greatest impact when the infrastructure and capacity to recycle are in place prior to the regulations. For example, the universal waste rule facilitated existing recycling programs and the oil-bearing hazardous secondary materials rule encouraged transfers to facilities that were already recycling.

Evaluation Recommendations:

- EPA needs better information on state adoption and authorization activities;
- EPA needs better data to assess impacts of existing rules and predict impacts of new ones;
- It is important to consider unexpected results (e.g., air or waste water issues) from increased recycling;
- EPA should utilize opportunities where rule changes can leverage existing recycling infrastructure programs.

Planned Response:

The report and its findings are being used:

- To better understand the regulatory and non-regulatory factors that influence whether hazardous waste is recycled or disposed of;
- To inform current regulatory efforts in the area of hazardous waste recycling, including revisions to the broadly applicable Definition of Solid Waste and other more targeted recycling regulations;
- To identify opportunities for better data collection on hazardous waste recycling;
- To examine OSW's outreach and communication efforts to both co-regulators and the regulated community regarding hazardous waste recycling regulations;
- To help prioritize future efforts to increase hazardous waste recycling.

Public Access: Report available at: <http://www.epa.gov/evaluate/reports.htm>.

Evaluation Title: EPA Can Better Manage Superfund Resources.

Evaluator: US EPA, Office of Inspector General. Date: November 2005

Scope of Evaluation: Goal 3, Objective 2.

The purpose of this evaluation was to:

- Evaluate Superfund expenditures at headquarters and the regions.
- Recommend options for increasing resources directed to extramural cleanup while minimizing administrative costs.

Evaluation Findings:

- EPA faces significant challenges in managing Superfund administrative and programmatic costs towards the goal of optimizing their proper balance and alignment with program needs.
- EPA offices do not have agreed-upon definition for administrative costs or use activity-based costing to management Superfund administrative resources.
- EPA's outdated workload model and its decentralized management hinder comprehensive Superfund resource management.
- EPA does not take advantage of opportunities to benefit from research and recommendations to improve Superfund program efficiency and effectiveness because it lacks an effective system and an accountable entity to solicit, analyze, evaluate, and incorporate research and recommendations into the program.

Evaluation Recommendations:

- Evaluate OIG options for providing more funds for Superfund cleanups.
- Improve accounting for Superfund costs.
- Redirect some funds to determine health risks at sites.
- Improve accountability for achieving efficiency and effectiveness improvements in the program.

Planned Response: EPA is currently working on an implementation plan to take action on OIG recommendations.**Public Access:** Report available at: <http://www.epa.gov/oig/publications.htm>.**Evaluation Title: Response Action Contracts: Structure and Administration Needs Improvement.**

Evaluator: U. S. EPA, Office of the Inspector General (OIG). Date: December 2004.

Scope of Evaluation: Goal 3, Objective 3.

The purpose of this evaluation was to help achieve the overarching contract audit goal of assessing how effectively contracts contribute to accomplishing program goals. The project objectives were to examine EPA procedures for:

- Acquisition Planning: How are RACS structured and funded?
- Source Selection: How does EPA decide with whom to contract? Is past performance considered?
- Contract Administration: Are there good measures for assessing contractor performance?
- Contract Information Systems: Do contract managers have the information needed to evaluate results and make decisions?

Evaluation Findings:

- EPA can improve the structure of RACs to better protect the Government's interests. Current RACs, which are Cost Plus Award Fee Level of Effort contracts, assign to EPA a disproportionate share of the risk of cost overruns; expose EPA to the risk of loss of funds through litigation; limit competition; and forego potential cost savings associated with other approaches to contracting, such as Performance-Based Service Acquisition.
- EPA regions do not consistently document the rationale used to decide what procurement option to utilize for Superfund cleanup activities as required by established policy. Further, EPA does not have a process to measure and disseminate information on the U. S. Army Corp of Engineers' past performance in support of EPA.
- The Agency has measures in place to assess contractor performance at the work assignment level. However, evaluations at the contract level were not being documented timely and consistently, as required, because they were not given the necessary priority. Not consistently documenting evaluations in a timely manner does not permit EPA and other Federal agencies to consider contractors' past performance and could be detrimental to contractors who have performed well.

Evaluation Title: Response Action Contracts: Structure and Administration Needs Improvement (continued).

Evaluator: U. S. EPA, Office of the Inspector General (OIG). Date: December 2004.

Evaluation Findings (continued):

- Contract managers have, or can obtain, the information needed to evaluate results and make decisions, but the information in the national automated database is not always readily available. The Remedial Action Contract Management Information System is underutilized by regional staff, and the system does not collect national data as originally intended. As a result, EPA is expending approximately \$1.5 million a year on a system that is not being fully utilized.

Evaluation Recommendations: It was recommended that the Office of Solid Waste and Emergency Response (OSWER), in coordination with the Office of Administration and Resources Management (OARM), develop and implement a plan with milestones that will increase the use of different contract types, require regional staff to document the rationale for all source selection decisions, develop a method for holding Contracting Officers accountable for conducting past performance evaluations timely and accurately, and conduct a cost benefit analysis to determine whether the Remedial Action Contract Management Information System should be retained.

Planned Response: OSWER, in coordination with OARM, has developed and implemented a plan with milestones to address the evaluation recommendations.

