ENVIRONMENTAL PROTECTION AGENCY

PART ASSESSMENTS[1]

[1] For each program that has been assessed using the PART, this document contains details of the most recent assessment. These details are presented in their original form; some programs have revised performance targets and developed or replaced performance measures since the original assessment. The PART summaries published with the 2006 Budget (in February 2005) provide current information on follow-up to recommendations and other updates.

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PART Performance Measurements

Program: Acid Rain
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Moderately
80%	78%	91%	83%	Effective

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: Program purpose is to implement the requirements of Title IV of the Clean Air Act (CAA). The purposes of the title, as stated by Congress, are "to reduce the adverse effects of acid deposition through reductions in annual emissions of sulfur dioxide of ten million tons from 1980 emission levels and, in combination of other provisions of this Act, of nitrogen oxides emissions of approximately two million tons from 1980 emission levels" and "to encourage energy conservation, use of renewable and clean alternative technologies, and pollution prevention as long-range strategies."

Evidence: Sections 401(a) and (b), Findings and Purposes of Title IV of the CAA. Title IV expressly limits impact this program can have by providing explicit numeric reduction requirements and caps.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Program addresses the need to reduce acid deposition because it represents "a threat to natural resources, ecosystems, materials, visibility, and human health" and "reduction of total atmospheric loading of sulfur dioxides and nitrogen oxides will enhance protection of the public health and welfare and the environment." The program has made significant progress in achieving the emission reduction requirements specified in Title IV of the CAA. The statutorily-mandated reduction in nitrogen oxides (NOx) was achieved in 2000. For sulfur dioxide (SO2), the program is on track to achieve the nationwide emissions cap in 2010 as required by the statute. Recent assessments show that further reductions in both pollutants beyond those authorized in the statute are needed to address the full extent of the persistent public health and environmental problems associated with acid deposition and precursor emissions.

Evidence: Section 401(b); Purposes of Title IV of the CAA states Congressional intent to address threats from acid deposition. In the 1980s, extensive research was conducted on the causes and effects of acid deposition under the auspices of the Congressionally mandated National Acid Precipitation Assessment Program (NAPAP). NAPAP established that the effects were broad including a range of endpoints such as ecosystems, visibility, human health, and materials. NAPAP also established that long-range transport of SO2 and NOx emissions and their byproducts contribute to the acid deposition problem over large geographic regions. In 1990, Congress enacted significantly amended title IV of the CAA in response to these findings. (NAPAP, 1991. Driscoll et al, 2001)

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: The Acid Rain Program is the only air pollution control program designed to cut total annual atmospheric loadings of both SO2 and NOx through emissions trading. It is the only national program that addresses NOx emissions from stationary sources throughout all months of the year. There are other emission reduction-related programs or efforts that employ trading schemes, such as the Ozone Transport Commission (OTC) and the Chicago Climate Exchange (CCX), but they are structured somewhat differently and do not have the same scope.

Evidence: State and local programs cannot regulate sources of pollution outside their jurisdictions. The program addresses sources of precursor emissions which are transported long distances. The States retain responsibility for all other aspects of their programs such as attainment of the National Ambient Air Quality Standards, New Source Review and Title V permitting. Program also controls NOx over entire year, which is particularly important for eliminating chronic and episodic acidity in sensitive lakes and streams, reducing nitrogen loading and eutrophication in coastal waters, and restoring visibility in national parks.

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1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: NO Question Weight 20%

Explanation: The program operates efficiently and effectively within the constraints of the CAA and is the model for other trading programs, but program effectiveness is limited by the Title IV requirements. The program is not free of design flaws because Title IV expressly limits the extent of the problem that can be addressed by the program by specifying maximum levels of reductions. It has been shown that the program could effectively make further progress in addressing its human health and environmental protection mission if the Administration's Clear Skies legislation were passed. The legislation would broaden the scope and expand the emission reduction targets that currently constrain the program. Clear Skies is modeled on the cap and trade provisions of the Acid Rain Program. It would cut both SO2 and NOx emissions from power plants by approximately 70% more than the Acid Rain Program goal levels. These additional reductions, when fully implemented, will result in achieving the environmental outcome goals of both programs.

Evidence: Testimony of EPA Administrator Whitman before Committee on Environment and Public Works, U.S. Senate, April 8, 2003. 1990 NAPAP study included review and evaluation of the theory and history of market-based programs and their advantages over command-and-control programs. A conclusion from this study was that emissions trading can provide one of the strongest incentives to achieve least-cost emission reductions (Vol. IV., Section 7, "Electric Utilities: Alternative Emission Cost Control Strategies, pp. 25-233 to 25-260). Related studies: Stavins (1989), Hahn and Hester (1989), and Tietenberg (1985).

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight 20%

Explanation: Currently, program resources effectively address the program purpose directly. All sources covered by Title IV are being addressed. Cost effective SO2 and NOx emissions reductions have been achieved, the volume of allowance trading is robust, and the price of allowances is stable. To assure continued progress toward public health and environmental goals and proper targeting of future program resources, program coverage needs to be extended to all fossil fuel-fired power generation sources and emissions limitations must change as proposed under the Clear Skies Act.

Evidence: Acid deposition has decreased in the eastern U.S., as measured by dry and wet monitoring networks, and sulfate concentrations in some northeastern lakes and streams have decreased. EPA Acid Rain Program 2001 Progress Report, EPA-430-R-02-009, pages 23-27 and 29-33, and EPA-620/R-03-001. Emissions of SO2 from utilities are capped but increasing emissions from the growth and use of non-utility power generation sources not covered by this program impede the ability to achieve the environmental and human health outcomes. For NOx, there is no cap; thus, as power generation increases, NOx emissions will climb.

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight 11%

Explanation: Existing goals directly reflect statutory requirements. New outcome goal monitoring acidity of lakes in certain regions of the country has been accepted by OMB as a useful outcome measure for the program.

Evidence: One existing long-term goal related to the SO2 emission requirements in Title IV will be continued. The new outcome focuses on chronic acidity of water bodies. Further work will be needed to determine supporting annual targets. The implementation of this new goal at this point is contingent upon the enactment of Clear Skies legislation.

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2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight:11%

Explanation: The emission reduction targets and timeframes set by Congress for SO2 and NOx were considered ambitious when the program was established in 1990. This action was precedent-setting not only due to the large size of the emissions reduction, but also because it was the first time emissions from a major industrial sector were capped. Furthermore, this was the first time NOx emission reductions were required at existing units. Program has either achieved the statutory goals ahead of schedule or is on target to meet remaining goals by 2010. Statutory requirements limit the ability of the program to increase the ambitiousness of its goals. Acid deposition and related problems which program is designed to address still exist and legislative action is required for adequate protection of public health and the environment.

Evidence: Statutory emission reductions requirements and timing: Title IV sections 404-406, 409-410. New goals and extended timeframes and targets have been proposed to address need for further action but, Clear Skies passage is necessary for their implementation. Congress is currently considering the Clear Skies Act of 2003, legislation which would reduce the current SO2 emissions cap by approximately 70%, a well as establishing the first-ever power sector annual NOx emissions cap at levels approximately 70% below 2000 levels.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:11%

Explanation: Several adequate annual measures exist that support achievement of the program's long-term goals. They relate directly to statutory requirements.

Evidence: One annual performance measures sets annual SO2 emission reduction targets. This measure directly supports the SO2 emissions long-term goal and indirectly supports the chronic acidity long-term goal. Two other annual performance goals focus on the reduction of sulfur and nitrogen concentrations and deposition. Both measures directly support the chronic acidity long-term goal.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight:11%

Explanation: Program has revised targets for annual SO2 emission reduction goal to reflect historic data that shows general increasing trend in emission reductions year to year. Baseline exists: reduce annually from 17.4 million tons SO2 emissions to 8.9 million (8.5 million ton reduction).

Evidence: See Clean Air Act Sec. 401, 403, and 407 of Title IV for overall goals and the Agency's Fiscal Year 2002 Annual Report (EPA-190-R-03-001, page II-12) for annual performance goals.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight:11%

Explanation: The program uses contractors, state grantees (via a portion of the 105 grant), other federal agencies (NOAA, USGS) and grantees in the academic community for data analysis and collection assistance. Federal cost-sharing partners are for data collection networks only, not program implementation. Contractors and grantees (other than academic) are explicitly committed to working toward the long-term goals of the program through contract and annual grant agreements.

Evidence: EPA contract and grant procedures - performance-based contracting. EPA and state grantees have a Core Performance Measures agreement, wherein states are responsible to report progress on meeting program goals.

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2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: YES Question Weight:11%

Explanation: Since its inception, the Acid Rain Program has been evaluated regularly by external bodies to determine how it is accomplishing its mission and meeting its long-term goals. In addition to evaluations that focus on its cost-effectiveness, other evaluations of the Acid Rain Program have documented the program's benefits: reducing adverse human health impacts, improving visibility, reducing acid deposition, and ecosystems response to those reductions.

Evidence: GAO: Air Pollution: Allowance Trading Offers an Opportunity to Reduce Emissions at Less Cost, 1994 and Acid Rain: Emissions Trends and Effects in the Eastern United States, March 2000. Ellerman, et al. at MIT/CEEPR: Emissions Trading under the U.S. Acid Rain Program: Evaluation of Compliance Costs and Allowance Market Performance (1997) and Markets for Clean Air: The U.S. Acid Rain Program (2000). Holland, et al. 1999. Trends in Atmospheric Sulfur and Nitrogen Species in the Eastern United States for 1989-1995; Lynch, et al. 2000. Changes in Sulfate Deposition in Eastern USA following Implementation of Phase I of Title IV of the Clean Air Act Amendments of 1990; Driscoll, et al. 2001. Acidic Deposition in the Northeastern U.S.: Sources and Inputs, Ecosystem Effects, and Management Strategies; Driscoll, et al. 2003. Nitrogen Deposition in the Northeastern United States: Sources, Effects, and Management Options; Burtraw, et al. 1997. The Costs and Benefits of Reducing Acid Rain.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight:11%

Explanation: The Program uses annual workplans to specify program activities. There is no tracking system that shows explicitly how these workplans tie to the various program annual and long-term goals and objectives that the program uses - no reports are available to identify which activities (and their associated funds) support which program goal. EPA managers do use up-to-date financial, policy, and regulatory information to make decisions on program management and performance. The Agency's financial information is integrated with performance and other program data to support day-to-day decision making of managers and executives.

Evidence:

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:11%

Explanation: Strategic goals, decisions, and projects are reviewed annually at the program level. Annually, program Workplans are updated and revised as appropriate. When deficiencies are identified, new workplans are developed to address the issue. The program contributes to and participates in the agency-wide strategic plan revision process (every three years). In response to the Administration's identification of the need to expand the SO2 and NOx emissions reductions to adequately protect human health and the environment, the program has been working to develop measurable long-term performance goals for environmental outcomes.

Evidence: EPA's ongoing strategic plan update and activities. Program Workplans.

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2.RG1 **Are all regulations issued by the program/agency necessary to meet the stated goals of the program, and do all regulations clearly indicate how the rules contribute to achievement of the goals?** Answer: YES Question Weight: 11%

Explanation: Provisions in rules issued subsequent to the core program rules are needed: intended to streamline or otherwise improve upon the original regulations or address regulatory gaps. Virtually all of the rule revisions have lowered the program's administrative costs and/or the regulatory burden to industry while, at the same time, reinforcing program goals.

Evidence: To make it easier for owners/operators of regulated sources, stakeholders, and others to follow successive rule changes, the program has published two unofficial consolidated versions of Part 72 (Permits) and Part 75 (Continuous Emissions Monitoring) between CFR Publications. Rule preambles are written in plain English and indicate how the rule would contribute to the achievement of specific program goals. See 61 FR 1442-1479 and 61 FR 67112-67162. Proposed and final rules for second phase of the Acid Rain NOx Emission Reduction Program (61 FR 1442-1479, January 19, 1996, and 61 FR 67112-67162, December 19, 1996). See: www.epa.gov/airmakets/monitoring/consolidated.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 9%

Explanation: For emissions goals, program's Emissions Tracking System (ETS) receives and processes SO2, NOx, and other emission-related data quarterly. Data is submitted electronically from continuous monitors and is subject to quality assurance checks at multiple points in the process. For deposition/concentration goals: Program manages the operation of the Clean Air Status and Trends Network (CASTNet), a dry deposition monitoring network, and provides critical operational support for the National Atmospheric Deposition Program/National Trends Network(NADP/NTN), a wet deposition network.

Evidence: EPA's Quarterly Report Review Process. Electronic data file QA checks are described at http://www.epa.gov/airmarkets/reporting. Information generated from CASTNet and NADP networks was used to create the EPA Acid Rain Program 2001 Progress Report (EPA-430-R-02-009). Data and analysis related to program efforts contributed significantly to the identification of the need for further protection from acid rain - the Clear Skies legislative proposal.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight: 9%

Explanation: Individual EPA program managers develop and submit to the management team annual project plans called workplans. These plans identify, prioritze, and organize the work they will accomplish with a given allocation of resources; they are reviewed and updated throughout the year and are the major management tool for tracking performance and expenditures. Plans outline resources needed, expected outcomes and milestones, and identify the pertinent organizational goals and objectives. Performance reviews for program level managers are based, in part, on accomplishment of these projects. Performance standards for managers include performance measurements for objectives that relate to the program goals but do directly reflect the goals themselves. The program goals are only explicitly included in the Division Director's performance plan.

Evidence: Director's and managers individual performance plans document related goals. Annually, EPA develops specific performance measures with associated activities and outputs.

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3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight: 9%

Explanation: Annually the program develops workplans that reflect how it plans to spend its budget. Within the program, obligations can be tracked at the workplan level. At the highest level of aggregation, obligations and expenditures are tracked in the Agency's Integrated Financial Management System (IFMS) against the Operating Plan.

Evidence: Acid Rain Program workplans and associated obligations tracking reports. Agency annual financial statements. IFMS reports

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: NO Question Weight: 9%

Explanation: No efficiency measures are currently in use and no clear procedures exist whereby the cost-effectiveness/efficiency of the overall program is tracked and regularly evaluated by the program. Program should consider full cost of program (both federal funds and funds spent by industry) in evaluating efficiency. Program also does not regularly examine the interal efficiency of the program to ensure that all direct program funds (federal dollars) are being used as cost effectively as possible. Contracts are awarded through a competitive process. Beginning in FY 2003 the program will begin awarding their small amount of grants (~$300K) competitively by implementing a new EPA-wide policy.

Evidence: Agreement has not been reached on which efficiency measures the program will include in their annual plans.

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight: 9%

Explanation: The program collaborates and coordinates with many partners in other federal agencies, state agencies, foreign governments, and the academic research community on emission control programs, environmental monitoring and assessment, and the development and application of market-based policy instruments. The program also collects feedback and performance data from stakeholders and partners. The program uses the data and feedback to re-evaluate its workplans to refine program efforts. Identified problems are addressed by developing new projects to correct or improve the program.

Evidence: Program staff maintain dialogue with the regulated industry and financial community through conferences and with States on monthly programmatic conference calls. Examples of improvements: program provides instant feedback to sources to identify data reporting problems, format errors, and inconsistencies (http://www.epa.gov/airmarkets/reporting); online transactions and internet reporting; and is developing regulation changes and software to help reduce costs. Examples of changes made as result of feedback from stakeholders: providing instant feedback to sourses on reporting problems, format errors, and inconsistencies and development of "Online Allowance Transfers (OATS)." Collaboration with other agencies on CASTNet and NADP has lead to better integrated networks and reduced redundancy in data collection and analysis.

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3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 9%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives. EPA received an unqualified audit opinion on its FY 02 financial statements and had no material weaknesses associated with the audit. The Acid Rain Program has no material weaknesses as reported by the Office of the Inspector General (OIG) and has procedures in place to minimize erroneous payments.

Evidence: Budget Automation System (BAS) reports. Acid Rain obligation and budget reports. Unqualified audit opinion on EPA FY 02 financial statements. 2002 Advice of Allowance Letter and Integrity Act Report. Agency resource management policies (posted on agency intranet).

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 9%

Explanation: Traditional management issues are addressed through weekly meetings, with input from staff. The overall Office of Atmospheric Programs (the Acid Rain program is within this Office) management team meets twice per year to identify and address higher level management issues of concern. Management retreats are held to review and evaluate program management efforts. Retreats involve various levels of management participation. Knowledge transfer and succession planning are addressed primarily by replacing most attrition with junior staff. Program provides training/mentoring opportunities to ensure that staff are available to compete whenever promotions become available. The program participates in agency-wide human capital and financial management PMA efforts and is working to fully convert to an e-Gov operating approach for program transactions.

Evidence: OIG Audit, The Effectiveness and Efficiency of EPA's Air Program (February 27, 1998). OAP implemented recommendations from this report. Program expanded involvement in agency Capital Planning and Investment Control (CPIC) process in FY03 to address IT improvements necessary to deal with increasing transaction volume and emissions reporting. Division recently completed a 360 review of its management team which involves surveying each managers' subordinates, peers, and supervisors to assess effectiveness. Third-party assistance was used to develop survey.

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3.RG1 **Did the program seek and take into account the views of all affected parties (e.g., consumers; large and small businesses; State, local and tribal governments; beneficiaries; and the general public) when developing significant regulations?**

Answer: YES Question Weight: 9%

Explanation: Program has pursued partnerships, dialogue, and new ways of doing business with industry and the environmental community. Acid Rain Advisory Committee (ARAC) helped facilitate implementation. After publication of rules, dialogue continued. Permitting: pre-application meetings served as a primary vehicle for EPA-industry dialogue - provided opportunities for utilities to ask questions and receive written responses from EPA headquarters and regional personnel. For monitoring and data system development activities, EPA hosted numerous training sessions, attended industry sponsored meetings, provided policy guidance in these areas, developed and distributed software to assist industry.

Evidence: Immediately following enactment, the program initiated an intensive dialogue with the affected stakeholders through the ARAC. The ARAC was composed of 44 individuals representing a variety of different organizations and interests, including large and small utilities, coal and gas interests, state air agencies and public utility commissions, environmental organizations, and academia. For six months, the members of the Advisory Committee were actively involved in devising solutions to problems and offering critiques of various regulatory options for implementing Title IV. Outreach activities have included participation in EPA and industry sponsored training and conferences, discussing rate making issues with rate regulators, holding the annual allowance auctions through the Chicago Board of Trade, and disseminating information on the auction process, energy conservation, renewable energy, and the allowance and emissions tracking systems.

3.RG2 **Did the program prepare adequate regulatory impact analyses if required by Executive Order 12866, regulatory flexibility analyses if required by the Regulatory Flexibility Act and SBREFA, and cost-benefit analyses if required under the Unfunded Mandates R**

Answer: YES Question Weight: 9%

Explanation: Requirements in existence at the time implementing regulations were issued were met. The Regulatory Impact Analysis (RIA) of the Final Acid Rain Implementation Regulations, October 19, 1992, was developed in compliance with Executive Order 12291. Elements of the RIA met Regulatory Flexibility Act requirements.

Evidence: Chapter 4 of the RIA presented the costs of the program with and without an allowance trading system and included an analysis of the administrative burden to states. Chapter 5 of the RIA estimated changes in electricity costs and the impacts of the regulation on utilities and independent power producers. Complying with the Regulatory Flexibility Act, Chapter 5 of the RIA estimated the impact of the Acid Rain Program on small utilities, small municipalities, and small businesses in general. Chapter 6 of the RIA described the expected environmental benefits and referred to the 1990 National Acid Precipitation Assessment Program's (NAPAP's) Integrated Assessment. This Assessment summarized the findings of the NAPAP State of Science study which documented the damage caused by acid rain and dry deposition, and enumerated the expected benefits of a program to reduce acid rain and acidic deposition. See also 61 FR 1453-1455, January 19, 1996; 61 FR 67114-67116, December 19, 1996; Air Docket A-95-28.

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3.RG3 **Does the program systematically review its current regulations to ensure consistency among all regulations in accomplishing program goals?** Answer: YES Question Weight: 9%

Explanation: In the decade following promulgation of final core rules, the program has proposed and finalized over a dozen rules that streamline or otherwise improve upon the original regulations. The process of systematically reviewing the current rules and making improvements, generally through rule revisions, spanned all parts of the program: applicability, permitting, continuous emissions monitoring, allowance accounting, and excess emissions/penalties. Virtually all of the rule revisions have lowered the program's administrative costs and/or the regulatory burden to industry while, at the same time, reinforcing program goals. Program in continuing such progress through harmonization of Acid Rain and NOx Budget Program monitoring, emissions reporting, and account representative requirements and to maximize the use of efficient e-Gov practices.

Evidence: 40 CFR Parts 72, 73, 75, 77, and 78; 58 FR 3590-3766, January 11, 1993. Regulations promulgated to improve the program include: five revisions to Part 75 (Continuous Emissions Monitoring) issued 60 FR 26510 (May 17, 1995), 61 FR 59142 (Nov 20, 1996), 63 FR 57356, 573581 and 57499 (Oct 27, 1998), 64 FR 28564 (May 26, 1999), and 67 FR 40394 (June 12, 2002); and three revisions to Part 72 (Permits), Part 77 (Excess Emissions) and Part 78 issued 62 FR 55461 (Oct 24, 1997), 63FR 68400 (Dec 11, 1998), and 64 FR 6840 (Dec 11, 1998). To make it easier for owners/operators of regulated sources, stakeholders, and others to follow successive rule changes, the program has published two unofficial consolidated versions of Part 72 and Part 75 between CFR Publications: one in January 2000 and the second in August 2002 (see http://www.epa.gov/airmakets/monitoring/consolidated).