Public Access: Report available at: <http://www.epa.gov/oig/reports/land.htm>.

Evaluation Title: Advisory on the Office of Research & Development's Contaminated Sites and RCRA Multi-Year Plans.

Evaluator: U. S. EPA Science Advisory Board (SAB). Date: May 23, 2005.

Scope of Evaluation: Goal 3, Objective 3.

The purpose of this evaluation was to:

- Provide an external peer review of the two multi-year research plans prior to revision and merger into a single plan for Goal 3 research.

Evaluation Findings:

- The Panel determined that the plans are generally programmatically and scientifically sound, and endorsed the proposal to merge the plans.
- The Panel complimented the team on level of coordination between ORD and the program offices and on the use of judicious leveraging to stretch limited resources.

Evaluation Recommendations:

The Panel recommended that the merged plan be structured and written so that the contents, from long-term goals to work products, are clearly linked to the EPA strategic plan and transparently show that the program meets the OMB research investment criteria. The Panel recommended that some resources be reserved to address emerging (≥ 10 years) issues to maintain viability and relevance over the long term. Within the report, the panel made additional commentary and elaborated on these two recommendations.

Planned Response:

The National Program Director; together with ORD, program, and regional staff, is currently working to merge and revise the multi-year plan consistent with the Panel's recommendations. The draft plan will be included in a programmatic peer review, scheduled to be conducted by ORD's Board of Scientific Counselors in December 2005.

Public Access: Report available at: http://www.epa.gov/sab/pdf/contaminated_sites_rcra_sab-05-009.pdf.

Goal 4

Evaluation Title: EPA Can Better Manage Brownfields Administrative Resources.

Evaluator: U. S. EPA Office of the Inspector General (OIG). Date: July 7, 2005.

Scope of Evaluation: Goal 4, Objective 2.

This review was in response to a congressional request to evaluate the administrative and program costs being used to carry out the Brownfields Program and identify options to reduce administrative costs.

Evaluation Findings: The OIG found that EPA's ability to effectively manage Brownfields resources is challenged by policy and organizational impediments.

Evaluation Recommendations: The report included several recommendations:

- More closely align with an accountable entity effectively to distribute, manage, account for, and optimize Brownfields resources.
- Establish a system to identify and track Brownfields administrative and programmatic payroll costs.
- Provide documentation to account for FY 2003 resources.
- Revise regional staffing workload model.
- Evaluate Brownfields staff not certified as Project Officers.
- Hold Brownfields conference every 2 years.
- Develop process to evaluate which conferences and meetings Brownfields staff need to attend.

Planned Response: EPA is fully responding to all of the recommendations by either implementation strategies or work underway.

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050607-2005-P-00017.pdf>.

Evaluation Title: Brownfield Redevelopment: Stakeholders Report That EPA's Program Helps to Redevelop Sites, but Additional Measures Could Complement Agency Efforts.

Evaluator: U. S. Government Accountability Office (GAO). Date: April 2005.

Scope of Evaluation: Goal 4, Objective 2.

The purpose of this review was to: (1) obtain stakeholders' views on the extent to which the EPA Brownfields Program has contributed to the cleanup and redevelopment of brownfields; (2) determine whether the measures EPA uses to gauge the performance of its brownfield activities provide sufficient information to identify program accomplishments, and (3) obtain stakeholder's views on potential options for improving and complementing EPA's program. Additionally identified were other federal agencies that support brownfields cleanup and redevelopment.

Evaluation Findings: The GAO found that the US EPA Brownfields Program provides an important contribution to site cleanup and redevelopment. The measures EPA uses provide information in some but not all key program areas. The GOA found three stakeholder recommendations to improve the program related to the current grant programs and tax incentive.

Evaluation Recommendations: The report included several recommendations:

- Continue to develop additional measures to gauge the achievements of the Brownfields Program.
- Closely monitor the brownfield revolving loan fund grants to determine why they have been underutilized and what, if any, changes are needed to facilitate or encourage grant recipients' use of these funds.
- Determine the advantages and disadvantages of giving priority to coalitions or other entities with proven revolving loan fund administrative expertise when awarding grants and, if found to be beneficial, adopt this as a key criterion for selecting grant recipients.

Planned Response: EPA agrees with and is working to implement these recommendations.

Public Access: Report available at: <http://www.gao.gov/new.items/d05450t.pdf>.

Evaluation Title: North American Development Bank Border Environment Cooperation Commission Business Process Review.

Evaluator: Stone & Webster Management Consultants, Inc. for the North American Development Bank. The Board of Directors of the NADB commissioned the Review. Date: December 2004.

Scope of Evaluation: Goal 4, Objective 2.

The Review provides focused reviews and evaluations of the overall process of designing, certifying/approving, financing and implementing potable water treatment, municipal wastewater treatment, and solid waste projects in the border region. These business process review analyses of BECC and NADB activities are intended to optimize the BECC/NADB process for designing, developing, approving, financing and implementing environmental infrastructure projects in the U.S.-Mexico border region, so as to make the overall process more efficient and easier for communities and project sponsors to access, improve the efficiency of BECC and NADB and increase their value added to this process, and develop a plan for the Board of Directors to evaluate performance and measure results of BECC and NADB.

Evaluation Findings: The Review includes a series of findings and observations. The Task Four Report summarizes conclusions on the efficiency of the BECC and NADB in its processes related to the designing, certifying/approving, financing and implementing potable water treatment, municipal wastewater treatment, and solid waste projects in the border region between the U.S. and Mexico, and provides recommendations to improve performance and efficiency.

Evaluation Recommendations: Among the series of recommendations made, these have the potential to affect the BECC and NADB's administration of EPA grants:

- Revise process so that project certification and the integrated financing package are presented to the board for approval at the same time.
- When projects are to receive both an EPA-BEIF grant and a NADB loan, agreements for both should be signed at the same time.
- Assign technical staff who have been involved with project design to provide technical oversight during project implementation.
- Revise the name and objective of the initial application for certification step to more closely reflect that it is an eligibility review.
- Adopt an approach based on cooperative agreements with other agencies whereby the agency providing the greatest amount of financing assumes the primary role for project development.

Planned Response: The Board of Directors of the BECC and NADB, in which EPA is a member, is reviewing recommendations for future implementation.

Public Access: The report available at: http://www.nadb.org/english/publications/publications_frame.htm.

Evaluation Title: Great Lakes Fish Monitoring Program (GLFMP) Review.

Evaluator: EPA-GLNPO together with about 40 representatives including government and university scientists, federal and state government managers, and Tribal representatives. Date: June 2005.

Scope of Evaluation: Goal 4, Objective 3.

This evaluation was an objective review of the design, implementation, and scientific rigor of the GLFMP including the program's sampling and analytical procedures and the uses of program data. Reviewers specifically considered: sampling design; sample collection, prep, and analytical methods; data representativeness; target analyses; program implementation; quality assurance; data management; and other programmatic issues.

Evaluation Findings: The current status of the Great Lakes environment is different from that at inception of the GLFMP in the 1970's, and GLFMP should change to reflect that current status.

Evaluation Recommendations: The 10 specific recommendations include: data approval; maintenance of the historical sample archive; establishment of a steering committee; review and revision of the analyte list and development of protocols to add emerging contaminants to the list; enhancing consistency of analytical labs; including and maintaining routine check samples; better definition of certain goals and stakeholders; development of an approach for documenting the occurrence of new and previously unrecognized contaminants in Great Lakes fish; and statistical analysis to revise and/or develop Data Quality Objectives.

Planned Response: A proposal for incorporation of the recommendations is under development.

Public Access: Report available at: <http://www.epa.gov/glnpo/glindicators/fishtoxics/GLFMP%20Review%20Document%206.14.05.pdf>.

Evaluation Title: Review of the Computational Toxicology Research Program Directions.**Evaluator:** U. S. EPA, Office of Research and Development, Board of Scientific Counselors (BOSC). **Date:** July 20, 2005.**Scope of Evaluation:** Goal 4, Objective 4.

The purpose of this review, held in April 2005, was to provide early feedback to the newly formed National Center for Computational Toxicology (NCCT) on its planned major research directions. The Board of Scientific Counselors (BOSC) formed a standing committee to advise the NCCT and this was the inaugural meeting. The BOSC was provided six charge questions dealing with: (1) collaborations between the NCCT and other components of ORD; (2) proposed staffing directions; (3) technological advances; (4) overall rationale for the research program; (5) identifying additional partners; and (6) the general aspect of breadth and depth of the program.

Evaluation Findings: Generally the committee was very favorable to the formation of the NCCT and the progress it had made in the first few months of its existence (the NCCT was formally established in February 2005). The committee recognized the unique role of the NCCT and the importance of establishing strong collaborations with other programs within and outside of ORD. The committee emphasized the importance of collaborations and positively commented on the number of collaborations already taking place. The BOSC also commented favorably on the Center's four focal areas of Information Technologies, Prioritization Tools, Biological Models, and Cumulative Risk. The committee highlighted the fact that the first two have the potential to address "significant issues in toxicology..." The committee felt that the NCCT has made appropriate choices for bringing together expertise from several related disciplines to fulfill its' mission.

Evaluation Recommendations: The key recommendations of the review were: create a specific implementation plan; develop management activities to foster networks of computational scientists in the agency; develop a communication plan to raise visibility of the NCCT; add staff in bioinformatics and potentially social sciences; broaden the composition and role of the CTISC (internal EPA steering committee); develop liaisons with related academic, governmental and private organization both nationally and internationally; and to broaden the focus of hazard identification beyond that currently being conducted with endocrine disrupting chemicals.

Planned Response: The most significant step, which was already underway, is the development of an implementation plan that will lay out specific milestones for each of the research projects within the program over the next 3 years. The implementation plan will emphasize the need for the NCCT to address generic issues in computational toxicology and to provide leadership to the Agency in terms of bringing these tools to use in hazard identification and risk assessment. An important component of the implementation plan is "ToxCast" which will provide a framework and a strategy for developing high throughput data on a large number of chemicals in order to help categorize and prioritize for specific screening and testing programs. The NCCT is also forming two Communities of Practice that will bring together experts in chemoinformatics and biological modeling respectively, across the Agency and enhance the networking of these experts and therefore enhance their presence and contributions to Agency problems.

Public Access: Report available at: <http://www.epa.gov/osp/bosc/>.

Evaluation Title: Ecological Research Program Review.

Evaluator: U. S. EPA, Office of Research and Development, Board of Scientific Counselors (BOSC). Date: August 16, 2005.