3.RG4 **Are the regulations designed to achieve program goals, to the extent practicable, by maximizing the net benefits of its regulatory activity?** Answer: YES Question Weight: 9%

Explanation: The program reduces emissions through a least-cost program of trading and banking. Program costs have been less then the originally estimated.

Evidence: A. Denny Ellerman, et al. 2000. Markets for Clean Air: The U.S. Acid Rain Program. Cambridge Univ. Press and OMB, 'Draft 2003 Report to Congress on the Costs and Benefits of Federal Regulations,' Federal Register, Feb. 3, 2003, especially pages 5507; 5500.

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight: 16%

Explanation: According to PART guidance, nothing higher than a "small extent" can be given for this question because the program received a "Yes" for question 2.1 and a "No" for question 2.2. Program has made consistent progress on its existing long term goals and is on track to meet the 2010 SO2 emission reduction target.

Evidence: EPA Acid Rain Program 2001 Progress Report (EPA-430-R-02-009, pages 14, 23-27, and 29-33).

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4.2 Does the program (including program partners) achieve its annual performance goals? Answer: YES Question Weight:16%

Explanation: Program has met all SO2 and NOx emission reduction annual targets to date. In 2001, annual SO2 emissions from utility sources were reduced by 6.9 million tons below the 1980 baseline, which represented an additional reduction of 570,000 tons over the previous year. In 2001, annual NOx emissions from coal-fired utility sources were 4.1 million tons, which represented a reduction greater than the program's 2 million ton target.

Evidence: Program reduced annual SO2 emissions by utilities from 17.4 million tons in 1980 to 11.2 million tons in 2000 and to 10.6 million tons in 2001 and annual NOx emissions from coal-fired utilities by more than the program's 2 million ton target to 4.1 million tons in 2001. Agency's Fiscal Year 2002 Annual Report (EPA-190-R-03-001, page II-12). EPA Acid Rain Program 2001 Progress Report (EPA-430-R-02-009, pages 5-18). In 2001: all but two of the 2,792 units that underwent annual reconciliation for SO2 had sufficient allowances in their accounts to cover emissions and only one of the 1,045 units affected by the NOx program component failed to meet its emission limit.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: LARGE EXTENT Question Weight:16%

Explanation: Though program itself does not employ efficiency/cost-effectiveness measures or track internal or external efficiency on a regular basis external reviews have indicated the cost-effectiveness of the program. Program has maintained near 100% compliance since the start of the program with an average annual program budget of approx. $13 million. Program has achieved 40% of the reductions expected through the 1990 Clean Air Act Amendments (CAAA) with less than 5% of the overall EPA Office of Air and Radiation resources (Agency's Fiscal Year 2002 Operating Plan). Evaluation of benefit-cost ratios of the CAAA concluded that was good investment.

Evidence: Agency's FY 2002 Operating Plan, Fiscal Year 2003 Annual Performance Plan, and Congressional Justification. Charles River Associates, Benefit-Cost Ratios of the CAAA by CAAA Title , No. D02050-00, 1999. Examples of external evaluations that examined and supported the Acid Rain Program's cost-effectiveness: GAO-Air Pollution - Allowance Trading Offers an Opportunity to Reduce Emissions at Less Cost, 1994; GAO-Acid Rain - Emissions Trends and Effects in the Eastern United States, March 2000; Ellerman, et al. at the Massachusetts Institute of Technology Center for Energy and Environmental Policy Research (MIT/CEEPR) - Emissions Trading under the U.S. Acid Rain Program: Evaluation of Compliance Costs and Allowance Market Performance (1997) and Markets for Clean Air: The U.S. Acid Rain Program (2000)

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: YES Question Weight:16%

Explanation: Several programs exist with similar structures but have different scopes. The Acid Rain program is the model for these other market-based programs that include a specific emissions cap as well as emissions trading and banking. State Agencies have elected to follow this model in their Ozone Transport Commission (OTC) and NOx Budget Programs to reduce ozone nonattainment. Furthermore, they have selected the Acid Rain Program staff to operate their program. Success of program in terms of flexibility and cost effectiveness is also cited by private industry as a preferable regulatory model.

Evidence: Testimony by Daniel Chartier, Former Emissions Trading Manager, Wisconsin Electric, for the Congressional Joint Economic Committee, July 1997. Statement by Gary Hart, Manager, Clean Air/SO2 Allowances, Southern Company Services, in Emissions Trading: Environmental Policy's New Instrument, edited by Richard Kosobud. New York: John Wiley & Sons, Inc., 2000

PART Performance Measurements

Program: Acid Rain
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Moderately
80%	78%	91%	83%	Effective

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: YES Question Weight:16%

Explanation: Many relevant independent evalutions have indicated that the program is effective. Program is effective in achieving least-cost emission reductions, which result in significant benefits to human health and environment.

Evidence: GAO. Dec. 1994. AIR POLLUTION: Allowance Trading Offers an Opportunity to Reduce Emissions at Less Cost, p.58. Carlson, et al. 2000. Sulfur Dioxide Control by Electric Utilities: What Are the Gains from Trade?, p. 1292. Burtraw, et al. 1997. The Costs and Benefits of Reducing Acid Rain, pp. 22, 26. Stoddard, et al. 2003. Response of Surface Water Chemistry to the Clean Air Act Amendments of 1990. Chestnut, et al. 1997. Economic Benefits of Improvements in Visibility: Acid Rain Provisions of the 1990 Clean Air Act Amendments. Lynch, et al. 2000. Changes in Sulfate Deposition in Eastern USA following Implementation of Phase I of Title IV of the Clean Air Act Amendments of 1990;

4.RG1 **Were programmatic goals (and benefits) achieved at the least incremental societal cost and did the program maximize net benefits?** Answer: YES Question Weight:16%

Explanation: Independent evaluations of the Acid Rain program's achievements indicate that benefits are being achieved at the least cost.

Evidence: Cost savings from Command and Control alternatives. Ellerman, et al. 2002. Markets for Clean Air: The U.S. Acid Rain Program, p. 296, and A. Denny Ellerman, et al. 2000. Markets for Clean Air: The U.S. Acid Rain Program. Cambridge Univ. Press, 282. Early cost estimates for full implementation of Title IV ranged from $2.3 billion to $6.0 billion. Current estimates are significantly lower, ranging from $1.0 billion to $1.4 billion (1995$). (A. Denny Ellerman. 2003. Ex Poste Evaluations of Tradeable Permits: The U.S. SO2 Cap and Trade Program.). Human health benefits of program's SO2 reductions estimated at $46 billion and may be as high as $80 billion. (2001$) (Bart D. Ostro, et al. 1999. 'Estimating the Effects of Air Pollutants on the Population: Human Health Benefits of Sulfate Aerosol Reductions under Title IV of the 1990 Clean Air Act Amendments' Air Pollution and Health, edited by Stephen T. Holgate, et al. Academic Press, 911.)

PART Performance Measurements

Program: Acid Rain
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Moderately
80%	78%	91%	83%	Effective

Measure: Percent change in number of chronically acidic waterbodies in acid-sensitive regions.

Additional Information: Progress is measured as percent reduction from 2001 baseline number of waterbodies. Acid-sensitive regions include the Northeast, Mid-Atlantic, and Upper Midwest.

Year	Target	Actual	**Measure Term:** Long-term
2030	-30%		

Measure: Sulfur dioxide emissions from electric power generation sources

Additional Information: Progress is measured as tons reduced from 1980 baseline of 17.4 million tons.

Year	Target	Actual	**Measure Term:** Long-term
2001	-5,000,000	-5,000,000	
2010	-8,500,000	On Track	

Measure: Tons of sulfur dioxide emitted from electric power generation sources

Additional Information: Progress is measured as tons reduced from 1980 baseline of 17.4 million tons.

Year	Target	Actual	**Measure Term:** Annual
2005	-6,900,000		
2006	-7,000,000		
2007	-7,500,000		
2008	-8,000,000		
2009	-8,000,000		

PART Performance Measurements

Program: Acid Rain
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Moderately
80%	78%	91%	83%	Effective

Measure: Percent change in average nitrogen deposition and mean ambient nitrate concentrations.

Additional Information: Data is mainly from Eastern US and is reported as 3-year averages due to varying meteorological conditions and other factors. Progress is measured as percent reduction from 1990 baseline.

Year	Target	Actual	**Measure Term:** Annual
2004	-5%		
2007	-10%		
2010	-15%		

Measure: Percent change in average sulfur deposition and mean ambient sulfate concentrations.

Additional Information: Data is mainly from Eastern US and is reported as 3-year averages due to varying meteorological conditions and other factors. Progress is measured as percent reduction from 1990 baseline.

Year	Target	Actual	**Measure Term:** Annual
2004	-25%		
2007	-29%		
2010	-30%		

Measure: Measure Under Development

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term (Efficiency Measure)

PART Performance Measurements

Program: Air Toxics
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	44%	64%	40%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The Clean Air Act Amendments (CAAA) of 1990 require regulation of air toxics from motor vehicles under Title II and from stationary sources through the maximum achievable control technology (MACT) program under Title III.

Evidence: Technology-based toxics standards are required for mobile and stationary sources, followed by a residual risk-assessment. EPA issued 96 MACT standards, and a mobile source toxics rule. The residual risk program is underway, though EPA is still addressing some science and data issues.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: People exposed to toxic air pollutants at sufficient concentrations and durations may have an increased chance of getting cancer or experiencing other serious health effects. Prior to the 1990 Amendments, EPA set standards based on risk assessments, but promulgated few of them. Congress then mandated standards based on the best available technology with subsequent evaluation of risk.

Evidence: Acute and chronic health effects of air toxics are detailed on EPA's Air Toxics website: http://www.epa.gov/ttn/atw/. Without the air toxics programs called for by the 1990 Amendments, EPA estimates that overall emissions would have increased 36% from 1990 levels by 2007.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: EPA is the only agency to develop national regulations for industrial and mobile sources of air toxics. In addition, EPA regulates transportation fuels to ensure nationwide consistency and fungibility.

Evidence: State/local agencies have not developed standards and a State-by-State program could create inconsistency. Federal mobile source regulation helps make more uniform requirements for vehicle manufacturers and oil companies.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: NO Question Weight 20%

Explanation: In the 1990 CAAA, Congress provided a two-tiered structure for regulating air toxics emissions from major stationary sources - technology based standards followed by additional standards if the residual risk at these facilities is too high. For mobile sources, Congress instructs EPA to set technology-based standards, taking into consideration feasibility and cost. Though the current structure for stationary source regulation has proven to be more effective than the air toxics program established by the 1970 Clean Air Act (CAA), the underlying statute is not designed to maximize net benefits. Section 112 of the CAA requires technology-based standards that limit flexibility in achieving risk reductions and have generated costs in excess of benefits. EPA has some regulatory flexibility, and the program has attempted to develop regulations that minimize the cost, but it is not possible to maximize net benefits under the current statute.

Evidence: Section 112 CAA.

PART Performance Measurements

Program: Air Toxics
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	44%	64%	40%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight: 20%

Explanation: Program funds are spent to complete statutory requirements and implement standards designed to reduce emissions of air toxics

Evidence: Section 112 of the CAA.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 11%

Explanation: The program's purpose is to reduce air toxics emissions to reduce the risk to public health and the environment. As a means of measuring the program's progress toward risk reduction, EPA has established a performance measure that tracks toxicity-weighted emissions reductions. Toxicity-weighting evaluates the potential toxicity of each air toxic by its relative carcinogenic and non-carcinogenic toxicity factor. This permits the agency to sum and compare reductions of all HAPs with available health data. EPA performs this assessment for both cancer and noncancer emissions, resulting in two separate performance measures. According to the General Accounting Office (GAO) Hierarchy of Indicators, this is a low-level (level 3) outcome measure. In the near future, EPA will begin to augment this measure with a more direct method for demonstrating risk reduction. This new measure will utilize ambient air toxics data that the Agency began collecting in 2003. A Measure Implementation Plan (MIP) for this ambient data is undergoing OMB evaluation.

Evidence: MIP for Toxicity-weighted emissions and MIP for Ambient air toxics data.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight: 11%

Explanation: The program has targets for reducing toxicity-weighted air toxics emissions. These targets are achievable, as the reduction will result from rules that have already been promulaged, but the program has not demonstrated that they are ambitious. In fact, according to performance data, these targets have already been achieved. The program's performance measures use a 1993 baseline based on emissions inventory data from 1990 and 1993. Due to changes in measurement methodology, comparisons of current estimates to this baseline are unreliable.

Evidence: MIP for Toxicity-weighted emissions.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 11%

Explanation: Annual performance will be demonstrated through tons of toxicity-weighted emissions reduced on an annual basis. As an increment of the long term performance measures, this measure can demonstrate progress towards long term goals. As above, emissions reduction targets will be stated both in tons of cancer and non-cancer emissions, and these emissions will cover all HAPs with available health data. In the future, the ambient air toxics data discussed in 2.1 will also be used to measure annual progress. The program is also developing an efficiency measure that will compare toxicity weighted emissions reductions to estimated total dollars (federal & non-federal) spent on air toxics standards. Since it is impossible to link the annual input in this efficiency measure with annual outcomes, this measure will be long term and cumulative.

Evidence: MIP for Toxicity-weighted emissions and MIP for Ambient air toxics data.

PART Performance Measurements

Program: Air Toxics
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	44%	64%	40%	

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight:11%

Explanation: Annual targets are set based on estimates of emissions and risk reductions that will be achieved through implementation of stationary source standards. The program uses targets of toxicity weighted emissions reductions for cancer and non cancer health risks. Both annual targets are achievable, as the reductions will result from rules that have already been promulaged, but the program has not demonstrated that the targets are ambitious. In fact, according to annual performance data, both targets have already been achieved and emissions will actually rise slightly over the next two years. The program's performance measures use a 1993 baseline based on emissions inventory data from 1990 and 1993. Due to changes in measurement methodology and limited data, comparisons of current estimates to this baseline are unreliable.

Evidence: www.epa.gov/ttn/chief/trends for information on the baseline inventory.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: NO Question Weight:11%

Explanation: EPA's contract statement of work includes requirements for analytical support for projecting emission inventories, estimating inventory changes, and assessment of health and environmental impacts. Grant workplans for State and local partners include commitments to implement toxics programs. However, sample statements of work and grant workplans do not include performance measures that are clearly aligned with program goals.

Evidence:

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: NO Question Weight:11%

Explanation: Independent evaluations have been conducted, but the program's evaluation history does not meet all criteria. The impact of the program has not been rigouously assessed. The majority of past reviews have focused on specific aspects of program such as monitoring or emissions reporting and are not of sufficient scope. Also, there is no program evaluation plan in place to ensure ongoing reviews of sufficient quality, scope and independence.

Evidence: The Science Advisory Board (SAB) evaluated the design of an air toxics monitoring network in 2000. The SAB also reviewed EPA residual risk methodology and a case study. The National Academy of Sciences (NAS) recently completed a study (Air Quality Management in the United States) that includes a limited assessment of the performance of the air toxics program. The IG and GAO periodically evaluate aspects of the program. A recent IG report analyzed EPA's method for calculating and reporting results.

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: NO Question Weight:11%

Explanation: The Budget documents do not clearly indicate the full costs of achieving Air Toxics performance goals.

Evidence: EPA's Annual Plan and Budget Request documents.

PART Performance Measurements

Program: Air Toxics
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	44%	64%	40%	

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 11%

Explanation: The program has acted to correct strategic planning deficiencies. The program continues to work to improve its ability to demonstrate progress toward achieving its long term goals.

Evidence: To address planning deficiencies, EPA's strategic plan now focuses on a smaller set of Agency goals with measurable outcomes. To address weaknesses identified through independent studies and through the PART, the program has developed several new performance measures, including toxicity-weighted emissions. The program has also deployed a national air toxics monitoring network covering a select set of air toxics as a means of increasing the information about air toxics in ambient air and provide trends information over the long-term.

2.RG1 **Are all regulations issued by the program/agency necessary to meet the stated goals of the program, and do all regulations clearly indicate how the rules contribute to achievement of the goals?** Answer: YES Question Weight: 11%

Explanation: In the 1990 CAAA, Congress required EPA to set standards to reduce air toxics from both stationary and mobile sources, providing specific goals and criteria for these programs. In promulgating these standards, EPA has made clear how they fulfill the requirements of the CAA.

Evidence: Section 112 of the CAA and published MACT standards.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: NO Question Weight: 9%

Explanation: Though EPA has made significant progress in developing its national air toxic trend sites (NATTS), a national network of 22 long-term monitoring sites, this system does not yet produce useful performance information. EPA is also in the final stages of developing a community-based air toxic monitoring program that will enable air toxic assessments on a local level. EPA has worked with partner at state/local/tribal agencies to design and develop this program. When underway, this program may provide information useful to local air toxics management. EPA continues to improve its air toxics inventory (the 1999 NEI had participation from all but 4 states) and the quality and quantity of the information in the inventory continues to improve, but this data is still of limited value for program management.

Evidence: Ambient data from the 22 NATTS sites will support the development of trends and the eventual correlation with reduction efforts. OMB is reviewing a measurement implementation plan for performance measures based on the NATTS data.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: NO Question Weight: 9%

Explanation: EPA's contract statement of work includes cost schedules and expected outcomes. EPA and state grantees develop a state grant work plan that incorporates required outcomes and deadlines. Performance standards for Federal managers are linked to Strategic plan goals, but there is no clear evidence that managers and program partners are held accountable for results.

Evidence:

PART Performance Measurements

Program: Air Toxics
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	44%	64%	40%	

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 9%

Explanation: EPA prepares an Operating Plan that OMB and Appropriations Committees approve. Program offices track spending against this plan, which is aligned with the strategic plan. EPA works with grantees to ensure that spending is consistent with the negotiated work plan. As part of each office's post-award monitoring of grants, recipients are required to affirm that funds designated to each program area are indeed spent for the intended purpose.

Evidence: Spending reports for the toxics program indicate timely obligation.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight: 9%

Explanation: EPA typically selects contractors through a competitive process based on costs, at times it awards noncompetitive contracts due to looming deadlines. Beginning in FY 2003, EPA awarded non-state grants competitively.

Evidence: OAR relies on work assignments placed against negotiated competitive contracts awarded through full and open competition. Each procurement undergoes a cost analysis that feeds directly into the negotiation process. Each potential contractor must also undergo an outside audit to determine the reasonableness of costs, particularly indirect costs.

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: NO Question Weight: 9%

Explanation: The Agency collaborates and coordinates with State, local and tribal air toxics programs during the development of standards, data gathering, and community air toxics assessments. EPA gives States the opportunity to place a representative on workgroups developing a standard. It coordinates with States in developing the National Air Toxics Assessment and its periodic updates. EPA aids communities doing assessments to identify risk and solutions such as diesel retrofits. EPA works with state/local governments to assess mobile source-related exposure and risk. EPA also works with State/local governments to identify and implement voluntary programs. However, there is insufficient evidence that these collaborative activities lead to meaningful results.

Evidence:

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 9%

Explanation: The air toxics program has no financial weaknesses as reported by the IG and has procedures in place to minimize erroneous payments.

Evidence: IG's FY 2003 identification of material weaknesses. Agency officials have a system of controls and accountability, based on GAAP and other principles, to ensure that improper payments are not made. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives.

PART Performance Measurements

Program: Air Toxics
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	44%	64%	40%	

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 9%

Explanation: The program has implemented recommendations included in reviews by the NAS, IG and GAO.

Evidence: The program is currently addressing recommendations from the recent NAS study: Air Quality Management in the United States (2004). The program has also taken steps to address weaknesses identified in the FY 2004 PART review. Further, the Agency will soon be developing an action plan to address and implement many of the recommendations in the recent OIG report (due to the IG on June 30, 2004). While the OIG audit list includes Air Toxics - Phase 2 (Residual Risk) as an Agency Candidate Weakness for FY 2004, the program is working to develop several innovative approaches to address potential weaknesses. These approaches include a total facility low risk demonstration and comprehensive residual risk rule that will help the Agency's efforts to target facilities with the highest risk.

3.RG1 Did the program seek and take into account the views of all affected parties (e.g., consumers; large and small businesses; State, local and tribal governments; beneficiaries; and the general public) when developing significant regulations? Answer: YES Question Weight: 9%

Explanation: EPA follows administrative procedures of notice and comment as well as other statutory requirements such as the Small Business Regulatory Enforcement Fairness Act (SBREFA).

Evidence: Regulations are proposed in the Federal Register. All interested parties have an opportunity to submit comments. EPA evaluates them and makes necessary revisions before promulgating regulations. In cases where regulations may impact a substantial number of small entities, EPA sets up SBREFA panels.

3.RG2 Did the program prepare adequate regulatory impact analyses if required by Executive Order 12866, regulatory flexibility analyses if required by the Regulatory Flexibility Act and SBREFA, and cost-benefit analyses if required under the Unfunded Mandates R Answer: NO Question Weight: 9%

Explanation: EPA's RIAs usually but do not always comply with OMB's economic analysis guidelines. EPA generally reports total costs; cost-per-ton; changes in price, production, and revenues in affected industries; impacts on small entities and the energy sector; and total benefits.