Scope of Evaluation: Goal 4, Objective 4.

The purposes of this review were to evaluate:

- Program relevance and quality.
- Program design and implementation.
- Progress achieved towards meeting long-term goals (LTGs).
- Stakeholder involvement and the degree to which research is consistent with needs articulated at regional and local levels.
- The degree to which research "outputs" are being used by stakeholders.

Evaluation Findings:

- Found the Ecological Research Program to be a high-quality scientific program that is providing essential technical information to the regulatory offices within EPA as well as to state, local, and tribal governments to assist these entities in addressing novel problems of environmental management.
- Found a need for improved integration among the LTGs including more emphasis on collaboration between EPA scientists and scientists outside the Agency.
- Crucial that a new Multi-Year Plan be developed that aligns with current resource constraints and that better integrates the three LTGs.
- Plans need to be developed for a long-term equilibrium that balances the research portfolio against expected resource constraints.

Evaluation Recommendations:

- The integration of Long-term Goal I with the other LTGs can be further improved through designing research projects specifically for cross-level integration and by reinforcing rules set by the research programs for close collaborations between EPA and outside researchers at the national, regional, and local levels.
- Research for all three LTGs would be improved by collaborations with international scientific communities.
- The effectiveness of the program could be improved by establishing timely and regular communications with a broad array of stakeholders using an established procedure.
- The time and talents of ORD's research scientists need to be focused on the research mission. At the same time, careful tracking of outcomes is essential to assure that the research conducted by the Ecological Research Program is appropriate and that it addresses customer priorities.
- Some form of extramural cooperation should be re-established to leverage resources and continue to provide flexibility in the research program.
- Institute a formal process for sharing and disseminating research results to stakeholders.
- The Ecological Research Program's heavy orientation towards aquatic ecosystems is understandable but a more balanced research portfolio requiring attention to impacts on terrestrial ecosystems, especially relative to clean water and nonpoint source pollution, is needed.

Planned Response:

- The Ecological Research Program is in the process of revising its multi-year plan to include the recommendations of the BOSC and to modify many of its research projects to address these recommendations. The revision includes a greater integration among the three Long-term Goals and directly with Long-Term Goal I. This revision will be completed in FY06.
- Increasing collaboration within EPA and with outside federal and non-federal entities will be a goal of the Ecological Research Program in FY 2006. This collaboration is already underway with increased research planning being completed in partnership with EPA Program Offices and Regions and increased research result communications within EPA. Increased collaboration with NOAA and USGS is occurring through the Ocean Action Plan's call for a National Monitoring Network designed by the interacting agencies and LTG research in LTG I in being accomplished in partner with NOAA and USGS.
- In FY 2006, the Ecological Research Program will re-establish a viable grants program within NCER to develop a cross-agency extramural research program addressing Ecological/Ecosystem Services.
- In FY 2006, the Ecological Research program will begin planning for "new" research projects that more completely address program office and regional needs, including interactions across media (air; water; terrestrial) to assess the success of ecological policies.

Evaluation Title: Ecological Research Program Review (continued).

Evaluator: U. S. EPA, Office of Research and Development, Board of Scientific Counselors (BOSC). Date: August 16, 2005.

Planned Response (continued):

programs, developing of modeling tools at high levels of ecological organization to assess integrated impacts, developing an ecological forensics program that assesses causality at a larger ecological scale, integrating across all ORD Eco-tools to address the broad-scale ecological issues of the Mississippi River Basin and its Gulf of Mexico receiving waters, and development of an ecological services research program (including its integration with socio-economic and other non-ecological issues).

Public Access: Report available at: <http://www.epa.gov/osp/bosc/subcomm-eco.htm>.

Evaluation Title: Review of the Mercury Multi-Year Research Plan.

Evaluator: Mercury Subcommittee of the Board of Scientific Counselors (BOSC). Date: July 14, 2005.

Scope of Evaluation: Goal 4, Strategic Objective 4.

A letter report was delivered to the Office of Research and Development (ORD) on July 14, 2005. The purpose of the review was to provide an independent expert review of the most recent Multi-Year Research Plan (MYP) for the Mercury Research Program. The BOSC Mercury Subcommittee reviewed the Mercury MYP and the planning process with respect to what changes should be made to ensure that: (1) the proposed scope of work is consistent with ORD's subject area Research Strategy, the current state-of-the-science, and research by others; (2) the science questions address the most important scientific gaps and uncertainties in the subject area; (3) the long-term goals are relevant to the science needs of the Agency, and the MYP situates the annual research products on a clear path to accomplishing each of the long-term goals; (4) research products and emphases over the next 5 to 7 years are sequenced appropriately to accomplish goals and meet program and regional needs; (5) the MYP is flexible enough to adapt to future science and policy changes; (6) the MYP articulates a strategy that facilitates effective communication and utilization of research products; and (7) there is a clear path for assessing/evaluating the MYP and progress toward its goals.

Evaluation Findings: The Subcommittee concluded that "the proposed scope of the work is consistent with: (a) ORD's subject area Research Strategy, (b) the current state-of-the-science, and (c) research by others." The review also concluded that "the science questions address the most important scientific gaps and uncertainties in the subject area" and "the long-term goals (LTGs) are relevant to the science needs of the Agency." Also, the Mercury MYP is comprehensive and well thought out. It focuses on the most critical information needs in mercury fate and transport (including risk assessment), and on reduction of mercury emissions from a variety of sources, most importantly coal-fired utility boilers. It is apparent that ORD has accomplished much with the available resources and is poised to contribute significantly more to the better understanding of the global mercury problem, especially with regards to transport and fate.

Evaluation Recommendations: The Subcommittee made five overriding recommendations: (1) Because mercury is important to many agencies, the Subcommittee believes that the Mercury MYP planning process would benefit greatly from an interagency council to institutionalize and harmonize collaboration across federal agencies. (2) Prioritizing and sequencing of APMs need to be discussed more fully in the Mercury MYP. (3) The value of the MYP as a "living" document would be enhanced if it were updated annually. (4) The Mercury MYP is a communication document as well as a planning document. (5) It would be helpful if the Mercury MYP provided an assessment of outcomes related to the various annual performance goals and annual performance measures in the plan.

Planned Response: A response to the review by the Agency will be made to the BOSC Executive Committee in the near future. The response will identify several action items with timelines. The Mercury MYP will be revised accordingly.

Public Access: Report is available at: <http://www.epa.gov/osp/bosc/>.

Evaluation Title: Endocrine Disrupting Chemicals (EDC) Research Program Review.

Evaluator: U. S. EPA, Office of Research and Development, Board of Scientific Counselors (BOSC). Date: April 21, 2005.

Scope of Evaluation: Goal 4, Objective 4.

The purpose and focus areas of the evaluation were to review the relevance, quality, performance, scientific leadership and resources of the EDCs Research Program.

Evaluation Findings:

- Design—goals and scientific questions of the Research Program deemed appropriate; multi-disciplinary set of research areas for both human health and wildlife that cuts across the risk assessment/risk management paradigm.
- Relevance—of direct relevance to legislation that EPA administers and that it serves the Program Offices well.
- Progress—research has been productive and of high scientific quality; of particular note is the excellent progress under LTG 3.
- Leadership—nationally and internationally recognized; research is disseminated in top-tier scientific journals; scientists at the forefront of EDC research in screening and testing methodologies.
- Resources—resources have been used efficiently; astute in leveraging with other federal agencies; continuation of extramural grants program is vital.

Evaluation Recommendations: (1) Clarify what research is covered by the EDC program, (2) strengthen the position of Program Director, (3) hire wildlife toxicologists, (4) collaborate with other research organizations to improve the ability to extrapolate across species, (5) integrate the use of predictive tools into the program, (6) develop risk assessment paradigms for EDCs, (7) collaborate with other research organizations on exposure issues, including the role of pharmaceuticals as sources of EDCs, and mine data from the High Production Volume Program, (8) invite the epidemiology grantees to future reviews, (9) take a leadership role in the application of 'omics technologies, (10) investigate the common ground between ecological and human health of EDCs, (11) hire or train experts in bioinformatics, (12) establish a mechanism to ensure transfer of protocols to OPPTS, and (13) in revisions of Multi-Year Plan, improve summary of research to date.

Planned Response: On September 12, 2005, the Subcommittee was sent: 1) a cover letter; 2) a narrative response to the recommendations and observations, with comments where necessary, and 3) a table that highlights each of the 13 recommendations and EPA's proposed actions and timelines for each. The response was also presented at a meeting of the BOSC Committee on September 13, 2005.

Public Access: Report available at: <http://www.epa.gov/osp/bosc/pdf/edc0504rpt.pdf>.

Evaluation Title: Human Health Research Program Review.

Evaluator: U. S. EPA, Office of Research and Development, Board of Scientific Counselors (BOSC). Date: July 27, 2005.

Scope of Evaluation: Goal 4, Objective 4.

The purpose of the review was to provide an independent expert review of the Agency's human health research program. The BOSC evaluated four Long-Term Goals of the program, including (1) Use of mechanistic information in risk assessment, (2) Aggregate/cumulative risk, (3) Susceptible subpopulations, and (4) Evaluation of public health outcomes. The review was both retrospective for research conducted since 1999 and prospective for research proposed for the next 5-10 years. The reviewers were asked to evaluate the program in the context of the R&D investment criteria, relevance, performance and quality. The BOSC also evaluated the scientific leadership of the program.

Evaluation Findings: The research of the human health research program was found to be of high quality and appropriately focused. It was multidisciplinary, displayed good stakeholder participation, informed risk assessments and achieved the goal of reducing uncertainty.

Evaluation Recommendations: Major recommendations by the BOSC include: (1) interact more with the international human health research community, (2) coordinate research with emerging national computational toxicology center, (3) promote greater interaction between intramural and extramural scientists, (4) establish a greater public benefit rationale for the program, and (5) focus of the program around an overarching conceptual framework.

Planned Response: The Agency responded to the review at the BOSC Executive Committee meeting on September 12-13, 2005. The response identifies several action items with timelines.

Public Access: Report available at: <http://www.epa.gov/osp/bosc/reports.htm>.

Goal 5

Evaluation Title: Evaluation of the OECA/ECOS State Review Framework in Pilot States.

Evaluator: Industrial Economics, Inc. for U. S. EPA, Office of Planning Analysis and Accountability, U.S. EPA Office of Policy Economics and Innovation, and U.S. EPA Office of Enforcement and Compliance Assistance. Date: July 27, 2005.