Evidence: RIAs are available at www.epa.gov/ttn/ecas. Some recent rules (e.g., Auto and Plywood MACT standards) did not quantify benefits.

3.RG3 Does the program systematically review its current regulations to ensure consistency among all regulations in accomplishing program goals? Answer: YES Question Weight: 9%

Explanation: As required by the CAA, EPA will review each MACT standards as part of the residual risk program. EPA periodically reviews mobile source regulations for impacts on air toxics as well.

Evidence: CAA section 112(f) and 202(e).

PART Performance Measurements

Program: Air Toxics
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	44%	64%	40%	

3.RG4 **Are the regulations designed to achieve program goals, to the extent practicable, by maximizing the net benefits of its regulatory activity?** Answer: YES Question Weight: 9%

Explanation: Under section 112 of the CAA, the Agency must prepare standards for HAPs that meet the requirements set forth by the Act regardless of net benefits. However, EPA may increase cost effectiveness by subcategorizing source categories to distinguish among classes, types, and sizes of affected emission units. In a number of its rulemakings, EPA has taken steps to reduce costs and increase flexibility, and some of the program's regulatory impact statements (RIAs) have demonstrated quantified net benefits to society. As the residual risk program develops, the Agency can use its authority to develop rules that target high-risk facilities. EPA also should utilize its delisting authority and health threshold provision.

Evidence: Evidence that EPA strived to minimize regulatory costs on affected industries: MACT standards for Plywood and Composite Wood Products and Industrial/Commercial/Institututional Boilers and Process Heaters. These rules included a risk-based provision to allow low risk facilities to be exempt

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight 20%

Explanation: Toxicity weighting of emissions reductions has allowed the program to link emissions reductions to risk reduction, and thus to show some progress towards its goals. However, the program lacks ambitious targets for its long-term performance goals. Furthermore, EPA measures progress towards its emissions reduction goals against a questionable baseline that was developed largely upon extrapolated data. Performance information is currently drawn from the National Toxics Inventory (NTI), which is conducted every 3 years. This system of data collection makes it difficult for EPA to confirm that the full reductions have actually occurred. In the future, EPA plans to augment the toxicity weighted emissions using a more direct method for predicting risks by utilizing ambient air toxics data that the Agency has begun to collect. This information will provide a national baseline and sufficient information to analyze trends in ambient concentrations. A measurement implementation plan is under review.

Evidence: In 2005, toxicity-weighted tons (cancer) of emissions will be reduced by 22% from the 1993 baseline level of 4.16 tons. Toxicity-weighted tons (non-cancer) will be reduced by 55% from the 1993 baseline level of 4.85 tons. A Measure Implementation Plan (MIP) for ambient data is under review. The recent Inspector General report, 'EPA's Method for Calculating Air Toxics Emissions for Reporting Results Needs Improvement' discusses problems with the 1993 baseline and the NTI.

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight 20%

Explanation: Annual estimates of toxicity weighted emissions reductions allows the program to link reductions to risk reduction, and thus to show some annual progress towards its long-term goals. However, the program lacks ambitious targets.

Evidence: Progress on these measures can be found at: Air toxics emissions reductions - www.epa.gov/ttn/chief/net/index.html. Annual targets are in the MIP for Toxicity Weighted emissions and will be published in GPRA documents in 2006.

PART Performance Measurements

Program: Air Toxics
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	44%	64%	40%	

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?
Answer: LARGE EXTENT
Question Weight 20%

Explanation: EPA continues to improve its cost effectiveness by utilizing experience gained by previous efforts in the program. Analysis shows that the rulemaking process has became less expensive over time. Efficiencies such as combined source categories were used to streamline and speed the process. While undertaking residual risk analyses, EPA will be using a two-tiered approach to determine if standards are necessary before entering a full-blown rulemaking process. The program is developing an efficiency measure that will assess the costs of emissions reductions over time.

Evidence: The EPA Inspector General found in 1996 that the Agency was actively seeking and adopting initiatives to speed and improve the MACT standard process. Increased efficiency over the past decade is demonstrated by assessing the average cost of a typical MACT standard. The average total expenditure (contract$) for a standard promulgated in 1993 was $1.1M, compared to $700K for a standard promulgated in 2003.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?
Answer: NA
Question Weight: 0%

Explanation: NA. There are no comparable programs to reduce air toxics on a national basis. There are a few State programs that aim at reducing air toxics of local interest, however most States have a very limited or no air toxics program.

Evidence: CAA Section 112

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?
Answer: SMALL EXTENT
Question Weight 20%

Explanation: The NAS Study: Air Quality Management in the United States discussed progress on air toxics reductions within existing statutory authority. However, assessments indicate that the program has had difficulties demonstrating results. Most recently the OIG has issued an evaluation report 'EPA's Method for Calculating Air Toxic Emissions for Reporting Results Needs Improvement.'

Evidence: NAS study and IG reports.

4.RG1 Were programmatic goals (and benefits) achieved at the least incremental societal cost and did the program maximize net benefits?
Answer: SMALL EXTENT
Question Weight 20%

Explanation: Progress has been made to minimize costs by allowing low-risk facilities emitting less HAPs to be exempt from a standard or have less costly options for control. Compliance options, emissions averaging, and pollution prevention options in MACT rules have reduced the overall costs of the air toxics program. However, the agency does not collect sufficient information to make a strong determination that it maximizes net benefits.

Evidence: In the Plywood and Composite Wood Products rule, EPA removed a low-risk subcategory, providing a process for individual facilities to demonstrate that they belong in the low-risk subcategory by performing a risk assessment. For Industrial Boilers, EPA included two site-specific compliance alternatives based on the 'health threshold provision' of the Act, each of which will reduce the compliance costs for sources whose noncancer risks are deemed to be below the known exposure threshold.

PART Performance Measurements

Program: Air Toxics
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	44%	64%	40%	

Measure: Percentage reduction in tons of toxicity-weighted (for cancer risk) emissions of air toxics, compared to 1993 baseline.

Additional Information: Measures percent reduction in the inventory of air toxic emissions (from a 1993 baseline), calculated as tons of emissions and multiplied by a unit risk estimate.

Year	Target	Actual	**Measure Term:** Long-term
1993	Baseline		
2010	19%		

Measure: Percentage reduction in tons of toxicity-weighted (for noncancer risk) emissions of air toxics, compared to 1993 baseline.

Additional Information: Measures percent reduction in the inventory of air toxic emissions (from a 1993 baseline), calculated as tons of emissions and divided by the reference concentration to get noncancer tons.

Year	Target	Actual	**Measure Term:** Long-term
1993	Baseline		
2010	55%		

Measure: Cumulative percentage reduction in tons of toxicity-weighted (for cancer risk) emissions of air toxics, compared to 1993 baseline.

Additional Information: Measures percent reduction in the inventory of air toxic emissions (from a 1993 baseline), calculated as tons of emissions and multiplied by a unit risk estimate.

Year	Target	Actual	**Measure Term:** Annual
1993	Baseline		
2006	22%		
2007	22%		
2008	21%		
2009	20%		
2010	19%		

PART Performance Measurements

Program: Air Toxics
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	44%	64%	40%	

Measure: Cumulative percentage reduction in tons of toxicity-weighted (for noncancer risk) emissions of air toxics, compared to 1993 baseline.

Additional Information: Measures percent reduction in the inventory of air toxic emissions (from a 1993 baseline), calculated as tons of emissions and divided by the reference concentration to get noncancer tons.

Year	Target	Actual
1993	Baseline	
2006	55%	
2007	56%	
2008	56%	
2009	55%	
2010	55%	

Measure Term: Annual

Measure: Tons of toxicity-weighted (for cancer and noncancer risk) emissions reduced per total cost ($). (Targets and baseline under development)

Additional Information: Will measure cumulative reduction in toxicity-weighted emissions divided by estimated total dollars spent by the Federal Government and regulated industries.

Year	Target	Actual

Measure Term: Long-term

PART Performance Measurements

Program: Alaska Native Villages
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	50%	11%	7%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of the program is clearly laid out in its authorization legislation which states: ... The Administrator of the Environmental Protection Agency may make grants to the State of Alaska for the benefit of rural and Native villages for: (1) the development and construction of public water systems and wastewater systems to improve the health and sanitation conditions in the villages; and (2) training, technical assistance, and educational programs relating to the operation and maintenance of sanitation services in rural Native villages.

Evidence: Section 303(a) of the Safe Drinking Water Act Amendments of 1996, and EPA's FY 1995 Appropriations Act.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: The program addresses the water and wastewater needs of rural and Native Alaska communities, many of which lack basic sanitation infrastructure - specifically, flush toilets and running water. In these communities, honeybuckets and pit privies are the sole means of sewage collection and disposal. Residents hand haul water to their homes from watering points. Raw sewage pitched from honeybuckets, uncovered sewage pits, and bunkers filled with human waste pose an immediate threat to the health and environment of village residents. Although considerable progress has been made over the years, approximately one in four homes still lack safe running water and a flush toilet.

Evidence: EPA's 2001 Drinking Water Infrastructure Needs Survey, EPA's 1995 Federal Field Work Group Report to Congress on Alaska Rural Sanitation, State's Rural Alaska Sanitation Status data, and Indian Health Service's Sanitation Deficiency System.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: EPA and other federal and state agencies/organizations work together as partners in improving rural Alaska sanitation conditions. Each agency plays a distinct role and contributes in a unique way. The overall effort is directed by a joint strategy developed through the Governor's Council on Rural Sanitation. The Alaska Dept. of Environmental Conservation's (ADEC) Village Safe Water (VSW) program is the lead state agency in managing and administering water and sewer projects. Using funding from EPA, USDA/RUS and the State of Alaska, VSW assists Native and rural communities with the planning, design, and construction of sanitation improvements.

Evidence: Governor's Council on Rural Sanitation 2005 Action Plan; Memorandum of Understanding between EPA and VSW; Memorandum of Understanding between USDA/RD and VSW; and Memorandum of Understanding between IHS/ANTHC.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: The program provides grant money to the State of Alaska for drinking water and wastewater projects in rural areas. This approach provides for flexibility to meet the State's highest priority needs.

Evidence:

PART Performance Measurements

Program: Alaska Native Villages
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	50%	11%	7%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: Federal authorization and the State statute relating to the program are very specific as to program beneficiaries and the program's purpose. The beneficiaries are the 191 Alaskan rural and Native villages targeted in 1995 by the State of Alaska for public water and wastewater systems. To ensure all eligible communities receive an equal opportunity to apply for funds and to ensure project funds are targeted to program goals, the program employs a very structured application/prioritization process: 1) annually, applications are sent to every community in Alaska that is eligible, 2) completed applications and questionnnaires are returned to VSW, and 3) applications are prioritized using a numerical scoring system .

Evidence: Section 303 (a) of the Safe Drinking Water Act, Alaska Statute 46 Chapter 7, VSW Project Prioritization Criteria System. ADEC's Rural Alaska Sanitation Status database and baseline.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 13%

Explanation: The program worked with the State to develop a drinking water-related long-term outcome measure for the program. The program also has a long-term output that tracks progress toward proving wastewater and drinking water systems to 100 percent of the households. Over the next year, the program should work to develop a clean water-related long-term outcome measure.

Evidence: See measures tab.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight 13%

Explanation: The program is in the process of developing targets and timeframes for its long-term outcome measure. The program has targets and timeframes for its long-term output measure.

Evidence:

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight 13%

Explanation: The program has an annual output performance measure that tracks progress toward providing rural and Native households access to safe drinking water and sanitation systems. The program also has an annual output efficiency measure.

Evidence: See measures tab.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight 13%

Explanation: The program is in the process of developing targets and baselines for its efficiency measure.

Evidence:

PART Performance Measurements

Program: Alaska Native Villages
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	50%	11%	7%	

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: NO Question Weight: 13%

Explanation: The program does not require partners to report and track progress toward its long-term and annual goals.

Evidence:

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight: 13%

Explanation: Independent evaluations on the effectiveness of the Alaska rural and Native village program have not been performed. Currently, financial audits are being conducted by the State's Office of Inspector General and EPA's Region 10 Inspector General Office. GAO is currently reviewing the program.

Evidence:

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight: 13%

Explanation: The Agency estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy and legislative changes. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification.

Evidence: President's Budget Proposal for FY 2005.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 13%

Explanation: The program has recently undertaken some small efforts to improve its strategic planning deficiencies, and has worked with the State to develop a suitable measures implementation plan. Over the next year the program should work closely with the State on strategic planning and performance tracking.

Evidence:

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: NO Question Weight: 11%

Explanation: While EPA collects limited information semi-annually from the VSW program on the status of all projects funded with EPA monies, it is unclear how this information is used to improve program management or performance.

Evidence:

PART Performance Measurements

Program: Alaska Native Villages
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	50%	11%	7%	

3.2	**Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**	Answer: NO	Question Weight:11%

Explanation: According to the legislative audit, poor project management by the State has led to cost overruns and other wasteful spending. There is no evidence that EPA has held the State accountable for these problems.

Evidence: State of Alaska legislative audit (2003)

3.3	**Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**	Answer: NO	Question Weight:11%

Explanation: The legislative audit found many unexplainable purchases of services and equipment.

Evidence: State of Alaska legislative audit (2003)

3.4	**Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**	Answer: NO	Question Weight:11%

Explanation: The program has developed an efficiency measure but lacks the baseline and targets that would assist in tracking programmatic efficiencies. The legislative audit also found the State did not competitively source its contracts and purchases.

Evidence: State of Alaska legislative audit (2003)

3.5	**Does the program collaborate and coordinate effectively with related programs?**	Answer: YES	Question Weight:11%

Explanation: EPA program managers collaborate and coordinate with the State VSW and ANTHC program managers, and with other agency management on administration of the rural and Native village sanitation program. Regional staff meet with Alaska Native organizations and participate in conferences and on state-wide workgroups to provide technical assistance and advice on public health and water quality issues.

Evidence: Memorandum of Understandings are in place between Alaska DEC, ANTHC and the federal agencies.

3.6	**Does the program use strong financial management practices?**	Answer: NO	Question Weight:11%

Explanation: Single audits in 2001 and 2002 found weaknesses and recommended corrective action. EPA is currently working with the State and OIG to respond to these weaknesses. The State audit also found the program used poor financial management practices.

Evidence: 2001-02 Single AuditsState of Alaska legislative audit (2003)

3.7	**Has the program taken meaningful steps to address its management deficiencies?**	Answer: NO	Question Weight:11%

Explanation: While some small efforts have been made by EPA, it is too early to tell whether these actions will result in substantive changes. EPA should continue to work with the State in the upcoming year to correct the program's significant management problems.

Evidence:

PART Performance Measurements

Program: Alaska Native Villages
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	50%	11%	7%	

3.BF1 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: NO Question Weight 11%

Explanation: The program lacks sufficient oversight capacity at both the Federal and State level, as evidenced by the findings of waste and abuse in the State's legislative audit.

Evidence: State of Alaska legislative audit (2003)

3.BF2 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: NO Question Weight 11%

Explanation: EPA does not collect the most important performance-related information from the State and make it publicly available. The program's State websites also do not provide useful performance information.

Evidence:

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: NO Question Weight 20%

Explanation: The goals are new , with targets and timeframes still under development.

Evidence:

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight 20%

Explanation: The program can demonstrate progress toward a previous annual output goal that tracks wastewater systems, a component of the new annual goal.

Evidence: See measures tab.

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: NO Question Weight 20%

Explanation: No for 3.4

Evidence:

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NO Question Weight 20%

Explanation: This program does not compare favorably to other regionally-focused drinking water and wastewater programs. While Alaska projects present special problems not faced by other water infrastructure programs, this program appears to have inadequate program management, which hinders its ability to track performance and ensure results.

Evidence:

PART Performance Measurements

Program: Alaska Native Villages
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	50%	11%	7%	

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: NO Question Weight 20%

Explanation: Evaluations of sufficient scope and quality have not been performed.

Evidence:

PART Performance Measurements

Program: Alaska Native Villages
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	50%	11%	7%	

Measure: Percent of Alaska rural and native households with drinking water and wastewater systems.

Additional Information: Baseline: As of 2003, 77% of the households have been served.

Year	Target	Actual	**Measure Term:**	Annual
2003	77%			
2004	80%			
2005	83%			
2006	86%			

Measure: By 2011, provide wastewater and drinking water systems to the remaining Alaska and Native Village population living in unserved homes.

Additional Information: Baseline: As of 2003, 77% of the households have been served.

Year	Target	Actual	**Measure Term:**	Long-term
2011	100%			

Measure: Number of households served with wastewater and drinking water systems per million dollars (EPA and State)

Additional Information:

Year	Target	Actual	**Measure Term:**	Annual
2006				

Measure: Percent of Alaska rural and Native households with drinking water that meets SDWA requirements.

Additional Information:

Year	Target	Actual	**Measure Term:**	Long-term

PART Performance Measurements

Program: Brownfields
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	90%	17%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The statute describes the purpose of the program is to 'promote cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, and to enhance state response programs.' Subtitle A authorizes EPA to provide grants to eligible entities to assess, cleanup, establish revolving loan funds, conduct job training programs, and perform targeted site assessments at brownfileds sites, as well as for research and technical assistance. Subtitle C authorizes EPA to award grants to States and Indian tribes to establish or enhance programs.

Evidence: Small Business Liability Relief and Brownfields Revitalization Act (PL 107-118)

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Office of Technology Assessment estimated that there are over 450,00 brownfields properties. Program provides financial and technical assistance to assess, cleanup, and leverage the redevelopment of these brownfield properties.

Evidence: The Office of Technology Assessment report State of the States on Brownfields: Program for Cleanup and Reuse of Contaminated Sites (OTA-BP-ETI-153, June 1995) indicated the range of brownfields sites in the U.S.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: EPA's Brownfields program does not replicate other federal programs and targets contaminated properties not addressed by other federal programs. Program partners with other federal agencies to coordinate efforts and achieve goals. In addition to federal agencies, the program works in partnership with and provides funding to states, tribes, and local governments as outlined by the authorizing statute.

Evidence: FY 03 Grant Funding Guidance for State and Tribal Response Programs; FY 03 Proposal Guidelines for Brownfields Assessment, Revolving Loan Fund and Cleanup Grants; FY 03 Proposal Guidelines for Brownfields Job Training Grants; Brownfields Federal Partnership Action Agenda

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: No major flaws in the program design have been identified. Program strongly supported by stakeholders, and the interest and support for the program continues to grow. No known studies on the cost effectiveness of the program, though independent research found that "$2.48 in private sector funds are leveraged for every dollar that is invested by the public sector" for brownfields cleanup.

Evidence: The program continues to receive increased interest from all stakeholder groups. In 2003, the program received over 1300 applications for funding, but the program anticipates that it will only be able to fund approximately 200 applicants. Council for Urban Economic Development (CUED) study, "Brownfields Redevelopment: Performance Evaluation;"

PART Performance Measurements

Program: Brownfields
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	90%	17%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: Program competes all Subtitle A grants nationally, using the selection criteria outlined in the authorizing statute. Authorizing statute also outlines entities eligible to receive grants and activities allowable for grant funding. Subtitle A grants are predominately awarded to local, state, and tribal governments with some minor distributions to non-profits.

Evidence: Small Business Liability Relief and Brownfields Revitalization Act (PL 107-118); Proposal Guidelines for Brownfields Assessment, Revolving Loan Fund and Cleanup Grants; Proposal Guidelines for Brownfields Job Training Grants; Proposal Guidelines for Brownfields Training, Research, and Technical Assistance Grants and Cooperative Agreements; Grant Funding Guidance for State and Tribal Response Programs

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 12%

Explanation: The program funds assessments and cleanup of properties. OMB views the output of assessments as an appropriate goal since it is the first step to be taken in redevelopment and the program is by its nature a 'process'.

Evidence: 2003 EPA Strategic Plan, EPA's Annual Reports, Small Business Liability Relief and Brownfields Redevelopment Act

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight 12%

Explanation: Guidance states, "Targets and timeframes must be ambitious ... must be set at a level that promotes continued improvement and achievable efficiencies." FY 2003 appropriations for brownfields assessments are nearly twice the FY 2001 appropriation, yet performance is expected to be about the same as FY 2001 for the foreseeable future. Targets and timeframes do not appear ambitions or set at a level that promotes continued improvement or efficiency. The program argues that the program's recent authorization and subsequent large funding increase has outpaced EPA's ability to reset its goals.

Evidence: 2003 EPA Strategic Plan, Annual Performance Report and Congressional Justifications

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight 12%

Explanation: EPA tracks the number of assessments that it conducts each year. EPA is developing efficiency measures.

Evidence: EPA Annual Performance Report and Congressional Justification

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight 12%

Explanation: The program has established the baseline and developed performance targets based on prior year program performance. It is unclear that the program's goals are ambitious considering that the program has received a substantial increase in funding for FY 03. The program argues that the program's recent authorization and subsequent large funding increase has outpaced EPA's ability to reset its goals. See measures tab for more details.

Evidence: EPA Annual Performance Report and Congressional Justifications

PART Performance Measurements

Program: Brownfields
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	90%	17%	

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight:12%

Explanation: Grant recipients report on performance measures, including completed assessments and cleanups and the cleanup/redevelopment jobs and dollars leveraged. Grantee performance measure information is used to set and track progress towards long term program goals.

Evidence: EPA grantee terms and conditions require grantees to include information on performance measures in quarterly reports.

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight:12%

Explanation: No evaluations of significant scope have been conducted to date. Within the next couple years EPA's IG is required by the Brownfields authorizing legislation to "submit to Congress a report that provides a description of the management of the program."

Evidence: EPA OIG 2002 Memo 'Observations on EPA's Plans for Implementing Brownfields Performance Measures'

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight:12%

Explanation: While EPA estimates full annual costs of operating its programs, the Brownfields program does not tie resources to its outputs/outcomes. For instance, neither the new $50 M state categorical grants nor the two-year 64% increase to the assessment program have an output impact. It is unclear how additional resources would affect outcomes. Part of the challenge for EPA will be to adopt new performance metrics for the newly authorized catagorical grants, or link them to valid existing measures.

Evidence: Annual Congressional Justification, Budget Automation System (BAS) reports;Agency's Integrated Financial Management System (IFMS) Reports

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:12%

Explanation: Strategic planning deficiencies stem from a lack of performance measures and links between performance and budgets. Program collects performance information from grantees in quarterly reports, as outlined in grantee terms and conditions. Performance information is stored in the Brownfields Management System (BMS) and reviewed for quality assurance. Management utilizes performance information to adjust out-year projections for both annual and long term goals. In addition to its utility in setting and monitoring progress towards program goals, BMS also provides anecdotal information on partner successes and challenges that inform program management. Monthly reports are generated to inform headquarters and regional managers of program progress.

Evidence: Grantee Terms and Conditions, Brownfields Data Primer, Brownfields Management System (BMS)

PART Performance Measurements

Program: Brownfields
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	90%	17%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight:10%

Explanation: Program collects performance information from grantees in quarterly reports, as outlined in grantee terms and conditions. Performance information is stored in the Brownfields Management System (BMS) and reviewed for quality assurance. Management utilizes performance information to adjust out-year projections for both annual and long term goals. In addition to its utility in setting and monitoring progress towards program goals, BMS also provides anecdotal information on partner successes and challenges that inform program management. Monthly reports are generated to inform headquarters and regional managers of program progress.

Evidence: Grantee Terms and Conditions, Brownfields Data Primer, Brownfields Management System (BMS)

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: NO Question Weight:10%

Explanation: No evidence provided to demonstrate the linkage to performance.

Evidence: None.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight:10%

Explanation: Each fiscal year, the program executes an operating plan that displays appropriated resources allocated by goal, objective, subobjective, program and object class. Program budget is aligned with the Agency's Strategic Plan. Obligations and expenditures are tracked in the Agency's Integrated Financial Management System (IFMS) against the Operating Plan. In FY 2002, the program obligated 100% of its resources in IFMS. EPA works with grantees to ensure that their work plans reflect the Agency's Strategic Plan and Operating Plan and that recipient spending is consistent with the approved workplan. Each program office and grants management office conducts post-award monitoring of assistance agreements, including monitoring the draw-down of funds against grantee progress on workplan tasks and deliverables. This monitoring ensures that recipients are spending the funds designated to each program area for the intended purpose. All grantees are required to submit annual or more frequent financial status reports.

Evidence: EPA's annual Operating Plan and Congressional Justification, EPA's Strategic Plan, Budget Automation System (BAS) data, EPA's Annual Report and Financial Statements. EPA's Policy on Compliance, Review, and Monitoring (EPA 5700.6, Advanced post-award monitoring (i.e. on and off-site grantee review) reports, documentation of post-award monitoring in assistance agreement files, grantee financial status reports.

PART Performance Measurements

Program: Brownfields
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	90%	17%	

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight:10%

Explanation: Program selects grant recipiets on a competitive basis. It contracts competitively and subsequently monitors contract cost, schedule, and performance. Program nationally competes all grants. This is the first year grants will be awarded under authorizing statute. Previous pilot awards considered applicant past performance. Future awards will also consider grantee performance in selection criteria. Program developing business case for the Brownfields Management System (BMS) through the OMB Capital Planning and Investment Control (CPIC) process.

Evidence: Requests for Proposals for major contracts; Monthly Progress Reports and Invoices from all contractors; FY 03 Grant Funding Guidance for State and Tribal Response Programs; FY 03 Proposal Guidelines for Brownfields Assessment, Revolving Loan Fund and Cleanup Grants; FY 03 Proposal Guidelines for Brownfields Job Training Grants; Brownfields Federal Partnership Action Agenda

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight:10%

Explanation: The program is collaborating on the One Cleanup Program which works to present a unified picture of Agency land cleanup programs. The program has had an active dialogue with and participation from the states in implementing Subtitle C of the Brownfields law. The program continues to work with the Office of Underground Storage Tanks to accommodate the inclusion of petroleum sites within the definition of brownfields.

Evidence: EPA One Cleanup Program website: http://www.epa.gov/oswer/onecleanupprogram/ ; FY 03 Grant Funding Guidance for State and Tribal Response Programs

3.6 Does the program use strong financial management practices? Answer: YES Question Weight:10%

Explanation: The program follows EPA's financial management guidelines for use of funds. EPA's controls on improper payments are based on GAO and other principles. At each step in the process, the propriety of the payment is reviewed. Training ensures staff understand their invoice review and financial responsibilites. EPA received an unqualified audit opinion on its FY03 financial statements with no audit material weaknesses. EPA met the new accelerated due dates for financial statements. The program has no material weaknesses and has procedures in place to minimize erroneous payments. The OIG's January 03 report on improper contract payments at EPA concluded that the number of improper contract payments found is minimal and EPA appears focused on providing high quality and accurate contract payments.

Evidence: Annual Congressional Justification, Budget Automation System (BAS) reports, unqualified audit opinion on EPA FY02 financial statements, Fiscal Year 2002 Advice of Allowance Letter, 2002 Integrity Act Report, resource policies at: http://intrasearch.epa.gov/ocfo/policies.

PART Performance Measurements

Program: Brownfields
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	90%	17%	

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight:10%

Explanation: The program uses various mechanisms including monthly calls and periodic HQ/Regional coordination meetings to discuss program performance and budgeting/strategic planning for outyears (e.g., discuss changes to allocation of budget dollars among various grant types). The program participates in Agency grant management reviews. As the Brownfields Law was signed last year, the program is developing its own protocol for regular regional grant management reviews. The program also conducts data quality reviews, both at the national and regional level, of the information reported in grantee quarterly reports prior to entry into the Brownfields Management System (BMS), the program performance measure database.

Evidence: Program does not have any identified material deficiencies in management as identified in the FMFIA annual review process; Brownfields Data Primer.

3.CO1 Are grants awarded based on a clear competitive process that includes a qualified assessment of merit? Answer: YES Question Weight:10%

Explanation: The program competes all Subtitle A grants nationally using evaluation criteria stipulated in the grant guidelines. The evaluation criteria originate from the authorizing statute. Applicant review panels include participation of various EPA offices as well as other federal agencies. The program broadly publicizes grant opportunities through federal register notices, press releases, web postings, list serve notices, and inclusion in the Catalog of Federal Domestic Assistance. Program continues to receive and award grants to new program participants.

Evidence: 2003 Proposal Guidelines for Brownfields Assessment, Revolving Loan Fund and Cleanup Grants; 2003 Proposal Guidelines for Brownfields Job Training Grants; Proposal Guidelines for Brownfields Training, Research, and Technical Assistance Grants and Cooperative Agreements; Grant Funding Guidance for State and Tribal Response Programs

3.CO2 Does the program have oversight practices that provide sufficient knowledge of grantee activities? Answer: YES Question Weight:10%

Explanation: Program negotiates work plans prior to grant award. Grantees submit quarterly reports including information on performance measures and budget. Program monitors grantee budget expenditures to ensure that funded activities are eligible and allowable. The program also conducts data quality reviews, both at the national and regional level, of the information reported in grantee quarterly reports prior to entry into the Brownfields Management System (BMS), the program performance measure database.

Evidence: Brownfields Data Primer

3.CO3 Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner? Answer: YES Question Weight:10%

Explanation: EPA collects grantee performance information on a quarterly basis. Grantee performance information aggregated and provided in EPA Annual Performance Reports and Congressional Justifications. Individual grantee performance information is scheduled to be available to the public by the end of the fiscal year.

Evidence: EPA Annual Reports; Brownfields Management System (BMS) database

PART Performance Measurements

Program: Brownfields
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	90%	17%	

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight 25%

Explanation: While the program has already achieved its longterm goals in the current strategic plan. New goals are now being established in EPA's new strategic plan. As stated above those goals do not appear ambitious.

Evidence: 2003 EPA Strategic Plan

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight 25%

Explanation: The program has achieved its goals along with its program partners over the last several years.

Evidence: EPA Annual Reports

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: NO Question Weight 25%

Explanation: EPA is developing its efficiency/cost effectiveness measures.

Evidence: FY 03 Proposal Guidelines for Brownfields Assessment, Revolving Loan Fund and Cleanup Grants; Brownfields Grantee Property profile

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation: Program unique from other federal and private efforts. Could be compared to EPA OUST program as it is land cleanup program that addresses smaller sites (including petroleum properties); however, program design is quite different as it performs assessments.

Evidence:

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: NO Question Weight 25%

Explanation: No evaluations of significant scope have been conducted to date. Within the next couple years EPA's IG is required by the Brownfields authorizing legislation to "submit to Congress a report that provides a description of the management of the program."

Evidence: EPA OIG 2002 Memo 'Observations on EPA's Plans for Implementing Brownfields Performance Measures'

PART Performance Measurements

Program: Brownfields
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	90%	17%	

Measure: Brownfields Properties Assessed

Additional Information: This measure tracks the number of brownfields properties assessed by program grant recipients. Grantees report on this measure in quarterly reports.

Year	Target	Actual	**Measure Term:** Long-term
2002	2,500		
2008	9,200		

Measure: Assessed Properties Redeveloped (new measure - targets under development)

Additional Information: This measure shows if assessments are leading to redevelopment.

Year	Target	Actual	**Measure Term:** Annual

Measure: Dollars leveraged at Brownfields properties

Additional Information: This measure tracks the amount of cleanup/redevelopment funding leveraged by program grant recipients at brownfields properties. Grantees report on this measure in quarterly reports.

Year	Target	Actual	**Measure Term:** Long-term
2005	$3.0 B		
2008	$10.2 B		

Measure: Measure Under Development

Additional Information: Sites Redeveloped per million dollars

Year	Target	Actual	**Measure Term:** Annual (Efficiency Measure)

PART Performance Measurements

Program: Civil Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assurance
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	100%	25%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of EPA's Civil Enforcement Program (i.e., compliance assistance, compliance incentives, compliance monitoring, and civil and administrative enforcement actions) is to protect human health and the environment by ensuring that regulated entities achieve full compliance with the nation's environmental laws; and by assisting and overseeing our state, tribal, and local partners in achieving maximum compliance with federal and state environmental laws. All major environmental laws provide the Agency enforcement and oversight authority, as well as authority to achieve compliance through other means (e.g., compliance assistance). The program purpose is embodied in the Agency's strategic plan, and the mission statements of the Office of Enforcement and Compliance Assurance (OECA) and its subsidiary offices.

Evidence: EPA 2003-2008 Strategic Plan (EPA-190-R-03-003), Goal 5, Objective 5.1, Subobjectives 5.1.1 - 5.1.3, pp. 111-113; Goal 3, Objective 3.2, Subobjective 3.2.3, p. 65; EPA 2000 Strategic Plan (EPA 190-R-00-002), goal 5 and goal 9; Citations to Regulatory Authority (Appendix C, EPA Strategic Plan); OECA mission statements

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Though progress has been made addressing the nation's environmental problems over the past 30 years, the Agency is still faced with significant environmental challenges. In June of 2003 The Agency released its first draft 'State of the Environment.' The report 'describes what EPA knows ' and doesn't know ' about the current state of the environment at the national level, and how the environment is changing.' The report shows that though significant progress has been made there are still many challenges that remain, and many areas where we don't have data needed to assess the state of the environment.In order to protect human health and the environment the United States has a vast array of environmental statutes and regulations covering a regulated universe numbering more than 41 million entities. An effective national system for environmental protection depends on compliance of these entities with the nation's environmental laws and regulations. The Civil Enforcement Program is responsible for maximizing compliance with 10 distinct federal environmental statutes, covering 28 separate program areas. The program focuses on environmental risks and noncompliance patterns that contribute to environmental and public health problems associated with industry sectors, specific pollutants, geographic areas, and particular facilities or companies. In addition, the program works with, and provides assistance to, our state, tribal, and local partners to help them improve compliance. Compliance assistance is also provided directly to regulated entities to help them understand and meet their environmental obligations. Assistance is targeted to specific environmental problems, industry sectors, and particular entities such as small business and local governments.

Evidence: EPA 2003-2008 Strategic Plan (EPA-190-R-03-003), Goal 5, Objective 5.1, Subobjectives 5.1.1 - 5.1.3, pp. 111-113; Goal 3, Objective 3.2, Subobjective 3.2.3, p. 65; EPA 2000 Strategic Plan (EPA 190-R-00-002), regulatory citations in Appendix C; research on size of the regulated universe; EPA's Planned Compliance Assistance Activities for FY 2004: Preliminary Highlights of the Annual Plan and Inventory (EPA 305-F-03-014); Draft Report on the Environment 2003 (EPA-260-R-02-006), http://www.epa.gov/indicators/

Program: Civil Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assurance
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	100%	25%	

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: While working closely with program partners the federal civil enforcement program makes a unique contribution to protecting the environment by ensuring compliance with environmental laws, and protecting human health and the environment. The federal role in the civil enforcement program is to: implement and enforce programs that cannot be delegated to states and tribes (e.g. the Emergency Planning and Community Right to Know Act, the Oil Pollution Act), and programs that have not yet been delegated to states and tribes; to handle more complex cases involving multiple states or trans-boundary issues; to deal with issues that require expertise or resources that only EPA can provide; and to provide enforcement when states and tribes are unable or unwilling. The Civil Enforcement Program is also responsible for ensuring that states and tribes maintain their enforcement programs in accordance with federal law, and delegation agreements.

Evidence: Fiscal Year 2005-2007 OECA National Program Guidance, http://www.epa.gov/ocfo/npmguidance/oeca/2005/oeca_npmguidance.pdf; Fiscal Year 2004 OECA Memorandum of Agreement Guidance Update, July 24, 2003; Memorandum, 'Revised Policy Framework for State/EPA Agreements,' August 25, 1986; Memorandum, 'Oversight of State and Local Penalty Assessments: Revisions to the Policy Framework for State/EPA Agreements,' July 20, 1993; Federal Register Notice requesting feedback for national priority selection (FR Vol. 68, No. 237, December 10, 2003).

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: The program employs a set of four tools to ensure that program activities have a significant impact on the environmental problems addressed. Compliance assistance: through various forms of outreach including visits to regulated facilities, conferences, training sessions, targeted distribution of printed materials, online compliance assistance centers, and wholesaling of compliance assistance information to states and other partners; compliance incentives: through policies which motivate facility self-audits by providing penalty relief for self-disclosed and corrected violations; compliance monitoring: through inspections and investigations; and through civil and administrative enforcement to correct current and deter future violations. Planning and analysis is done to develop tailored strategies that apply the most effective mix of these tools to address specific environmental risks or noncompliance patterns. The 'Integrated Strategies' pilot is testing a template that encourages the consideration and integration of all appropriate tools when developing a compliance and enforcement strategy. The goal in each instance is to enable the civil enforcement program to use its limited resources to achieve the highest level of compliance among the greatest portion of the identified regulated community. Currently, 10 Integrated Strategies pilots are being run in eight EPA regions in sectors such as construction and auto salvage. Six month updates for the pilots were submitted in October of 2003, and each pilot is on track to complete baselining activities by the end of the year.

Evidence: EPA's Planned Compliance Assistance Activities for FY 2004: Preliminary Highlights of the Annual Plan and Inventory (EPA 305-F-03-014); U.S. Environmental Protection Agency Fiscal Year 2001 Annual Report (EPA 190-R-02-001), U.S. Environmental Protection Agency Fiscal Year 2002 Annual Report (EPA 190-R-03-001), U.S. Environmental Protection Agency Fiscal Year 2003 Annual Report (EPA 190-R-03-002) for examples of sector initiatives, and tool specific results.; Memorandum from the Assistant Administrator for Enforcement and Compliance Assurance: Operating Principles for an Integrated Enforcement and Compliance Assistance Program, November 27, 1996; Memorandum from the Director of the Office of Compliance: Integrating Compliance Assistance and Incentives with Enforcement in EPA and State Planning Meetings, June 11, 2002; Draft Framework for Developing Integrated Compliance Assurance Strategies for Consideration by the Compliance Assistance and Policy Infrastructure (CAPI) Steering Committee; from the Assistant Administrator for Enforcement and Compliance Assurance: Using Integrated Strategies and Outcome Measurement to Address Environmental Problems, November 27, 2002

PART Performance Measurements

Program: Civil Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assurance
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	100%	25%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: A number of steps are taken to ensure that the civil enforcement program focuses on the most important environmental problems. The program conducts extensive analyses of enforcement and compliance data to identify trends and patterns of noncompliance. In-depth analyses are also done on 'emerging sectors;' those sectors that may, or have the potential, to pose significant environmental and human health problems in the future. To enhance the impact of the Civil Enforcement program, national compliance and enforcement priorities are selected to focus program efforts on a limited number of problems. Feedback on priority selection is gathered from States, Tribes, and other regulatory partners, the regulated community, and the interested public. Performance-based strategies, including performance goals and measures, are being developed for each national priority that will be implemented beginning in FY 2005. (For more detail on the National Priority setting process see the response to Question 8 in Section 2.) Regions have developed, and will begin using Regional plans in FY 2005. The regional plans outline regional priorities and areas where regions will focus their work in the coming year. The regional plans show how regional activities support Goal 5, Objective 5.1: Improve Compliance, of EPA's 2003-2008 Strategic Plan.

Evidence: Federal Register Notice requesting feedback for national priority selection (FR Vol. 68, No. 237, December 10, 2003); Template for Developing a Performance-Based Strategy for National Compliance and Enforcement Priorities, February 18, 2004; Fiscal Year 2005-2007 OECA National Program Guidance, http://www.epa.gov/ocfo/npmguidance/oeca/2005/oeca_npmguidance.pdf (See Section II, p. 4 for National Priority Goals); EPA Regional Plans, http://www.epa.gov/ocfo/regionplans/regionalplans2.htm

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 13%

Explanation: Long term PART measures are: pounds of pollutants reduced, treated, or eliminated; and a change in behavior as measured by the percentage of regulated entities making improvements in environmental management practices. In addition, there is a long term efficiency measure which is the pounds of pollutants reduced/FTE. The pollutant reduction measure is an end outcome, and the environmental management practices measure is an intermediate outcome, as defined in EPA's six-level measures hierarchy. These measures focus on the EPA's broad mission of protecting human health and the environment.

Evidence: EPA 2003-2008 Strategic Plan (EPA-190-R-03-003), Goal 5, Objective 5.1, Subobjectives 5.1.1 - 5.1.3, pp. 111-113; Goal 3, Objective 3.2, Subobjective 3.2.3, p. 65; EPA 2000 Strategic Plan (EPA 190-R-00-002), goal 5 and goal 9

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight 13%

Explanation: Although measures are being developed, it is not yet clear that ambitious targets and timeframes have been chosen. Some long-term measures have been developed in the context of the Agency Strategic Plan, which covers a five-year timeframe. OMB is concerned that the targets proposed in Goal 5 of the Strategic Plan could be improved to be more ambitious. As the agency develops its baselines and targets OMB recognizes the case dependent nature of setting a baseline and targets, but expects a more rigorous approach than that outlined last year in the SP.

Evidence: EPA 2003-2008 Strategic Plan (EPA-190-R-03-003), Goal 5, Objective 5.1, Subobjectives 5.1.1 - 5.1.3, pp. 111-113; Goal 3, Objective 3.2, Subobjective 3.2.3, p. 65; EPA 2000 Strategic Plan (EPA 190-R-00-002), goal 5 and goal 9

PART Performance Measurements

Program: Civil Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assurance
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	100%	25%	

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:13%

Explanation: The program's annual performance goals are a mix of output and outcome goals. Outcomes (e.g. pounds of pollutants reduced through enforcement actions, changes in behavior through assistance and incentives) contribute directly to the Agency's ultimate outcomes ' clean air, pure water, and protected land. The pounds of pollutants measure is also being revised to add a characterization of hazard and exposure to the current measure of pollutants reduced, treated, or eliminated. Improvement of the annual measure will also enable the same characterizations to be added to the long-term pollutant reduction measure identified in Question 2-1.

Evidence: U.S. Environmental Protection Agency Fiscal Year 2001 Annual Report (EPA 190-R-02-001), U.S. Environmental Protection Agency Fiscal Year 2002 Annual Report (EPA 190-R-03-001), U.S. Environmental Protection Agency Fiscal Year 2003 Annual Report (EPA 190-R-03-002);Superfund/Oil Program Implementation Manual Fiscal Year 2002/2003 (EPA 540-R-01-004), March 30, 2001; Compliance and Enforcement Data Systems; Attachments E

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight:13%

Explanation: It is not clear that the baseline and targets under development are ambitious. Depending on the measure, the program will use as a baseline either the previous years performance, or an average of the previous three years performance. OMB suggests that EPA obtain some statistical expertise to devise a baseline and targets that are meaningful, and take into account the annual variations that occur. A target of 5%, when the variation from year to year can be as great as 300%, is not meaningful. OMB recognizes that setting baselines and targets may be difficult, especially when the measure is case dependent, however, we believe this challenge must be met.