Scope of Evaluation: Goal 5, Objective 1.

The purpose of the evaluation was to evaluate the effectiveness of the implementation of the State Review Framework in pilot states. The overarching evaluation questions were:

- Sufficiency of Framework to support conclusions.
- Consistency of framework application.
- Outcomes of pilot projects.
- Areas for improvement.

Evaluation Findings: The key finding is that the Framework is effective in providing a platform for evaluating state enforcement and compliance assurance programs on a nationwide basis. Additional findings of the evaluation were:

- Improve metrics and data.
- Revision to file selection protocol.
- Improve consistency of reports among media and among states.
- Clarify benefits to states and activities to include in the element on outcome and performance-based activities.

Evaluation Recommendations (if applicable): Key recommendations are:

- Provide implementation blueprint for synthesizing data and information sources into a comprehensive enforcement picture with a roadmap for future efforts.
- Address resources consideration to provide context for program performance.
- Provide additional guidance regarding the purpose of the element on outcome and performance-based activities.
- Clarify role of negotiated commitments.
- Develop model report for state reviews.

Planned Response: OECA used the findings and recommendations from the evaluation to make improvements to the State Review Framework. Groups were established to consider the recommendations and to revise the documentation and guidance for implementing the Framework for use by Regions and States.

Public Access: Report available by contacting Howard Horowitz at (202) 564-2612.

Evaluation Title: Ongoing Management Improvements and Further Evaluation Vital to EPA Stewardship and Voluntary Programs.

Evaluator: U. S. EPA Office of the Inspector General (OIG). Date: February 17, 2005.

Scope of Evaluation: Goal 5, Objective 2.

The OIG initiated this evaluation to outline and characterize EPA's approach to environmental stewardship. The OIG specifically wanted to learn how stakeholders defined and approached environmental stewardship, what role EPA played in promoting and fostering stewardship activities, and how effectively stewardship programs assist EPA in achieving environmental outcomes.

Evaluation Findings: The Agency has yet to fully implement internal recommendations to strategically plan, coordinate, and manage its voluntary programs, or to develop a process for assessing these programs to determine how they will be integrated into the Agency's mission and its strategic goals and objectives.

Evaluation Recommendations: EPA needs to identify motivators and barriers to participation, and continue to incorporate stakeholder feedback into planning, designing, and implementing stewardship programs. EPA should also examine what roles it should play in promoting stewardship activities. Additional program evaluation needs to be conducted to determine (1) what motivates participation in these types of programs and what causes voluntary environmental behavior change to occur, (2) the most efficient ways to measure the outcomes and impacts of stewardship and voluntary programs, and (3) which stewardship and/or voluntary programs are most effective in encouraging voluntary behavior change and achieving environmental results.

Planned Response: Through the Innovation Action Council, EPA is developing a report to the Administrator in Fall 2005 that will further develop a strategy and implementation plan for supporting stewardship activities. The Agency is developing "Guidelines for Measuring the Performance of EPA Voluntary Programs.

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050217-2005-P-00007.pdf>. Report No. 2005-P-00007.

Enabling and Support Programs

Evaluation Title: Security Configuration and Monitoring of EPA's Remote Access Methods Need Improvement.

Evaluator: U. S. EPA Office of the Inspector General (OIG). **Date:** March 22, 2005.

Scope of Evaluation: ESP-3.

We sought to determine whether EPA's remote access methods, particularly through Web-Mail servers and Blackberry servers and devices, have adequate controls to prevent abuse or unauthorized access to the Agency's information resources.

Evaluation Findings: OIG reported:

System administrators did not configure EPA's Web-Mail and Blackberry servers to provide secure remote access to the Agency's network. The System Administrators did not configure or update 59% of the Web-Mail and Blackberry servers to mitigate vulnerabilities. The weaknesses occurred because management did not implement processes to exercise proper oversight and provide detailed configuration settings.

Several of the Agency's Blackberry devices were not adequately configured, secured, or monitored. These weaknesses occurred because management did not conduct a risk assessment or establish a process to consistently install Blackberry devices.

Evaluation Recommendations (if applicable): OIG recommended:

The Director of EPA's Office of technology Operations and Planning: establish and require all remote access systems to have security monitoring and network vulnerability scanning; develop standards that define authorized open ports and services for the Web-Mail and Blackberry servers' Operating System; and, conduct a risk assessment and establish a process to consistently configure devices.

Planned response: The Agency generally agreed with the recommendations and indicated corrective actions that, when implemented, would address the recommendations.

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050322-2005-P-00011.pdf>.

Evaluation Title: PeoplePlus Security Controls Need Improvement.

Evaluator: U. S. EPA Office of the Inspector General (OIG). **Date:** July 28, 2005.

Scope of Evaluation: ESP-3.

Our objectives were to determine whether: (1) EPA adequately configured PeoplePlus (PPL) application security and technical infrastructure to protect the confidentiality, integrity, and availability of system data; and (2) implemented controls were working as intended.

Evaluation Findings: OIG reported:

The Agency did not follow prescribed procedures for managing user access privileges, monitoring changes in employee responsibilities, and processing system access requests.

EPA did not verify or conduct the required national Agency Check with Inquiries and Credit background screening for 45% (10 of 22) of contractor personnel with PPL access.

EPA implemented PPL without adequately implementing security controls for two key processes.