Evidence: U.S. Environmental Protection Agency Fiscal Year 2001 Annual Report (EPA 190-R-02-001); U.S. Environmental Protection Agency Fiscal Year 2002 Annual Report (EPA 190-R-03-001); U.S. Environmental Protection Agency Fiscal Year 2003 Annual Report (EPA 190-R-03-002); EPA FY 2005 Congressional Budget Justification, Goal 5, http://www.epa.gov/ocfo/budget/2005/2005cj.htm

Program: Civil Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assurance
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	100%	25%	

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight:13%

Explanation: In the past, national priorities were selected every two years. Beginning with FY 2005 national priorities will be selected to run concurrent with the three-year strategic planning cycle. The selection of national priorities is the primary planning tool employed by the enforcement program to direct activities to achieve long-term goals (See Attachment A for a list of the FY 2005 -2007 national priorities). The national priorities are incorporated into the Enforcement and Compliance Program's National Program Guidance, which also contains guidance for the Core Program. The Core Program guidance has been extensively revised for FY 2005 so that Regions are now required to make commitments to: quantitative goals, performance benchmarks, and, in some cases, project activity levels. National priorities now have performance goals and measures, and regions will also make commitments to ensure national priority goals are met. Regional commitments will be recorded in an online system, which will be used to track progress. The National Program Guidance, and individual regional plans serve as the basis for discussions between regions and states about use of program grant funds, and program planning. States and EPA sign these "performance agreements", and State actions are evaluated to ensure compliance.

Evidence: Fiscal Year 2005-2007 OECA National Program Guidance, http://www.epa.gov/ocfo/npmguidance/oeca/2005/oeca_npmguidance.pdf; Superfund/Oil Program Implementation Manual Fiscal Year 2002/2003 (EPA 540-R-01-004), March 30, 2001; Fiscal Year 2004 OECA Memorandum of Agreement Guidance Update, July 24, 2003; Memoranda of Agreement from Regions 1 through 10

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight:13%

Explanation: Although independent evaluations as defined in the PART instructions are not available, the civil enforcement program routinely collects and uses performance information to evaluate program effectiveness. There are compliance data systems in place tracking the performance of significant portions of the regulated community; and data analysis tools such as the Online Tracking Information System (OTIS) and the Integrated Data for Enforcement Analysis (IDEA) system that enable holistic multimedia analysis of facility-level compliance information, and sector and industry trends. For a complete description of the programs data systems, data analysis tools, and data quality activities please see the response to Question 1 in Section 3. In February of 2003 OECA completed an in-depth performance analysis of the NPDES Majors portion of the water program covering the period 1999-2001. The analysis used as a template the six performance-based questions outlined in the OECA report Using Performance Measurement Data as a Management Tool (see Attachment B). The key findings and conclusions illustrated patterns of enforcement activity, compliance levels, data quality, and program management. The report included 13 reommendations for improving the performance and management of the NPDES program; 12 of these recommendations have been implemented, or are in the process of being implemented (see Attachment D). Two additional performance analyses will be completed in FY 2004. An analysis of the Combined Sewer Overflow program is currently underway, and work has begun to narrow the focus of an analysis of some portion of the Resource Conservation and Recovery Act program. (See the response to Question 8 in Section 2 for more information on the Planning Council). In late 2003, the Deputy Administrator initiated a 120 Day Study on Superfund Program Management. The goal of the study is to identify specific options for using Superfund resources most efficiently in order to accomplish more site cleanups with existing resources. The study is scheduled for completion in mid-2004.

Evidence: Using Performance Measurement Data as a Management Tool, June 10, 2002; Final Report on the NPDES Majors Performance Analysis, February, 2003; See Attachment D for status on the implementation of recommendations from the NPDES Majors analysis

PART Performance Measurements

Program: Civil Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assurance
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	100%	25%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight:13%

Explanation: The Program's budget is aligned with EPA's Strategic Plan and requests are tied to annual and long-term performance goals. The Agency's budget structure aligns resources by goal, objective and sub-objective, presenting a clear and concise outline of needs at each level. The Agency estimates and budgets for the full annual costs of operating the civil enforcement program, taking into consideration any changes in funding, policy and legislative changes. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification. Performance data are considered at every step in EPA's planning and budgeting process (i.e., developing the OMB submission, Congressional Justification, annual Operating plan, and reporting results in the Annual Report). The Agency's financial information is integrated with performance and other program data to support day-to-day decision making of managers and executives. If funding levels change, this budgeting structure enables the program to easily estimate the impact on specific program components. The resource allocation supports specific performance outputs, which translate into outcomes.

Evidence: EPA's Annual Plan and Congressional Justification, Budget Automation System Reports, PERS, Operating Plan Guidance, OECA's spending plans. EPA was selected as a government-wide finalist for the 2002 President's Quality Award in the area of budget and performance integration.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:13%

Explanation: The program has taken significant steps in several areas to improve its strategic planning efforts over the past year. National priorities are selected to focus the program on high-priority problems, and to ensure that greatest results are being reaped from the resources employed. In addition to the extensive outreach already done the program held a national meeting in January with states, tribes, and other stakeholders to give them an opportunity to discuss and provide input on the selection of national priorities. States and tribes, and EPA regions were very appreciative of this increased collaboration, which has led to a greater consensus on selected priorities. Beginning with the FY '05-07 priorities the program will be developing performance-based strategies for each of the priorities. The strategies will include performance goals and measures, a priority plan that identifies tools and techniques to address the problem, a communication plan, and an exit strategy. Also new this year, states and tribes are participating on all but one of the national priority strategy development teams. The program will begin working in 2004 on adding a characterization of hazard and exposure to the Program's current measure of pollutants reduced, treated, or eliminated as a result of compliance and enforcement activities. For a description of the long-term plans to improve this measure see the Measure Improvement Plan in Attachment E. In December of 2002 the OECA Planning Review Team (PRT) released its final report, including recommendations for improving OECA planning, priority setting, application of tools to address problems, and use of performance information to improve program management and effectiveness. The following improvements have been made: 1) testablishment of the OECA Planning Council to set priorities, 2) two additional in-depth performance analyses are underway for CSO's and the RCRA program; 3) the national priority setting process has been streamlined and synchronized with the strategic planning process .to help ensure they are aligned with and support the strategic plan.

Evidence: Federal Register Notice requesting feedback for national priority selection (FR Vol. 68, No. 237, December 10, 2003); Final Report of the OECA Planning and Review Team: Recommendations for Improving OECA Planning, Priority Setting, and Performance Measurement, December 18, 2002; Memorandum from the Assistant Administrator for Enforcement and Compliance Assurance: Establishing the Office of Enforcement and Compliance Assurance (OECA) Planning Council, February 25, 2003.

PART Performance Measurements

Program: Civil Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assurance
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	100%	25%	

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?

Answer: YES Question Weight:14%

Explanation: The Agency collects performance information on a routine basis from state and federal partners, and on its own performance. Both baseline performance data and trend information is captured in national data systems to inform management and Congress of the state of the program, and the progress toward performance goals. Phase I of the Integrated Compliance Information System (ICIS), allows headquarters and regional offices to collect, track and manage (in real-time) compliance information from inspections through settlement of enforcement actions. Phase II of ICIS is modernization of the CWA Permit Compliance System (PCS). . PCS Modernization will enable the tracking of additional enforcement and compliance CWA performance information. The Online Tracking Information System (OTIS) is a web interface that enables fast,tailored queries of the data in 12 data systems, enabling a multimedia approach to the analysis of environmental and enforcement trends. EPA and states use this system frequently (approx. 15,000 queries per month) A December 2002 audit report found that inspection data was very accurate in the CAA, CWA and RCRA data systems. A second random audit of formal enforcement action will review the quality of EPA and state formal enforcement action data in EPA data systems, data collection is schedule to be completed by the end of July. In April of 2003 OECA began distributing monthly management reports to headquarters and regional managers that contain key indicators of program performance. This was a recommendation of the OECA Planning and Review Team. A Watch List helps OECA better manage whether longstanding serious violators are being addressed with enforcement actions. The project ensures quarterly discussion between Regions and States of serious violators, and provides a new OECA review component in which Regions (in consultation with states) provide explanations for why particular cases are taking longer than expected. Senior management also uses Regional Profiles on delegated states.

Evidence: All of the measures used to evaluate the performance of the program are identified in Reporting for Enforcement and Compliance Assurance Priorities (RECAP), which is issued bi-annually by the program. Subsets of the measures included in this report are used for different purposes including semi-annual program status reports, an annual measures of success report, and the annual accomplishments report required under GPRA. Slide Presentation: Statistically Valid Noncompliance Rates, April 29, 2002; Case Conclusion Data Sheet Training Booklet, November 2000; Quick Guide for the Case Conclusion Data Sheet, November 2000; Report: Results of the Random Audit of FY 2001 Inspection Data, December 18, 2002; ICIS Phase II: PCS Modernization Fact Sheet, April 22, 2004.

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?

Answer: YES Question Weight:14%

Explanation: Performance standards for federal managers are based on program goals, and managers are evaluated on whether they have achieved program goals; bonuses and awards reflect program accomplishments as well. Memoranda of Agreement (MOAs), outlining regional goals and resource commitments, are used as a work planning tool between headquarters and regional senior managers. MOA goals are reviewed periodically by headquarters managers to ensure sufficient progress is being made towards achieving goals in the established time frame. Project Officers work closely with the Contract Officer to ensure that all billing and work is on schedule, within budgetary limitations, and meets contract requirements. See the response to question four in this section for an explanation of EPA's contractor assessment process and how it results in greater contractor accountability.

Evidence: EPA's Policy on Compliance, Review, and Monitoring dated August 2, 2002; Memorandum: OECA Post-Award Assistance Management Plan, January 28, 2002; Contract and grant spending plans; awards guidance.

PART Performance Measurements

Program: Civil Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assurance
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	100%	25%	

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight:14%

Explanation: Prior to the beginning of the fiscal year, the program develops an operating plan by activity that reflects how the program plans on spending its budget as requested in the President's Budget. Resources are allocated by goal, objective, and subobjective. Programs then adjust the operating plan to reflect appropriated levels. EPA's budget and annual Operating Plan are aligned with the Agency's Strategic Plan and approved by OMB and Congressional Appropriations Committees. Obligations and expenditures are tracked in the Agency's Integrated Financial Management System (IFMS) against the Operating Plan. Material changes to the enacted spending plan require a formal reprogramming of funds. Fund transfers between program objectives in excess of Congressional established limits require Congressional notification and/or approval. In FY 2002, the program obligated over 97% of its budget. As part of the year-end close out process, the Agency sends guidance to programs including deadlines on spending funds, and when expiring funds might be swept if they are not obligated. EPA works with grantees to ensure that their work plans reflect the Agency's Strategic Plan and Operating Plan, and that recipient spending is consistent with the approved workplan. Each program office and grants management office conducts post-award monitoring of assistance agreements, including monitoring the draw-down of funds against grantee progress on workplan tasks and deliverables. This monitoring ensures that recipients are spending the funds designated to each program area for the intended purpose. All grantees are required to submit annual or more frequent financial status reports.

Evidence: EPA's Annual Operating Plan and Congressional Justification; EPA 2000 Strategic Plan (EPA 190-R-00-002); EPA 2003-2008 Strategic Plan (EPA-190-R-03-003), Goal 5, Objective 5.1, Subobjectives 5.1.1 - 5.1.3, pp. 111-113; Goal 3, Objective 3.2, Subobjective 3.2.3, p. 65; Budget Automation System Reports, EPA's Annual Report and Financial Statements; OECA's spending plans; FY 2003 Year-End Close Out Guidance (signed by David Bloom, Acting, Director, Annual Planning and Budget Division.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight:14%

Explanation: Due to the inherently governmental nature of much of our enforcement activities, OECA's declaration of commercial positions under the Federal Activities Inventory Reform (FAIR) Act has been relatively modest. OECA will continue to evaluate its portfolio of activities to determine the appropriate mix of Federal FTE and contract support to achieve program objectives in the most cost efficient manner. For the services the program does contract for OECA has a policy emphasizing the use of performance requirements and quality standards in defining contract requirements, source selection, and quality assurance. This approach provides the means to ensure that the appropriate performance quality level is achieved, and that payment is made only for services which meet contract standards. OECA tracks the past performance of its contractors in order to ensure that the most qualified contractor is selected in the future. Contractors are assessed on cost, schedule, technical performance (quality of product or service), and business relations including customer satisfaction. Since the contractor is aware of the rating system it provides an incentive to maintain a high-level of performance during the contract period in order to improve the chances of being selected again in the future. The program has demonstrated improved efficiencies in generating outcomes over the past several years. For more detail see the response to Question 3 in Section IV for measures of efficiency in program execution.

Evidence: Memorandum: OECA Post-Award Assistance Management Plan, January 28, 2002; contract and grant spending plans.

PART Performance Measurements

Program: Civil Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assurance
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	100%	25%	

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight:14%

Explanation: The civil enforcement program collaborates with groups that represent the interests of state program partners such as the Environmental Council of the States (ECOS), and the National Association of Attorneys General (NAAG); and with media specific associations such as STAPPA/ALAPCO, ASIWPCA, and ASTSWMO on a variety of policies and projects. The program works closely with EPA program offices when selecting national priorities (see Sec II, Q8), and when developing compliance assistance information for new regulations. Superfund enforcement work planning is done collaboratively with the EPA Office of Solid Waste and Emergency Response (OSWER), and is carried out using the Superfund/Oil Program Implementation Manual (SPIM). Planning for RCRA Corrective Action Enforcement is also done collaboratively with OSWER and the Regions through the Mutual Performance Agreement (MPA) process. This includes a regional and headquarters Planning Council, and a streamlined planning process that more explicitly accounts for regional activities through the development of Regional Plans, and focuses on performance commitments. The program also collaborates with numerous Federal Agencies, and with states and tribes to ensure compliance with delegated Federal programs. The program works most closely with the Department of Justice (DOJ) who functions as legal counsel presenting the Federal Government in civil enforcement cases initiated and developed by the civil enforcement program. The program works closely with other Federal Agencies with which it shares program responsibilities for environmental protection, such as: the Department of Interior, the Department of Agriculture, the Coast Guard, and the Army Corp of Engineers through the Superfund, Section 117, Natural Resources Damages Assessment and Claims process. The program distributes $2.2 million in grants to build the capacity of state and tribal enforcement programs. Past grant have supported the development of outcome-based performance measures, public access to information, and data quality. The FY2004 grants support state activities to prepare them to use the new modernized PCS data system.

Evidence: Memoranda of Understanding with other federal agencies; Fiscal Year 2004 OECA Memorandum of Agreement Guidance Update, July 24, 2003; Superfund/Oil Program Implementation Manual Fiscal Year 2002/2003 (EPA 540-R-01-004), March 30, 2001; Notice of Availability for FY 03 Enforcement and Compliance Assurance Multi-Media Assistance Agreements, Federal Register, March 28, 2003.

3.6 Does the program use strong financial management practices? Answer: YES Question Weight:14%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives. EPA provides guidance and directives on resource operation and management for each fiscal year. The 'Advice of Allowance Letter' provides specific information on the current operating plan, budget ceilings, reprogramming limitations, Congressional limits and directives, unliquidated obligations, and re-certification guidance. During the fiscal year, OECA updates its sub-objective descriptions, which are used by the program to guide where spending will be charged based on the type of work being performed. In addition, OECA holds status of funds meetings with the Assistant Administrator, Deputy Assistant Administrator, and Office Directors to discuss resource and spending issues throughout the fiscal year. EPA received an unqualified audit option on its FY02 financial statements and had no material weaknesses associated with the audit.

Evidence: Annual Congressional Justification, Budget Automation System reports, Unqualified audit option on EPA FY02 financial statements, Fiscal Year 2003 Advice of Allowance Letter, EPA's FY 2003 Integrity Guidance, signed by Acting Administrator Marianne Lamont Horinko, dated October 23, 2003; The Agency's resource policies can be found at: http://www.epa.gov/ocfo,

PART Performance Measurements

Program: Civil Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assurance
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	100%	25%	

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 14%

Explanation: The program continuously reviews its policies, procedures, and guidance to assure that they support Agency and OECA goals and objectives, and reviews management deficiencies (with associated corrective actions) per the guidelines of the Federal Managers Financial Integrity Act (FMFIA). The results of each Office's reviews are provided to the Administrator, and discussions are held with OMB, GAO, and the OIG to outline steps for correcting FMFIA weaknesses, and improving management of OECA's Federal programs. OECA provides an annual letter to the Administrator to confirm that its policies, procedures, and guidance are adequate, and outlining any corrective actions needed to address weaknesses. Periodic updates on progress towards correcting weaknesses or meeting challenges are also reported.

Evidence: EPA's FY 2003 Integrity Guidance, signed by Acting Administrator Marianne Lamont Horinko, dated October 23, 2003.

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: SMALL EXTENT Question Weight: 25%

Explanation: Without adeuqate baselines and targets, progress is difficult to accurately measue, however, EPA is undertaking devloping and revising measures which are expected to produce more meaningful targets and a baseline. Over time the performance goals have changed and been refined. Over 1.52 billion pounds of pollution was eliminated from air, land, and water; 9.87 billion pounds of pollution was treated or removed; 6.5 billion gallons of polluted groundwater was treated; 2 million people are now served by drinking water systems brought back in to compliance; and 4,069 facilities disclosed and corrected violations under EPA's audit policies.

Evidence: U.S. Environmental Protection Agency Fiscal Year 2001 Annual Report (EPA 190-R-02-001), U.S. Environmental Protection Agency Fiscal Year 2002 Annual Report (EPA 190-R-03-001), U.S. Environmental Protection Agency Fiscal Year 2003 Annual Report (EPA 190-R-03-002)

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: SMALL EXTENT Question Weight: 25%

Explanation: Under Goal 9 of the FY 2000 EPA Strategic Plan the Civil Enforcement Program met or exceeded 7 of 8 (87.5%) of its annual performance goals (APGs) for FY 2003 [FY02 - 86%, FY01 - 100%, FY00 - 80%, FY99 - 100%]. This includes exceeding goals for pollutants reduced, treated or eliminated; number of facilities choosing to self-disclose and correct violations; and the number of facilities reached through targeted compliance assistance. Results for individual annual measures are outlined in Attachment H. The Program's annual performance goals are a mix of outputs and outcomes all of which contribute to achievement of long-term goals (see Attachment F for more detail on this linkage). Annual performance goals are set to be ambitious, while taking into account the case-dependent nature of many of the Program's outcomes. Annual performance goals are set as a annual percentage increase, which result in substantial absolute increases when the compounding nature of theses targets are considered (see response to Question 2.4). The Program is also submitting revising measures to characterize them as to risk.

Evidence: U.S. Environmental Protection Agency Fiscal Year 2001 Annual Report (EPA 190-R-02-001), U.S. Environmental Protection Agency Fiscal Year 2002 Annual Report (EPA 190-R-03-001), U.S. Environmental Protection Agency Fiscal Year 2003 Annual Report (EPA 190-R-03-002)

PART Performance Measurements

Program: Civil Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assurance
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	100%	25%	

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: SMALL EXTENT

Question Weight 25%

Explanation: Until there are adequate baselines and targets, it is hard to demonstrate efficiencies. Achievement of the Civil Enforcement Program's annual and long-term goals is highly dependent on the enforcement cases that are concluded each year. The case-dependent nature of annual and long-term program outcomes can result in significant variability in a measure from one year to the next. To address this variability the Civil Enforcement Program is basing its efficiency measures on three-year rolling averages where possible (i.e., sufficient historical data is available). Efficiency measures are based on results per Full Time Equivalent (FTE); the two time periods compared are FY00 - FY02 and FY01 - FY03. As part of the Agency's 2003 - 2008 Strategic Plan OMB has approved the use of two long-term measures to gauge the success of the Civil Enforcement Program: pounds of pollutants reduced, treated, or eliminated; and the number of regulated entities making improvements in environmental management practices. The three-year rolling average for pounds of pollutants reduced, treated or eliminated per FTE increased 118%; while the three-year rolling average for injunctive relief collected per FTE was up approximately 4%.The Civil Enforcement Program also tracks a number of other measures in order to gauge program efficiency. Sub-objective 5.1.1 of the new Strategic Plan covers the Civil Enforcement Program's compliance assistance activities. The average number of entities that were reached with compliance assistance activities between FY01-03 was up over 18% from the FY00-02 rolling average, and the three-year rolling average for the number of entities seeking compliance assistance was up over 27%. In FY02 the Program began measuring gallons of groundwater treated as a result of concluded enforcement cases, and number of people served by drinking water systems brought back in to compliance as a result of concluded enforcement cases. Since only two years of data is available, annual efficiency measures will be used for these enforcement outcomes. The FY03 value for gallons of groundwater treated per FTE is up 130% over the FY02 value; while the number of people served by drinking water systems brought back in to compliance per FTE in FY03 is down 37% as compared to the FY02 value. Both of these measures fall under Sub-objective 5.1.3: Monitoring and Enforcement, of the new Agency Strategic Plan, and roll up into the long-term measure on pollutant reductions.