Evaluation Recommendations (if applicable): OIG recommended:

The Director of EPA's Office of Financial services (OFS) and Office of Human resources (OHR): (1) reinforce the requirements to follow prescribed policies and procedures; (2) provide a training program to increase awareness and ability to perform security duties; (3) evaluate the need for system development contractors to have access to the production environment; and, (4) establish a milestone date to complete contractor background screening.

EPA evaluates all default user IDs to secure them, and assign Security Administrators' responsibilities in a manner that provides adequate separation of incompatible duties.

Planned response: EPA concurred with all or our recommendations and provided a plan of action to address concerns.

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050728-2005-P-00019.pdf>.

Evaluation Title: Internal Controls Assessment of EPA's Financial Operations and Financial Systems—PeoplePlus.

Evaluator: Booz Allen Hamilton for the Office of the Chief Financial Officer, Office of Financial Services (OFS). Date: August 2005.

Scope of Evaluation: ESP-3.

Booz Allen Hamilton performed an Internal Controls Assessment of EPA's payroll environment. Their objectives were to assess the adequacy of the internal controls for payroll and determine whether the internal control activities comply with standards as defined in OMB Circular A-123.

Evaluation Recommendations:

Evaluation recommendations included:

- Payroll training programs and documentation of the training schedule needs to be formalized.
- Documentation and standardization for a variety of People Plus policies, processes, and procedures need to be updated and/or created.
- Gaps in the general controls security access require attention.
- Information should be disseminated in a way that reaches impacted staff.
- Employee status changes should be timely to prevent employees from receiving inappropriate pay.
- Coordination and communications between the FPPS and OFS organizations for policy dissemination require improvement.

Planned Response: EPA agrees with the recommendations and is working to implement the recommended safeguards in order to improve reasonable assurance that internal controls over financial reporting are effectively preventing the potential for errors that might result in a material weakness.

Public Access: Not Available.

Evaluation Title: EPA Needs to Compete More Assistance Agreements.

Evaluator: U. S. EPA, Office of the Inspector General (OIG). Date: February 17, 2005.

Scope of Evaluation: ESP-7.

To evaluate EPA's progress on the Order requiring some grants to be competed, we assessed whether (1) the Order promoted competition, and (2) the competitions were fair and open.

Evaluation Findings: OIG reported:

- EPA Order 5700.5 (Order) was a positive step in promoting competition; however, it did not promote competition to the maximum extent possible. The Order applied to only \$161 million of more than \$835 million of discretionary grants awarded in 2003.
- The Order overemphasized exemptions and justifications for not competing assistance agreements.
- EPA did not ensure that it awarded discretionary grants to the most qualified recipients or for the most innovative projects, thus potentially diminishing the Agency's efforts to accomplish its mission.
- EPA would benefit from additional policy on conflict of interest and documentation requirements.
- In January 2005, EPA replaced the original Order with EPA Order 5700.5A1. The revised order included numerous procedural changes and incorporated many of our recommendations.

Evaluation Recommendations (if applicable): OIG recommended:

We continue to recommend that the Assistant Administrator for the Office of Administration and Resources Management increase the number of assistance agreements subject to competition by eliminating certain exemptions and a justification for not competing.

Planned response: The revised order incorporated many of our recommendations. However, the Agency disagreed with key recommendations directed at increasing the number of assistance agreements subject to competition.

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050331-2005-P-00014.pdf>.

Evaluation Title: Brownfields Competition for Awarding Grants Complied With Act.

Evaluator: U. S. EPA, Office of the Inspector General (OIG). Date: March 7, 2005.

Scope of Evaluation: ESP-7.

The objective was to determine whether the Office of Brownfields Cleanup and Redevelopment (Brownfields office) established a competition process that complied with the Brownfields Act and EPA policy and guidance.

Evaluation Findings: OIG reported:

EPA's competition process for awarding grants complied with the requirements of the Brownfields Act.

In awarding the grants, the Brownfields Office generally complied with EPA policies and procedures, with the exception of the cost review policy. Cost reviews were documented for only 4 of 24 grants we reviewed. In many cases, project officers stated that they performed cost reviews but did not document them. In those instances where no cost reviews were performed, the project officers said they thought that the grants management offices or proposal reviewers performed the cost reviews.

EPA risked the possibility of reimbursing recipients for costs that were unreasonable, unallowable, or unrelated to agreed-upon activities.

Evaluation Recommendations (if applicable): OIG recommended:

The Assistant Administrator for Solid Waste and Emergency Response remind project officers to document cost reviews, in accordance with EPA policy, prior to grant award.

Planned response: The Agency agreed with our recommendation and initiated appropriate corrective action.

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050307-2005-P-00009.pdf>.

Evaluation Title: Response Action Contracts: Structure and Administration Need Improvement.

Evaluator: U. S. EPA, Office of the Inspector General (OIG). Date: December 6, 2004.

Scope of Evaluation: ESP-7.

We conducted this audit to determine how effectively and efficiently EPA is administering Response Action Contracts (RAC). We looked at: acquisition planning, source selection, contract administration, and contract information system.

Evaluation Findings: OIG reported:

- EPA can improve the structure of RACs to better protect the Government's interests. Current RACs, which are Cost Plus Award fee level of effort contracts, assign to EPA a disproportionate share of the risk of cost overruns; expose EPA to the risk of loss of funds through litigation; limit competition; and forego potential cost savings associated with other type contracts, such as Performance-Based Service Contracts.
- EPA regions do not consistently document the rationale used to decide what procurement option to utilize for Superfund cleanup activities. EPA does not have a process to measure and disseminate information on the U.S. Army Corps of Engineers' past performance in support of EPA.
- Evaluations at the contract level were not being documented timely and consistently, which does not permit EPA and other federal agencies to consider contractor's past performance.
- Information in the national automated database is not always readily available. The Remedial Action Contract Management Information System (RACMIS) is underutilized by regional staff, and the system does not collect data as originally intended. EPA is expending \$1.5 million a year on a system that is not being fully utilized.

Evaluation Recommendations (if applicable): OIG recommended:

The Office of Solid Waste and Emergency Response, in coordination with the Office of Administration and Resources Management: develop and implement a plan with milestones that will increase the use of different contract types; require regional staff to document the rationale for all source selection decisions; develop a method for holding Contracting Officers accountable for conducting past performance evaluations timely and accurately; and, conduct a cost benefit analysis to determine whether the RACMIS should be retained.

Planned response: The Agency generally agreed with our recommendations.

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/200412066-2005-P-00001.pdf>.

Evaluation Title: Office of Acquisition Management Can Strengthen its Organizational Systems.**Evaluator:** U. S. EPA, Office of the Inspector General (OIG). **Date:** February 17, 2005.**Scope of Evaluation:** ESP-7.

This audit was conducted to determine whether EPA's Office of Acquisition Management (OAM) had the fundamental components of a high performing organization: leadership, strategic planning, customer focus, information and analysis, human capital, process management, and performance results.

Evaluation Findings: OIG reported:

- OAM's management systems include various components necessary for organizational success: OAM communicates its vision, values, and strategic goals to employees and customers; focuses on its customers' needs; and, emphasizes the development of its workforce.
- However, OAM leadership created its vision and goals without taking all the actions necessary to accomplish its vision.
- OAM needs to complete workload and workforce analyses to identify full-time equivalent and skill gaps.
- The information in OAM's Integrated Contracts Management System can measure the timeliness, but not the quality and cost, of its services.
- OAM does not have data to measure its progress toward achieving its vision of being the preferred business partner for all EPA contracts. Further, OAM does not obtain sufficient feedback on the extent to which contracts contributed to Agency environmental and performance goals.

Evaluation Recommendations (if applicable): OIG recommended:

The Director, OAM, develop an action plan with milestones for establishing measures and means of measuring progress against its goals, complete a workload and workforce analysis, and capture data needed to analyze short and long-term performance in achieving its vision and goals.

Planned response: The Agency generally agreed with the recommendations and indicated that certain corrective actions would have to be taken over the long term.

Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050217-2005-P-00006.pdf>.

Evaluation Title: EPA Can Better Manage Brownfields Administrative Resources.

Evaluator: U. S. EPA, Office of the Inspector General (OIG). Date: June 7, 2005.

Scope of Evaluation: ESP-7.

We conducted this review in response to a congressional request to evaluate the administrative and program costs being used to carry out the Brownfields program and identify options to reduce administrative costs.

Evaluation Findings: OIG reported:

- We provided answers to congressional questions about EPA's Brownfields program: the distribution and type of staff; budget for FY 2003 and 2004; grant and contract management responsibilities and workload; the number and type of Brownfield conferences; and the workload model used to staff the program.
- EPA's ability to effectively manage Brownfields resources is challenged by policy and organizational impediments.
- The authority for Brownfields resources is dispersed and not in alignment in their efforts to define and track Brownfields costs, and staff resources cannot be accounted for and efficiently utilized.
- There are potential cost savings in the financial and personnel resources EPA expends on brownfields outreach, conferences and meetings.

Evaluation Recommendations (if applicable): OIG recommended:

The deputy Assistant Administrator for the Office of Solid Waste and Emergency response: (1) more closely align themselves in support of an accountable entity to distribute, manage, account for, and optimize Brownfields resources, consistent with program needs and goals; (2) define Brownfields administrative and programmatic payroll costs and establish a system to identify and track them; (3) provide documentation to account for all FY 2003 administrative resources; (4) revise the regional staffing model to support current workload, develop a workload model for allocation of Brownfields headquarters staff, and develop a schedule for regularly updating the workload model; (5) ensure certification of Brownfields Project officers; (6) hold the EPA-sponsored Brownfields conference every two years; (7) develop a process to evaluate conferences and meetings to determine which conferences and meetings Brownfields staff need to attend.

Planned response: The Agency's final response to our recommendations and findings is under review. The Agency agreed to review and update its regional workload model and identify non-certified project officers in the Brownfields program and develop training and other actions necessary to ensure that Brownfields program goals are being met. The Agency did not agree that offices receiving and managing Brownfields resources should be more closely aligned to better manage, distribute, and account for Brownfields resources. It also stated that it has systems in place to identify indirect and direct payroll costs and that it is currently evaluating the effectiveness of its annual Brownfields conference to determine the appropriate frequency for the future. The Agency did not provide specific documentation we requested on FY 2003 Brownfields administrative resources.

Public Access: Report available at: <http://www.epa.gov/oig/reports/2005/20050607-2005-P-00017.pdf>.