Evidence: Data generated for PART analysis of the Civil Enforcement Program, comparing outcome trends and resource levels.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: NA

Question Weight: 0%

Explanation: There are no other programs with 'similar goals and purposes' that offer a valid comparison to EPA's Civil Enforcement Program. While other federal regulatory agencies have enforcement programs, they are seeking compliance with laws and regulations different from those for which EPA is responsible. Further, these other agencies have regulated universes that do not align with the regulated universe covered by the laws in EPA's purview. Comparisons with state enforcement programs are also invalid since those programs also enforce a host of state environmental and natural resource statutes in addition to the Federal statutes they enforce under delegated agreements. Furthermore, very few state enforcement programs measure any outcomes associated with their activities.

Evidence:

PART Performance Measurements

Program: Civil Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assurance
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	100%	25%	

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: NO

Question Weight 25%

Explanation: Currently, there are no comprehensive, independent, quality evaluations, as defined in the PART Guidance, for the Civil Enforcement Program. As noted earlier, the Civil Enforcement Program encompasses 10 distinct federal environmental statutes, covering 28 separate program areas, making it very unlikely that any third party would attempt an evaluation of this scope. EPA's Inspector General (IG) has identified a review of Compliance Assurance and Enforcement in its multi-year plan. The IG has identified the following key question for the evaluation, ' Are the enforcement approaches optimized to ensure compliance with environmental rules and regulations, and designed to protect human health and the environment?' The first step in this process was an evaluation of the Civil Enforcement Program's activities to address the petroleum refining national priority, which should be released soon. The petroleum refining evaluation will serve as the basis for future evaluations in the broader Compliance Assurance and Enforcement area. The IG's assessment is planned to be of sufficient scope such that it would enable the program to respond this question once complete. Over the past several years evaluations of particular components, or aspects of the program have been conducted by the General Accounting Office, the National Academy of Public Administration, and EPA's Office of Inspector General. These are listed in Attachment C.

Evidence: Annual Plan, EPA Office of Inspector General, http://www.epa.gov/oig/reports/2004/20040315-annual-plan.pdf; Attachment C

PART Performance Measurements

Program: Civil Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assurance
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	100%	25%	

Measure: Pounds of pollution reduced, treated, or eliminated

Additional Information: To be revised for risk

Year	Target	Actual	**Measure Term:** Long-term
2005	Baseline		

Measure: Pounds of pollutants reduced, treated, or eliminated, as a result of audit agreements.

Additional Information:

Year	Target	Actual	**Measure Term:** Annual

Measure: Dollars invested in improving environmental management practices as a result of audit agreements or other actions

Additional Information:

Year	Target	Actual	**Measure Term:**

Measure: Change in behavior as measured by the percentage of entities making improvements in management practices.

Additional Information: 5% increase by 2008, baseline set in 2005

Year	Target	Actual	**Measure Term:** Annual
2004	Baseline		

PART Performance Measurements

Program: Civil Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assurance
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	100%	25%	

Measure: Pounds of pollutants reduced, treated, or eliminated per FTE

Additional Information: To be revised for risk

Year	Target	Actual	**Measure Term:**	Efficiency
2004	Baseline			

Measure: Pounds of pollution estimated to be reduced, treated, or eliminated as a result of concluded enforcement actions

Additional Information: To be revised for risk

Year	Target	Actual	**Measure Term:**	Annual
2003	300 mil	600 mil		
2004	350 mil	1000mil		
2005	300 mil			
2006				

Measure: Percentage of concluded enforcement cases (including SEPs) requiring implementation of improved environmental management practices

Additional Information:

Year	Target	Actual	**Measure Term:**	Annual
2005	60%			
2006				

Measure: Percentage of concluded enforcement cases (including SEPs) requiring that pollution be reduced, treated, or eliminated.

Additional Information:

Year	Target	Actual	**Measure Term:**	Annual
2005	30%			

PART Performance Measurements

Program: Civil Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assurance
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	100%	25%	

2006

PROGRAM ID: 10000220

PART Performance Measurements

Program: Clean Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	26%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The CWSRF provides funds to states to establish state loan revolving funds that finance infrastructure improvements for public wastewater systems and other sources of water quality impairment. The CWSRF is essentially comprised of 51 state financing programs which are run in accordance with the federal statute and regulations. As such, each state establishes and funds its own highest priority eligible projects. The 51 CWSRF programs are a type of public bank intended to run in perpetuity to provide assistance for construction of publicly-owned wastewater treatment works and certain nonpoint source and estuarine projects.

Evidence: The program's authorizing statute (Water Quality Act of 1987, Pub.L. 100-4) and final rule (40CFR Part 35, subpart K) provide clear and consistent statements that the purpose of the CWSRF is to award grants to capitalize state revolving funds for the express purpose of providing loans and other forms of assistance (but not grants) for 1) wastewater treatment facility construction, 2) implementation of nonpoint source management plans, and 3) development and implementation of estuary conservation and management plans.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: The CWSRF provides a financial tool to address infrastructure construction needed to solve point and nonpoint sources of water pollution. The Agency released its report of the gap between funding and needs in FY2002. The CWSRF helps states provide an important tool to address the need and close the gap.

Evidence: The 1996 Clean Watersheds Needs Survey identified $139.5 billion of wastewater treatment needs through design year 2016. The most current needs survey, based on data collected in 2000, continues to document high levels of both traditional wastewater treatment needs and significant nonpoint source needs ($181.2 billion). See 1996 Clean Watersheds Needs Survey. 2002 Clean Watersheds Needs Survey. 2002 Gap Report. FY 2004 President's Budget. FY 2005 President's Budget.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: The CWSRF is an innovative financing approach, which replaced the federal construction grants program and added eligibilities for projects to control sources of diffuse polluted runoff. The federal investment is designed to be used in concert with other sources of funds to meet water quality needs. The program precludes duplicative funding of projects through regulatory constraints and segmentation of multiple sources of funding within EPA.

Evidence: 40 CFR 35.3125 Limitations on SRF Assistance specifies the prevention of double benefit.

PART Performance Measurements

Program: Clean Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	26%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: The CWSRFs utilize loans plus a state match, rather than grants, to enable a sustainable source of funding. The program design provides significant flexibility to the states to help optimize the fund, for example, by leveraging through the issue of bonds. The design ensures short-term sustainability of a state's fund by requiring all repayments and interest earnings to be deposited in the fund. Based on the success of the CWSRF model to provide a sustainable source of financing, other US revolving loan programs were established to address safe drinking water needs and brownfields clean-up.

Evidence: EPA tracks the program's long-term average annual funding level to assess long-term sustainability. Loan repayments and interest earnings increased from $1.7 in 1998 billion to $2.8 billion in 2003 (a 73% increase or 15% annually).Council of Infrastructure Financing Authorities (CIFA) Monograph 11 finds significant savings in the SRF loan structure compared to grants.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: States receive grants which are allotted according to the allocation specified in the CWA. States must develop priority systems which give emphasis to projects needed for public health protection, compliance and economic need on a per household basis. During required annual reviews of state programs, EPA regional staff review records to ensure that the state is in compliance with program requirements.

Evidence: CWA Title VI, 40 CFR Part 35.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 13%

Explanation: The agency has three long-term outcome perfomance measures that support the goals of: (1) Water Quality Protection, (2) Water Safe for Swimming, and (3) Safe Fish and Shellfish. These performance measures may be characterized as Level 6 on GAO's Hierarchy of Indicators (April 2000 review of EPA performance measures). The program also has a long-term output measure that assesses the program's long-term financial stability. Over the past year the program also developed a long-term outcome efficiency measure that tracks CWSRF funding per restored/improved waterbody.

Evidence: See measures tab.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight 13%

Explanation: EPA's targets and timeframes for its long-term measures for waterborne disease and fish consumption are not ambitious, particularly since they represent the efforts of the entire clean water program.

Evidence: See measures tab.

PART Performance Measurements

Program: Clean Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	26%	

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight:13%

Explanation: Although the annual outcome measure does not capture water quality improvements that derive only from SRF-funded projects, it measures a key intermediate outcome for which the SRF program was designed. The annual output measure tracks the pace of loan fund distribution.

Evidence: See measures tab.

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: NO Question Weight:13%

Explanation: Outcome measure targets are not ambitious because the measure does not include minor systems, which comprise a large portion of SRF-funded projects. Also, the reporting system used for the measure does not report pathogens in the POTW discharge, a significant parameter associated with waterborne disease.

Evidence: See measures tab.

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: NO Question Weight:13%

Explanation: No evidence available that States commit to reporting and tracking the program's long-term performance measures.

Evidence:

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight:13%

Explanation: Existing GAO and IG evaluations support program goals for financial performance. None of these audits evaluate the project level data necessary to assess performance with respect to public health goals. Additionally, audit-based approaches do not meet the quality criteria for determing the impact of the program.

Evidence:

PART Performance Measurements

Program: Clean Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	26%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight:13%

Explanation: The Agency estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy and legislative changes. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification. Presentation to Congress of the Agency's budget, including resources for the CWSRF program, include alignment to its Strategic Plan goals. For the CWSRF, EPA also utilizes a planning model to align the budget with the output goal of achieving a target long-term revolving level.

Evidence: Annual Congressional Justification, Budget Automation System (BAS) reports. The SRF planning model has been used by both OMB and EPA to evaluate the impact of changes in appropriations and economic factors on the long-term revolving level.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:13%

Explanation: EPA has taken steps to strengthen its oversight of States' management and use of the fund, and has developed several key measures of the programs financial performance. The agency has also worked closely with States over the past year to develop meaningful, appropriate environmental performance measures that all parties can support. However, in following years EPA will need to improve States' reporting on goals and/or projects.

Evidence: State-EPA SRF meetings

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: NO Question Weight:11%

Explanation: The Permit Compliance System (PCS) that collects information for the annual outcome measure has been cited by the IG and others for significant data quality issues. EPA should work to improve the data quality and breadth of PCS.

Evidence: OIG Memorandum Report No. 2003-M-00014, May 20, 2003.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight:11%

Explanation: EPA has designated CWSRF program managers in all ten regional offices and at the national level. Additionally, federal regional grant project officers are held accountable for ensuring that all policies and procedures of the EPA Grants Administration Division are followed. Grantees are accountable through grant agreements with EPA for program costs. EPA regions' annual review of state performance under the grants and audit results can be used to adjust grant conditions. Additionally, the Office Director is held accountable for program performance and grants management through performance standards in his personnel evaluation.

Evidence: CWSRF program responsibilities are specified under performance standards in personnel performance appraisals. The final rule (40 CFR 35, Subpart K) specifies performance standards to be included in grant agreements.

PART Performance Measurements

Program: Clean Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	26%	

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight:11%

Explanation: Federal capitalization grants must be awarded within two years after appropriation. Most states take their grants in the first year of availability (currently, about 40 states). EPA HQ issued two policy memorandums (SRF 99-05 & 99-09) clarifying its expectations of the timely and expeditious requirements of the CWA. Regions and states were advised that all funds (including interest & repayments) in the fund must be scheduled for use within one year of availability or a detailed plan showing a longer term course to using all the funds must be developed, approved, and implemented.

Evidence: As of June 30, 2003, only $3.5 of the $43.5 billion available in State CWSRFs remains uncommitted, which yields a 93% fund utilization rate. Given the lag time to complete construction, this is acceptable performance, and significantly better than the former constructions grants program. Timely and Expeditious Use memorandums. Pace Handbook.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight:11%

Explanation: The CWSRF recently developed a long-term outcome efficiency measure. The CWSRF program also requires states to have a schedule with timing targets to ensure that federal grants are taken in a timely and efficient way. States have flexibility to adopt procedures to maximize effectiveness.

Evidence: See Measures tab. Operating agreements obtain state commitment schedules to commit and expend all funds as efficiently as possible. On a quarterly basis, EPA regional staff checks federal cash draw requests against negotiated payment schedules to ensure state compliance (documented in Performance Evaluation Reports).

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight:11%

Explanation: EPA has national agreements to maximize effectiveness of programs with the USDA Rural Utilities Service and HUD Community Development Block Grant programs, which also operate financing programs for wastewater treatment. Internally, the CWSRF coordinates closely with the 319 (Nonpoint source) and 320 (Estuary) programs to assure consistency between eligibilities. For instance, the CWSRF nonpoint source funding policy states explicitly that projects eligible for funding must also be eligible under guidance provided in the Nonpoint Source Grant Guidance. States are encouraged to coordinate funding sources to maximize availability of funds, minimize duplication of efforts, and to ensure affordability of projects. Many of the states which fund agriculture polluted runoff projects use USDA staff expertise to develop their CWSRF loan projects.

Evidence: Examples of coordination activties within states are documented in "One-Stop Shopping in the Clean Water State Revolving Fund Program." A recent report (8/03) by the EPA Environmental Finance Advisory Board (EFAB) indicates that coordination generally has been effective although there are state-specific issues impeding coordination.

PART Performance Measurements

Program: Clean Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	26%	

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 11%

Explanation: State CWSRF programs must follow Generally Accepted Accounting Principles, the Single Audit Act, OMB Circular A-133, and the Audit Compliance Supplement. In accordance with EPA's SRF Audit Program Plan, EPA's Inspector General audits states without independent audits (currently 8 states). EPA also conducted an assessment of erroneous payments and found only a few minor problems within the 51 state CWSRF programs. States conduct financial capability assessments of borrowers, as well as financial modeling, and those states with leveraged programs have AAA bond ratings.

Evidence: The final rule (40 CFA 35, Subpart K) specifies audit requirements for the program. See also, Fund Management Guidance.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: NO Question Weight: 11%

Explanation: There is insufficient evidence that the Agency is effectively addressing the shortfalls of its critical data collection systems (e.g., PCS).

Evidence:

3.BF1 Does the program have oversight practices that provide sufficient knowledge of grantee activities? Answer: YES Question Weight: 11%

Explanation: Annually, data collection through CWSRF NIMS, site visits, program audits and performance evaluation reports (PERs) track how funds are used. EPA's integrated financial management system tracks federal outlays to grantees. EPA reviews and reports these results to Congress.

Evidence: Grantee activities and use of funds are documented in the CWSRF NIMS data reported by states.

3.BF2 Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner? Answer: YES Question Weight: 11%

Explanation: EPA HQ collects data on grantee activities through CWSRF NIMS and makes them available to the public through its web site. State grantees must submit annual reports on meeting goals/objectives. EPA regions conduct annual reviews with each states. States are audited for proper practices.

Evidence: CWSRF NIMS data are available at: www.epa.gov/r5water/cwsrf. Many regions and states make their annual report information available on their web sites.

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: SMALL EXTENT Question Weight: 20%

Explanation: Outcome performance and efficiency measures were only recently developed. Progress toward the long-term output goal (revolving level target) is suggested by model projections.

Evidence: See measures tab.

PART Performance Measurements

Program: Clean Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	26%	

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: SMALL EXTENT Question Weight 20%

Explanation: The annual outcome performance measure was only recently developed and does not capture significant aspects of the program's performance goals. However, the program does have results for the measure as accepted. The output performance results also indicate progress in key program activities.

Evidence: See measures tab.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: SMALL EXTENT Question Weight 20%

Explanation: The program has several output efficiency measures and demonstrates improved efficiencies in meeting its financial management goals. The program worked closely with States to develop an outcome-based efficiency measure. EPA still needs to develop baselines and targets for this new measure.

Evidence: See measures tab.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: SMALL EXTENT Question Weight 20%

Explanation: The CWSRF program provides more comprehensive assistance than any program whose purpose is solving water quality impairment problems. However, there is no evidence that it performs more effectively than other niche programs.

Evidence: GAO report on water funding sources discussed differences between different federal programs.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results? Answer: NO Question Weight 20%

Explanation: Although evaluations have been performed, they do not meet the criteria for independence, scope and quality. The Inspector General (IG) conducts financial audits of selected state programs each year, and evaluates independent audits conducted within each state for consistency with financial accounting standards. No independent evaluations of program achievements with respect to outcomes or impact have been performed

Evidence: GAO last conducted a review in 1996.

PART Performance Measurements

Program: Clean Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	26%	

Measure: Percentage of waterbodies previously designated nonattainment, now meeting all water quality standards.

Additional Information: 2002 Baseline: 0% of 21,632 waterbodies; 255,408 miles and 6.8 million acres.

Year	Target	Actual	**Measure Term:** Long-term
2002	Baseline	0%	
2005	2%		
2006	5%		
2012	25%		

Measure: Number of waterborne disease outbreaks attributable to swimming in, or other recreational contact with, the ocean, rivers, lakes, or streams measured as a five year average

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term
2002	Baseline	9	
2008	8		

Measure: Percentage of water miles/acres with fish consumption advisory removed

Additional Information: 2002 Baseline: 0% of 84,205 river miles; 11,277,276 lake acres.

Year	Target	Actual	**Measure Term:** Long-term
2002	Baseline	0%	
2005	1%		
2008	3%		

PART Performance Measurements

Program: Clean Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	26%	

Measure: Number of waterbodies restored or improved per million dollars of CWSRF assistance provided

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term

Measure: Number of waterbodies protected per million dollars of CWSRF assistance provided

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term

Measure: Percentage of all major publicly-owned treatment works (POTWs) that comply with their permitted wastewater discharge standards

Additional Information: 2002 Baseline: 97% of major POTWs. Measure includes discharge violations only (excludes administrative violations).

Year	Target	Actual	**Measure Term:** Annual
2003		98%	
2004	98%		
2004	98.5%		
2006	98.6%		

Measure: Fund utilization rate for the CWSRF

Additional Information: 2002 Baseline: 91%. Calculated as cumulative loan agreement dollars to cumulative funds available for projects.

Year	Target	Actual	**Measure Term:** Annual
2003		93%	
2004	93.0%		
2005	90.0%		

Program: Clean Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	26%	

2006	93.3%

Measure: CWSRF Long-Term Revolving Level ($billions/yr)

Additional Information: Indicates the amount of funds available to be disbursed from the CWSRF program. The target is an average level of $3.4 B/year for the period 2015-2040.

Measure Term: Long-term

Year	Target	Actual
2001	Baseline	$3.9
2002	$4.4	
2011	$3.4	

PART Performance Measurements

Program: Climate Change Programs
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation

Section Scores				Rating
1	2	3	4	Adequate
80%	90%	63%	60%	

Type(s): Direct Federal Missing 2nd Program Type Research and Development

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: EPA's Climate Change programs work with the private sector to cost effectively reduce greenhouse gas emissions and identify and facilitate energy efficiency improvements. In February 2002, President Bush reaffirmed the US pledge to the United Nations Framework Convention on Climate Change by announcing a commitment to reduce greenhouse gas intensity in the US by 18% by 2012 through voluntary, incentive-based and existing mandatory measures. EPA's climate change programs help the US meet the President's announced goal.

Evidence: Clean Air Act, Section 103(g). White House Global Climate Change Policy Book: www.whitehouse.gov/news/ releases/2002/02/climatechange.html has a summary of the President's approach to the challenge of global climate change. EPA's FY2004 Annual Performance Plan and Congressional Justification.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Cost-effective near term greenhouse gas reductions are an important element of meeting President Bush's national goal of reducing greenhouse gas intensity by 18% by 2012, EPA's Climate Change Programs play a role in this by promoting energy efficiency and emissions minimization in various sectors of the economy using technologies and practices available today. The majority of the Climate Change programs are voluntary partnership efforts that encourage companies to make cost effective improvements in near term. One Climate Change program is focused on the development of advanced engine and vehicle technologies that reduce fuel consumption and emissions.

Evidence: www.whitehouse.gov/news/releases/2002/02/climatechange.html

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: Achieving President Bush's 2012 goal will require efforts on multiple fronts by many agencies of the federal government. The Administration's portfolio includes actions focused on reducing the fundamental scientific uncertainties associated with climate change; advancing the development and use of energy-efficient, renewable, and other low- or non-emitting technologies, and improving standards for measuring and registering emissions reductions. Activities are distributed across multiple agencies to take advantage of their unique expertise in certain areas. EPA's climate change programs are based on the agency's experience working with the private sector. The programs include voluntary partnership and outreach programs and one research and development program focused on engines and vehicles. These programs target three main sectors: Industry, Transportation, and Buildings. Because of EPA's unique approach and scope, the voluntary programs on the whole are not redundant of any other programs.

Evidence: US Climate Action Report (2002). Federal Climate Change Expenditures: Report to Congress. May 2004. The President's fiscal year 2005 Budget proposes $5.8 billion for climate change activities. EPA's share of that proposal is $110 million or 2% of the total. EPA's programs in each of the three sectors are designed to address a specific contributor of greenhouse gas emissions. For example, ENERGY STAR is the only national program that addresses energy-efficiency specifications and labeling on major appliances, office equipment, lightning, home electronics, new homes and commercial and industrial buildings. EPA works with industrial partners to reduce emissions from various sources. EPA works to develop vehicle technologies that will get substantially greater gas efficiency.

PART Performance Measurements

Program: Climate Change Programs
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Direct Federal Missing 2nd Program Type Research and Development

Section Scores				Rating
1	2	3	4	Adequate
80%	90%	63%	60%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: There is no evidence that another approach or mechanism would be more efficient or effective in achieving the programs' intended purpose. EPA's climate change programs have been designed based on the principles of the President's climate policy (which stresses the use of voluntary and incentive-based programs) and within the constraints of the agency's statutory authorities. The climate change programs have been designed to focus efforts across major economic sectors, major greenhouse gases, major sources of emissions, and major groups of partners in order to maximize benefits and efficiency. The programs have been designed to address and reduce market barriers using mechanisms available to the federal government.

Evidence: Clean Air Act, Section 103(g) which allows EPA to develop, evaluate, and demonstrate nonregulatory strategies and technologies for preventing emissions. White House Global Climate Change Policy Book: www.whitehouse.gov/news/releases/2002/02/climatechange.html has a summary of the President's approach to the challenge of global climate change. EPA's FY2004 Annual Performance Plan, Reports, and Congressional Justifications. Memo from Robert Fabricant (EPA's General Counsel) to Marianne Horinko (EPA's Acting Administrator) on "EPA's Authority to Impose Mandatory Controls to Address Global Climate Change under the Clean Air Act" 8/23/03.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: NO Question Weight 20%

Explanation: It is not clear that all the programs reviewed in this PART are effectively targeted. Considering this in terms of sectors, it is not clear that adequate comparisons are made to ensure effective targeting across the sectors. In addition, the Climate Change programs promote and accelerate many private sector (or other governmental) activities that would or could have been undertaken regardless of EPA's intervention. The programs argue that organizations and companies choose to participate in the climate partnerships because the overall savings gained by undertaking certain actions (which the organization or company identifies) will outweigh the costs. Sufficient evidence was not provided to show that the acceleration provided by EPA's Climate Change programs' warrants the intervention (and associated federal expenditures).

Evidence:

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 10%

Explanation: EPA has developed a limited number of long-term performance measures, at least one for each sector (buildings, industry, and transportation) evaluated in this PART. EPA has also developed acceptable long-term efficiency measures for each of the three sectors. The long-term measures are output measures because the programs directly support the President's output goal of an 18% reduction in greenhouse gas intensity. Though the R&D Clean Automotive Technology program has established goals, further work is needed to strengthen the link to the near term greenhouse reduction goals established for the Transportation sector.

Evidence: EPA's long-term performance measures are included (and defined) in EPA's 2003 Strategic Plan and included in EPA's 2005 Congressional Justification.

PART Performance Measurements

Program: Climate Change Programs
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation

Section Scores				Rating
1	2	3	4	Adequate
80%	90%	63%	60%	

Type(s): Direct Federal Missing 2nd Program Type Research and Development

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight:10%

Explanation: In direct support of the President's Climate Change goal, EPA's climate change programs are targeted to deliver 120 Million Metric Tons of Carbon Equivalent (MMTCE) of reductions in greenhouse gas emissions by 2012.

Evidence: An 18% reduction in greenhouse gas intensity is a high bar. EPA's targets and timeframes have been developed to assist in achieving this goal. The program is developing the baselines and targets for the long-term efficiency measures.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:10%

Explanation: Sector-specific annual performance measures have been established that demonstrate progress toward achieving the long-term goals. Individual programs within each sector have measures which directly contribute to annual goals for the sector. Annual targets are under development for the efficiency measures. These measures track the amount of MMTCE reduced per societal dollar spent in each of the three sectors. "Societal dollar" include both federal and non-federal (i.e., private) costs. Since these are voluntary programs, industry costs for implementing these programs are offset by savings from these programs. Therefore, "societal dollar" (as used in this measure) is equivalent to the "EPA dollar" spent to achieve the MMTCE reductions.

Evidence: Annual performance measures for EPA's Climate Change program are provided in EPA's 2005 Congressional Budget Justification and GPRA documentation. A discussion of private costs and savings can be found in EPA's 2002 Annual Report: http;//energystar.gov/ia/partners/cpdann02.pdf

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight:10%

Explanation: Based on early calculations, it is expected that EPA's climate change programs will deliver a sizable portion of the reductions needed to achieve the President's climate goal. EPA's climate programs, in aggregate, are targeted to achieve a tripling of reductions through 2012 (a 10-year period). The President's goal set the baseline in terms of a business-as-usual path through the year 2012. EPA adopted the President's baseline projections for its climate change programs.

Evidence: The methodology and data used in developing the President's baseline and goal is available at: http:"www.whitehouse.gov/news/releases/2002/02/addendum.pdf

PART Performance Measurements

Program: Climate Change Programs
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Direct Federal Missing 2nd Program Type Research and Development

Section Scores				Rating
1	2	3	4	Adequate
80%	90%	63%	60%	

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?

Answer: YES Question Weight:10%

Explanation: EPA's partners in the climate change programs are generally companies, organizations, and state and local governments. EPA determines the appropriate form of commitment necessary and the number of organizations needed to work in partnership with EPA for EPA to meet its near and longer-term goals. Partners then adopt these commitments as part of their partnership efforts. For example, partners in the Clean Automotive Technology program have agreed to support focused efforts to resolve key technology challenges with the overall goal of moving technologies closer to commercialization and partners in the aluminum industry have agreed to reduce their direct emissions of greenhouse gases by 25% relative to 2000 levels by 2010.

Evidence: Partners (in this voluntary program) make their commitments to EPA by signing partnership agreements or letters of commitment. The agreement addresses the key actions the partner will take that are within the partner's control such as undertaking or facilitating a project that improves energy efficiency or reduces greenhouse gas emissions.

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?

Answer: NO Question Weight:10%

Explanation: A Yes answer to this question would require regularly scheduled objective, high quality, independent evaluations that examine how well the programs or sectors are accomplishing their missions and meeting their long-term goals. While several of the reports and evaluations presented by EPA meet some of the criteria, none met all of the criteria spelled out in the guidance.

Evidence:

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?

Answer: YES Question Weight:10%

Explanation: Evidence was provided that showed program funding broken out and tracked to the activity level and that linked activities to specific output targets and/or accomplishments. No evidence was provided to show how these tracking sheets link to the higher-level OAR-wide budgeting efforts. The Program Plan table allows for estimating the impact of funding decisions on performance but it was not clear how this was used in real time. EPA develops business plans for the various climate programs within the sectors, which include challenges, achievements, opportunities, activities and some related budget info. The information in these plans are pulled and included in the tracking spreadsheets. Though there is evidence of expenditure tracking and it is clear that budget information is aggregated, it is not fully clear how the aggregation occurs - there is no clear thread that links the various databases and spreadsheets together.

Evidence: Program Plan for Office of Atmospheric Programs (OAP) (FY03 example provided). Historical Climate Programs funding table. Business Activity Tracking System for OAP.

PART Performance Measurements

Program: Climate Change Programs
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation

Section Scores				Rating
1	2	3	4	Adequate
80%	90%	63%	60%	

Type(s): Direct Federal Missing 2nd Program Type Research and Development

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight:10%

Explanation: Strategic planning for the Climate Change Programs is done as part of two processes: the development of the National Communications required by the United Nations Framework Convention on Climate Change (UNFCCC) and EPA's internal strategic plan revision process. The Climate Change programs review performance and market information to identify gaps and areas for improvement annually. During the development of the National Communication, EPA participates in evaluating progress toward and their contributions to national goals and stated policy, relying in part on historical annual review information. This information is also considered in the programs' efforts to update their section of the agency's strategic plan. Adjustments are made to EPA's programs where needed to assist in addressing shortcomings identified in the national-level as well as agency-level reviews.

Evidence: United Nations Framework Convention on Climate Change (UNFCCC) US National Communications (Climate Action Reports), 1997 and 2002. 1997 Climate Action Report, p. 80 -84: http://unfccc.int/resource/docs/natc/usnc2.pdf. See historical business plans from the following programs: Energy Star for Industry, CHP Partnership, Landfill Methane, Coalbed Methane, SF6 Reduction for Electric Power and Magnesium, and AgSTAR. Specific example of programmatic changes that resulted from strategic planning efforts: Redesign of AgSTAR program - strategically repositioned, goals revised, and budgets substantially reduced as EPA found it difficult to advance agricultural best practices in original structure.

2.RD1 If applicable, does the program assess and compare the potential benefits of efforts within the program to other efforts that have similar goals? Answer: YES Question Weight:10%

Explanation: EPA's climate change activities include the Clean Automotive Technology (CAT) program. The CAT program's goal is to develop innovative and advanced technologies that can reduce both fuel consumption and emissions. Other agencies, most notably the Department of Energy (DOE) and private industry are also engaged in similar efforts to improve the energy efficiency of vehicles. EPA has conducted at least one thorough peer review of technologies (and associated benefits) that it has experience with and has done internal comparisons with other agencies efforts at different levels. In addition, the Agency has participated in peer-reviews of similar efforts at other agencies. Limited evidence was provided on the periodicity of peer reviews and on the process for completing peer-review comparisons. Future peer-reviewed analyses should incorporate more alternative approaches rather than mainly activities the agency is already undertaking.

Evidence: DOE's annual National Laboratory R and D Merit Review and Peer Evaluation - EPA comments. Technology benefits comparison presentations to senior management. Progress Report on Clean and Efficient Automotive Technologies under Development at EPA, January 2004 (peer-reviewed).

2.RD2 Does the program use a prioritization process to guide budget requests and funding decisions? Answer: YES Question Weight:10%

Explanation: Within the framework of their current strategy, EPA has a prioritization process. First, the Agency uses a technical screening process to ensure that only projects which have high technical potential are funded. For example, EPA performed combustion modeling analysis on all new engine concepts to determine the potential efficiency benefits and only pursued those which show the maximum net benefits. Also, EPA uses a commercialization screening process to ensure that only those projects which have the potential for excellent long-term business cases are funded.

Evidence: Progress Report on Clean and Efficient Automotive Technologies Under Development at EPA - Interim Technical Report - January 2004. Highlights of the Hybrid Propulsion Activity, Automotive Research Center, University of Michigan. March 2004.

PART Performance Measurements

Program: Climate Change Programs
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation

Section Scores				Rating
1	2	3	4	Adequate
80%	90%	63%	60%	

Type(s): Direct Federal Missing 2nd Program Type Research and Development

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: NO Question Weight:13%

Explanation: While EPA collects a lot of data (quarterly, annually, etc.) on progress for certain programs/sectors (i.e. reduction in gas emissions, number of buildings earning the ENERGY STAR label, etc.) and in those cases the programs/sectors clearly use the data to make resource and planning decisions, this is not the case for all programs/sectors reviewed in this PART.

Evidence:

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: YES Question Weight:13%

Explanation: Senior managers in the Office of Air and Radiation (OAR) develop and identify the major program commitments and results during the year. These commitments identify, prioritize, and organize the work and results that will be accomplished. All managers have a Performance Standard as part of their Performance Agreement which lists the specific goals they need to meet. For example, "In 2004, greenhouse gas emissions will be reduced from projected levels by approximately 81 MMTCE through EPA partnerships with business, schools". The voluntary partners in EPA's climate change programs are held accountable to the extent that EPA recognition of their participation is withdrawn if they fail to meet their partnership agreements. Because these are predominately voluntary programs, traditional accountability mechanisms are not particularly effective. [DO I HAVE ANYTHING ABOUT WHAT THE CRADAS/CAT DOES WITH THEIR PARTNERS?]

Evidence: EPA Performance Standard from the Office of Air and Radiation. Partnership agreements. Letters to partners warning that their performance is failing to meet their commitments, and letters to partners withdrawing the partnership agreement (denying them the use of identifying symbols in their advertising, etc.) when they failed to meet their commitments.

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight:13%

Explanation: Two levels of budget tracking are used for the Climate Change programs - at the office level at the division level. In addition, spreadsheets are used to track spending/obligations at the project/activity level. These obligations are ultimately aggregated for use in the Agency's Integrated Financial Management System (IFMS). Prior to the beginning of the fiscal year, the program develops an operating plan which reflects how it plans on spending its budget. This is linked to the overall agency operating plan. EPA's budget and operating plan are aligned with the Agency's Strategic Plan.

Evidence: Program Plan for Office of Atmospheric Programs (OAP) (FY03 example provided). Business Activity Tracking System for OAP. EPA's Annual Operating Plan and Congressional Justification. EPA's Annual Report and Financial Statements.

PART Performance Measurements

Program: Climate Change Programs
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Direct Federal Missing 2nd Program Type Research and Development

Section Scores				Rating
1	2	3	4	Adequate
80%	90%	63%	60%	

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight:13%

Explanation: The Climate Change programs do track expenditures and emissions reductions and have proposed sector-level efficiency measures to help quantify efficiency changes. The programs have undertaken specific projects to help improve efficiency in certain areas. Examples include improving data management with the ISTAR system to keep better records and make information more easily available and automating the process of third party certification for Energy Star products and homes. The level of action taken to improve efficiency varies from sector to sector, program to program. It clear that there has been a focus on tracking and improving the efficiency of the Energy Star programs but more limited evidence was provided for other programs evaluated under this PART, particularly the Clean Automotive Technology program.

Evidence: EPA contract and grant rules and procedures for full and open competition. The program relies on work assignments placed against negotiated contracts awarded through full and open competition.

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight:13%

Explanation: EPA's Climate Change programs collaborates and coordinate activities where needed with the Department of Energy (DOE) on buildings, industry, and transportation programs. There is a Memorandum of Understanding (MOU) between EPA and DOE to coordinate energy efficiency efforts for residential and commercial buildings. There is also an MOU between EPA, DOE and the Dept. of Housing and Urban Development (HUD) on energy efficiency in buildings. In addition, any entity that wants to participate in the ENERGY STAR program must sign an MOU with EPA that establishes roles and responsibilities. For the transportation sector, EPA meets regularly with both DOE and the Dept. of Transportation to coordinate activities. EPA also collaborates with DOE and private companies working on hydraulic hybrid and clean diesel engine technologies. EPA is working with DOE's Clean Cities program to promote fuel efficient technologies for highway vehicles through partnerships with States and local communities.

Evidence: Memorandum of Understanding (MOU) between the EPA, DOE, and HUD to coordinate policies and activities aimed at improving the energy efficiency of public, assisted, and insured housing, as well as housing financed through HUD's formula or competitive grant programs. MOU between EPA and DOE to significantly improve the energy efficiency of buildings and reducing their environmental effects. DOT/EPA memo promoting the use of funds for truck anti-idling projects.

3.6 Does the program use strong financial management practices? Answer: YES Question Weight:13%

Explanation: The Climate Change programs follow EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. EPA has a system of controls and accountability, based on GAO accounting principles, to ensure that improper payments are not made. At each step in the process, the propriety of a payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives. Annually, each division director must conduct an evaluation of their internal management control systems in accordance with guidance provided by the Office of the Chief Financial Office and to certify that their management systems provide reasonable assurance that they are in compliance with the requirements of the Federal Managers' Financial Integrity Act. The programs have no material weaknesses as reported by he Office of the Inspector General and a process is in place to minimize erroneous payments.

Evidence: Implementation of the Federal Manager's Financial Integrity Act - Annual Assurance letters. Office of Inspector General - Annual Financial Integrity Report, Unqualified audit opinion of EPA Financial Statements. Agency financial and resource management policies (posted on Agency intranet)

PART Performance Measurements

Program: Climate Change Programs
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Direct Federal | Missing 2nd Program Type | Research and Development

Section Scores				Rating
1	2	3	4	Adequate
80%	90%	63%	60%	

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: NO Question Weight 13%

Explanation: EPA has not provided sufficient evidence of a system (or process) that the program uses to evaluate program management and to correct deficiencies when they are identified. The Climate Change program does have a systematic approach toward conducting program reviews that address Federal Manager's Financial Integrity Act (FMFIA) issues.

Evidence: •

3.RD1 For R&D programs other than competitive grants programs, does the program allocate funds and use management processes that maintain program quality? Answer: NO Question Weight 13%

Explanation: The Agency did not provide sufficient evidence of an adequate management process that maintains program quality. The program did indicate the occurrence of weekly meetings with contractors.

Evidence:

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: LARGE EXTENT Question Weight 20%

Explanation: The programs have consistently demonstrated adequate progress towards achieving annual Government Performance and Results Act (GPRA) goals and should be on the path towards achieving the long-term goals and timeframes established to support the President's greenhouse gas intensity goal.

Evidence: EPA's Annual Reports. Annual report on Energy Star and Other Voluntary Programs. EPA's FY2005 Annual Plan and Congressional Justification.

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: YES Question Weight 20%

Explanation: EPA's Climate Change programs have achieved their GPRA goals every year and have exceeded targets in several years.

Evidence: EPA's Annual Reports. Annual report on Energy Star and Other Voluntary Programs. EPA's FY2005 Annual Plan and Congressional Justification. Summary table of sector progress was provided.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: LARGE EXTENT Question Weight 20%

Explanation: EPA tracks and will continue to track the dollars it receives and the reductions in greenhouse gas emissions achieved every year. In 1998, there were 0.9 million metric tons of carbon equivelant (MMTCE) reduced for every dollar spent. Through 2002, for every dollar spent there was a 1.2 MMTCE reduction. The programs expect further efficiency gains in the future. In addition to improving its MMTCE per dollar over time, EPA has also demonstrated improvements in other areas. With relatively level funding, there have been increases in the number of partners, number of products, and number of product categories in several programs.

Evidence: Additional examples of improvements given approximately level funding: In 1997, Energy STAR homes counted 370 builders as partners and1,200 homes. In 2003, more than 2,000 builders had constructed a total of over 200,000 Energy STAR qualified new homes. The Green Power Partnership started in 2000 and has grown to more than 230 partners committed to purchasing more than 1 billion kWh of green power.

PART Performance Measurements

Program: Climate Change Programs
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation

Section Scores				Rating
1	2	3	4	Adequate
80%	90%	63%	60%	

Type(s): Direct Federal Missing 2nd Program Type Research and Development

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: SMALL EXTENT Question Weight 20%

Explanation: There are public and private programs with similar goals of reducing greenhouse gas emissions and improving energy efficiency but many of these programs are different in scope and approach. For example, DOE is heavily involved in basic R&D and some states have implemented energy efficiency programs whereas EPA's approach is to develop and work with industry-wide partnerships. Comparison is not easy but not impossible. Limited evidence of quantified or documented comparisons was provided, especially for programs other than Energy Star. According to one study, EPA's cost for energy savings and environmental benefits is a fraction of the states' cost.

Evidence: Five Years In: An Examination of the First Half-Decade of Public Benefits of Energy Efficiency Policies." www.acee.org/pubs/u041.pdf

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: SMALL EXTENT Question Weight 20%

Explanation: Evaluations of some of EPA's climate programs have been completed (some by EPA and others by outside groups) which indicate that the programs have been effective but the evaluations do not meet all the PART independent evaluation criteria. Other evaluations have been completed that haven't focuses solely on EPA's programs. Many evaluations have focused on the Energy Star programs more so or to the exclusion of the other Climate Change programs.

Evidence: Gillingham, Kenneth et al. 2004. Retrospective Examination of Demand-Side Energy-Efficient Policies, p.5. Horowitz, Marvin 2004. Electricity Intensity in the Commercial Sector: Market and Public Program Effects, p. 135.

PART Performance Measurements

Program: Climate Change Programs
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation

Section Scores				Rating
1	2	3	4	Adequate
80%	90%	63%	60%	

Type(s): Direct Federal Missing 2nd Program Type Research and Development

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Measure: Million metric tons of carbon equivalent (mmtce) of greenhouse gas emissions reduced in the building sector.

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term
2012	47		

Measure: Million metric tons of carbon equivalent (mmtce) of greenhouse gas emissions reduced in the building sector.

Additional Information:

Year	Target	Actual	**Measure Term:** Annual
2004	21.4	23.2	
2005	23.8		
2006	26.5		
2007	29.5		
2008	33.0		
2009	36.5		
2010	40.0		
2011	43.2		

PART Performance Measurements

Program: Climate Change Programs
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation

Section Scores				Rating
1	2	3	4	Adequate
80%	90%	63%	60%	

Type(s): Direct Federal | Missing 2nd Program Type | Research and Development

Measure: Million metric tons of carbon equivalent (mmtce) of greenhouse gas emissions reduced in the industry sector.

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term
2012	123.0		

Measure: Million metric tons of carbon equivalent (mmtce) of greenhouse gas emissions reduced in the transportation sector.

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term
2012	15.0		

Measure: Tons of greenhouse gas emissions (MMTCE) prevented per societal dollar in the Building sector.

Additional Information: As explained in Question 2.3, societal dollar measures federal dollar only since industry savings offset industry costs.

Year	Target	Actual	**Measure Term:** Long-term

Measure: Tons of greenhouse gas emissions (MMTCE) prevented per societal dollar in the Transportation sector.

Additional Information: As explained in Question 2.3, societal dollar measures federal dollar only since industry savings offset industry costs.

Year	Target	Actual	**Measure Term:** Long-term

Measure: Million metric tons of carbon equivalent (mmtce) of greenhouse gas emissions reduced in the industry sector.

Additional Information:

Year	Target	Actual	**Measure Term:** Annual
2004	55.0	62.2	
2005	53.7		

Program: Climate Change Programs
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation

Section Scores				Rating
1	2	3	4	Adequate
80%	90%	63%	60%	

Type(s): Direct Federal | Missing 2nd Program Type | Research and Development

2006	62.1
2007	70.8
2008	80.2
2009	90.9
2010	110.0
2011	116.9

Measure: Tons of greenhouse gas emissions (MMTCE) prevented per societal dollar in the Industry sector. (Targets and baseline under development.)

Additional Information: As explained in Question 2.3, societal dollar measures federal dollar only since industry savings offset industry costs.

Year	Target	Actual	**Measure Term:** Long-term

Measure: Million metric tons of carbon equivalent (mmtce) of greenhouse gas emissions reduced in the transportation sector.

Additional Information:

Year	Target	Actual	**Measure Term:** Annual
2004	2.6	2.6	
2005	2.9		
2006	3.3		
2007	4.2		
2008	5.0		
2009	6.5		
2010	9.0		

PART Performance Measurements

Program: Climate Change Programs
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation

Section Scores				Rating
1	2	3	4	Adequate
80%	90%	63%	60%	

Type(s): Direct Federal | Missing 2nd Program Type | Research and Development

2011	12.0

PART Performance Measurements

Program: Criminal Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Criminal Enforcement, Forensics, and Training
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	33%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The core purpose of EPA's Criminal Enforcement Program is to conduct criminal investigations of violations that represent egregious conduct and that cause or threaten significant harm to human health and the environment, and to refer cases to the Department of Justice or states for criminal prosecution. Criminal enforcement is the only enforcement mechanism available for prosecuting non-regulated entities. Congress has charged EPA with primary responsibility for enforcement of statutory provisions and added criminal enforcement authorities to most major environmental statutes and mandated levels of investigative resources and enforcement training capability. The program conducts investigations in priority areas of potential criminal non-compliance, maintains expert investigative, forensic, scientific, technical, and legal components for case support, develops a highly skilled national enforcement workforce through training, and develops partnerships with other units of government. The program gained two new responsibilities following September 11, 2001. First, it assists the FBI and other federal agencies in the investigation of environmentally-related threats to homeland security. Second, it provides physical protection to the EPA Administrator. The program purpose is articulated in the Agency's Strategic Plan, the Office of Criminal Enforcement, Forensics and Training (OCEFT) Strategic Plan, the OECA Mission Statement and the 1990 Pollution Prosecution Act (PPA).

Evidence: EPA 2000 Strategic Plan (EPA 190-R-00-002) Goal 9; EPA 2003-2008 Strategic Plan (EPA-190-R-03-003);Citations to Regulatory Authority (Appendix C, EPA Strategic Plan); OCEFT Five Year Strategic Plan, 2002-2006; 1990 Pollution Prosecution Act, P.L. 101-593, Presidential Decision Directive 39, June 21 1995; Management Review of the Office of Criminal Enforcement, Forensics and Training, December 15, 2003, pps. 35-36

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Congress has charged EPA's criminal enforcement program with the nationwide responsibility to lead criminal enforcement of federal environmental laws. No other component of the federal government has this mission. EPA's criminal enforcement program investigates all manner of environmental crime, with emphasis on the Agency's priorities. Besides covering the universe of regulated pollution sources, the program also addresses illegal behavior by entities that operate 'outside' of the formal regulatory system, e.g., so-called 'midnight dumpers' and other non-permit holders whose activities are more difficult to detect and oversee. Unlike civil enforcement, criminal enforcement carries the potential sanction of incarceration. Therefore, criminal enforcement is generally reserved for willful and deliberate violations, as well as those which have the most potentially serious consequences for human health and the environment that cannot easily be addressed through civil enforcement, e.g., data fraud or false reporting. Congress recognized this specific need for expanding EPA's criminal Enforcement program through the enactment of the 1990 Pollution Prosecution Act (PPA), which authorized 200 criminal investigators. The program also supports the Agency's civil enforcement goals. Directly, the National Enforcement Investigations Center (NEIC) provides inspection and technical support for complex civil enforcement cases that result in millions of pounds of pollutant reduction. Indirectly, the criminal program supports compliance assistance and compliance incentives goals, since criminal sanctions provide substantial incentives for regulatees to voluntarily comply with the law.

Evidence: Regulatory citations (Appendix C, EPA Strategic Plan); 1990 Pollution Prosecution Act (P.L.101-593)

PART Performance Measurements

Program: Criminal Enforcement
Agency: Environmental Protection Agency
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Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	33%	

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: EPA's criminal enforcement program has a unique role in the enforcement of the nation's environmental laws. Unlike its civil counterpart, criminal enforcement is not delegated to States, so primary responsibility for criminal enforcement of federal environmental law rests with EPA. The cases often contain general criminal code (Title 18) violations (e.g., mail fraud, conspiracy, witness tampering) in additional to environmental violations. The EPA criminal enforcement program has unique expertise to investigate and prosecute traditional environmental crimes, as well as emerging areas such as cyber crime. The criminal enforcement program is also uniquely qualified among EPA programs to train state, local, and tribal investigators in the skills needed to investigate environmental crimes, many of whom then can become partners in federal investigations. Following the recommendation of the December 15, 2003 OCEFT management review, most of the National Enforcement Training Institute (NETI) will be reassigned to OECA's Office of Compliance, although the law enforcement training component at the Federal Law Enforcement Training Center will remain in OCEFT. The criminal enforcement program also provides investigative, technical, and legal support to the federal government's homeland security efforts.

Evidence: Presidential Decision Directive 39; Criminal Enforcement Addendum to the 'Revised Policy Framework on State/EPA Agreements;' 1990 Pollution Prosecution Act. Management Review of the Office of Criminal Enforcement, Forensics and Training, December 15, 2003, page 34.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: EPA's criminal enforcement program, through its structure, organization, and procedures, focuses on environmental crimes that either constitute a significant threat to human health or the environment or that most clearly demonstrate criminal intent. The program conducts analyses of enforcement and compliance data to identify risk-based trends and patterns of noncompliance that warrant criminal enforcement investigation and uses this information, along with tips from the public and confidential informants and referrals from the civil enforcement program, to target the program's investigative resources. In conducting these investigations, Special Agents rely on the technical expertise of the NEIC, the nation's only nationally accredited environmental forensics center, to collect and analyze forensic evidence of environmental crimes. The criminal program has Special Agents located in 47 offices across the country, who work with or are members of federal/ state/local task forces. Congress has vested EPA's special agents with the full array of law enforcement powers required to effectively discharge their mission (See 18 U.S.C. § 3063). DuringFY 2003, two reviews of the criminal enforcement program were conducted ' an audit by the EPA Office of Inspector General and the management reviewed onducted by OECA. These reviews identified organizational, operational, and management changes to enhance the effectiveness of the organization, and OCEFT has developed an action plan with timelines for implementing these recommendations. Some of the major ones currently underway include: determining how best to deploy its criminal investigators, who are currently working in 47 offices nationwide; improving communications with the regional enforcement offices by having a single Special Agent in Charge (SAC) as the primary point of contact for each region; reviewing current case screening practices on a region-by-region basis.

Evidence: U.S. Environmental Protection Agency Fiscal Year 2002 Annual Report (EPA 190-R-03-001) and December 15, 2003 OECA Press Release on FY 2003 Enforcement Accomplishments for examples of specific criminal cases and activities;Memorandum from the Assistant Administrator for Enforcement and Compliance Assurance: Operating Principles for an Integrated Enforcement and Compliance Assistance Program, November 27, 1996; Memorandum from the AA, OECA on Smart Enforcement, April 15, 2003; Management Review of the Office of Criminal Enforcement, Forensics and Training, December 15, 2003; Congressional Request on EPA Enforcement Resources and Accomplishments, Office of the EPA Inspector General, Report 2004-S-00001, October 10, 2003, page 25; and OCEFT Action Plan Summary for Implementation of the Management Review, April 16, 2004.

PART Performance Measurements

Program: Criminal Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Criminal Enforcement, Forensics, and Training
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	33%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: The EPA criminal enforcement program focuses its resources on the most serious federal environmental crimes and builds partnerships with state, local, and tribal law enforcement agencies. The program has a formal policy and criteria for determining when a violation warrants a criminal, rather than civil, enforcement response. 'Case screening'committees meet in each EPA region to decide whether a violation should be addressed via criminal or civil enforcement, and a workgroup has been established to recommend additional enhancements to the case screening process. The criminal program also has expanded its participation in the OECA bi-annual MOA Strategic Planning and Priority Setting to promote more effective integration between the criminal and civil enforcement programs and to ensure that the criminal program supports the Agency national priority enforcement areas, e.g., children's health and environmental justice. This targeting of investigative resources ensures that, on the whole, the strongest cases against the worst violators are developed and prosecuted, maximizing both the specific and general deterrence that naturally results from criminal enforcement of the environmental laws. The criminal enforcement program also receives regular feedback on investigations and case development from the Regional State Enforcement Associations, the Environmental Crimes Section of the U.S. Department of Justice, and the U.S. Attorneys' Offices. The criminal enforcement program also helps State, local, and tribal governments, which often lack formal criminal environmental enforcement programs. For example, EPA Special Agents serve on Federal/state/local Law Enforcement Coordinating Committees (LECCs) and Task Forces across the country and develop local strategic plans that highlight community-based environmental enforcement priorities. The criminal program's expertise has been used to support the federal government's Homeland Security efforts following September 11, 2001, e.g., its National Counterterrorism Evidence Response Team (NCERT) provided investigative and forensic support at the World Trade Center, the Pentagon, the Hart Senate Office Building (anthrax investigation), and designated National Security Special Events in FY 2002 and FY 2003.

Evidence: See U.S. EPA Annual Reports for FY 2002 and FY 2003 for examples of priority or sector-specific criminal enforcement initiatives; 'The Exercise of Investigative Discretion in Criminal Enforcement,' January 12, 1994, eps. pps 3-6; Fiscal Year 2002/3 MOA Guidance; Presidential Decision Directives 39, 62, and 63; Assistant Administrator's Memorandum on 'Smart Enforcement,'April 15, 2003.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 13%

Explanation: The criminal enforcement program supports and contributes to the two long-term compliance performance measures identified under Goal 5 (Compliance and Environmental Stewardship) of EPA's 2003-2008 Strategic Plan. In addition another new measure, a change in behavior as measured by a reduction in recidivism, is under development. Under Objective 1 (Improve Compliance) those two long term measures are: 1) pounds of pollutants reduced, treated, or eliminated; and 2) the change in behavior of regulated entities (percentage of regulated entities) that make improvements in their environmental management practices. Pollutant reduction is an end outcome and environmental management practices is an intermediate outcome on EPA's measures hierarchy. Both measures are aggregate ones which includes contributions from concluded civil and criminal enforcement actions. Finally the new recidivism measure tracks the impact of deterrence upon long-term compliance.

Evidence: EPA Strategic Plan: 2003-2008 (EPA-190-R-03-003); see esp. Goal 5, Objective 1, page.111.

PART Performance Measurements

Program: Criminal Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Criminal Enforcement, Forensics, and Training
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	33%	

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight:13%

Explanation: The targets for the long-term performance measures contained in the Agency 2003-2008 Strategic Plan are; 1) a 5% increase in the pounds of pollutants reduced, treated, or eliminated, and 2) a 5% increase in the number of regulated entities making improvements in environmental management practices. Both these targets are not sufficiently ambitious and fall within the normal range of variation. Setting of baselines and targets must be the next priority. The time frame for both of measures is the five year period ending in FY 2008. As identified in the Strategic Plan, baselines will be set for these measures in FY 2005. Though five percent is not a large percentage increase, it does result in a significant contribution in absolute terms. It should also be noted that a five percent increase in pollution reduction may be more difficult to reach for the criminal enforcement program than its civil counterpart since many criminal enforcement cases are 'after the fact' prosecutions that apply sanctions (i.e., fines, incarceration), but do not reduce or remediate pollution which has already entered the environment (e.g., cases involving CFC smuggling, illegal asbestos removal, false reformulated gasoline, lab data fraud, etc.). That is why the criminal enforcement program is developing a companion measure of pollution impact (see accompanying Measure Implementation Plan). The targets are also ambitious given the case-dependent nature of the program's outcome measures, the concomitant fluctuation in results from one year to the next, and the resulting difficulty in making long term forecasts.

Evidence: EPA Strategic Plan: 2003-2008 (EPA-190-R-03-003); see esp. Goal 5, Objective 1, p.111.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:13%

Explanation: The annual performance measures both directly and indirectly support attainment of the long term measures. For example, the current pollution reduction measure will be revised as feasible to incorporate a risk-based approach (e.g., hazardous or exposure) by employing the same methodology being developed by the civil enforcement program. In addition to the annual measure, pounds of pollutants reduced, the program is currently developing two new intermediate annual outcome measures and one new output measure. One of the new outcome measures, the number of criminal enforcement cases which require a change in behavior by improving environmental management practices, will reflect the criminal enforcement program's contribution to the long term measure to produce a 5% increase in the number of regulated entities making improvements in environmental management practices by 2008. The other new annual measures are level of recidivism among criminal violators (intermediate outcome) and pollutant impact. These new measures are under development. In addition, there is an annual efficiency measure of pounds of pollutants reduced/FTE .

Evidence: OECA FY 2003 Press Release on Accomplishments, December 15, 2003; OCEFT Five Year Strategic Plan, pages 6-7; OCEFT December 15, 2003 Management Review, pages 60-61; Attached OMB Measures Implementation Plans

PART Performance Measurements

Program: Criminal Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Criminal Enforcement, Forensics, and Training
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	33%	

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight:13%

Explanation: Currently, the targets are not sufficiently ambitious. However, new measures, targets and baselines are being developed that are expected to contain more ambitious targets. To date, the criminal enforcement program uses as a baseline or target either the previous years performance (e.g., the annual number of criminal enforcement investigations opened) or an average of the previous three years performance (e.g., annual amount of pollution reduced, treated, or eliminated). Normally, the three year average is used for measures that are more case-specific and, therefore, can vary widely from year to year. However, targets and baselines for the recidivism, pollutant impact, and environmental management improvement measures are still under development. The program expects the baseline and targets to be developed for the baseline and targets for its new recidivism and improved environmental management measures in in FY 2006; and targets and baselines forthe pollutant impact measure will be developed in FY 2007.

Evidence: FY 2002 OECA Accomplishments Report; OECA FY 2003 Press Release on Accomplishments, December 15, 2003; Attached OMB Measures Implementation Plans

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight:13%

Explanation: A limited amount of funding goes to "partners". The partners all cooperate in the overall goals of criminal enforcement, which result in reduction of pollution and contamination. Some 'partners' are recipients of cooperative agreement funds; others cooperate with the criminal enforcement program on environmental crimes. The program provides cooperative agreements to the four State Regional Associations, whose members are state law enforcement agencies with an emphasis on criminal enforcement. Funds are used for training to enhance state environmental enforcement. The organizations report their training statistics to EPA annually. States and tribes participate in EPA's biannual development of national enforcement priorities, an essential tool for deciding which cases will be jointly prosecuted by EPA and its non-federal partners in support of EPA's enforcement goals. EPA Regions also support criminal enforcement priorities through the biannual MOA process. EPA's criminal enforcement Special Agents serve on federal/state/ tribal/ local Law Enforcement Coordinating Committees (LECCs), which investigate national and local criminal enforcement priorities.

Evidence: U.S. EPA Annual Reports, FY 2002 and FY 2003 ; Criminal Enforcement Case Conclusion Report Data; EPA Region I-X FY 2002/2003 MOA's

PART Performance Measurements

Program: Criminal Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Criminal Enforcement, Forensics, and Training
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	33%	

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?

Answer: YES Question Weight:13%

Explanation: As previously noted, during FY 2003, major reviews or evaluations of the criminal enforcement program were conducted by the EPA Office of Inspector General and OECA. Those reviews covered the major components of the criminal enforcement program, including its field structure, management operations, deployment of personnel, statutory and policy responsibilities, personnel policies, and the methods used to measure, report and demonstrate the results of the criminal enforcement program. These reviews were more comprehensive and in-depth than any previous reviews. A number of specific recommendations from these reviews are currently being implemented to enhance program performance and management. In addition to these reviews, in FY 2002, The National Enforc. Investigations In Center (NEIC), the criminal enforcement program's scientific and forensics division, was formally granted accreditation by the National Forensic Science Technology Center (NFSTC) after an intensive 3-year process. In 2003, NEIC received the next step in accreditation by being certified in the international standard for quality management in testing facilities. NEIC is the first forensics environmental center in the country to be granted this accreditation for environmental measurement (field measurement/ monitoring , field sampling and laboratory measurements) and overall forensic activities (evidence management, facility security, witness testimony).

Evidence: NFSTC Accreditation letters and certificates of March 2003 and January 2001; NEIC receipt of Excellence in Government Quality Improvement Award for 2002 from the Denver Federal Executive Board; OCEFT Memorandum on Office Assessment Program (OAP), January 3, 2003. Management Review of the Office of Criminal Enforcement, Forensics and Training, December 15, 2003; Congressional Request on EPA Enforcement Resources and Accomplishments, Office of the EPA Inspector General, Report 2004-S-00001, October 10, 2003; and OCEFT Action Plan Summary for Implementation of the Management Review, April 16, 2004.

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?

Answer: YES Question Weight:13%

Explanation: The criminal enforcement program is aligned with EPA's Strategic Plan and requests are tied to both annual and long-term performance measures. Within Goal 5, resources are allocated by objective, sub-objective, and object class . The resources supporting the Criminal Enforcement Program are also tracked as a key program in the budget formulation process. The Agency estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy, and legislative changes. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification. Performance data are considered at every step in EPA's planning and budgeting process (i.e. developing the OMB submission, Congressional Justification, and Annual Operating Plan and reporting our results in the Annual Report). EPA managers use up-to-date financial, policy, and regulatory information to make decisions on program management and performance. Finally, the Agency's financial information is integrated with performance and other program data to support day-to-day decision making by managers and executives. To give one example, the program will use its proposed new measure on prosecutorial acceptance by DOJ to analyze trends regarding the characteristics (environmental media, nature of violation, area of country where violations arise, etc.) of cases that are ultimately prosecuted. This will enable the program to target its resources in areas that are most likely to result in real world environmental and health benefits as a result of successful prosecutions. The program also will analyze the utility of this measure as an additional criminal enforcement program efficiency measure.

Evidence: EPA Annual Congressional Justification; Budget Automation System (BAS) reports; OCEFT Operating Plans; EPA was selected as a government-wide finalist for the 2002 President's Quality Award in the area of budget and performance integration.

PART Performance Measurements

Program: Criminal Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Criminal Enforcement, Forensics, and Training
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	33%	

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight:13%

Explanation: The criminal enforcement program is addressing strategic planning deficiencies identified in the OCEFT management review. The program has created a performance measures workgroup which has recommended additional outcome and output measures to senior management. Those measures ' both for external GPRA and internal management use -- have been accepted. The criminal program also has expanded its participation on the Agency's Enforcement Planning Council and in the OECA strategic planning process and is reassessing its case screening procedures to ensure that its operations are better integrated with and reflect Agency enforcement and compliance priorities. In 2002, criminal enforcement senior program managers published a five-year Strategic Plan to articulate the program's mission and its vision for implementing it. It covers the major areas of: criminal investigations; scientific, forensic, and legal case support; developing a skilled national criminal enforcement workforce through training; and expanding partnerships with other EPA program offices as well as other units of government. The plan will be updated in FY 2005 to reflect some of the new strategic directions of the organization. OCEFT and the Office of Compliance are also discussing ways to share and integrate the criminal and civil enforcement data systems to enhance targeting and long term compliance monitoring.

Evidence: Management Review of the Office of Criminal Enforcement, Forensics and Training, December 15, 2003; OCEFT Action Plan Summary for Implementation of the Management Review, April 16, 2004;Congressional Request on EPA Enforcement Resources and Accomplishments, Office of the EPA Inspector General, Report 2004-S-00001, October 10, 2003; OCEFT Five Year Strategic Plan, FY 2002-2006; U.S. EPA 2002 Annual Report; Enhanced Criminal Program Case Report System

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight:15%

Explanation: Every week, the Special Agents-in-Charge (SAC) in criminal enforcement program offices throughout the country prepare and submit activity reports, called Projected Activities and Agenda Reports, that inform headquarters of upcoming activities, significant judicial and investigative developments in criminal investigations, and describe and update significant cases, including indictments, arrests, please, trials, and sentences. The reports provide budget details and reflect current statistical data. The Area Offices also must provide HQ with copies of case reports for all active Criminal Investigation Division (CID) cases every two months ((less frequently after defendants have been charged or if the case is on appeal). Headquarters receives and processes the Area Office's formal requests for prosecutive support of CID cases. These requests, which are sent to United States Attorneys, contain detailed descriptions of the cases and legal analyses prepared by the Regional Criminal Enforcement Counsel. Much of this 'real time' information is entered into The Criminal Docket System (CRIMDOC), a criminal case management, tracking and reporting system which contains information about criminal cases investigated by CID (from their inception as opened investigations through prosecution and conclusion). CRIMDOC also identifies those cases that are related to homeland security or counter-terrorism. The system administrator performs regularly scheduled quality assurance/quality control checks of the CRIMDOC database to validate data and to evaluate and recommend enhancements to the system. A new case management, tracking and reporting system (Case Reporting System or CRS), with greater tracking, management, and reporting capabilities, is currently being developed that will replace CRIMDOC. The system is expected to be fully on line by the end of FY 2004. This new system will also contain the relevant information for OCEFT's homeland security activities and reporting requirements.

Evidence: OCEFT Projected Activities and Agenda (PAAR) Reports (one example of PAAR report included); OCEFT Criminal Docket System (CRIMDOC) and enhanced Case Report System scheduled for completion by end of FY 2004.

PART Performance Measurements

Program: Criminal Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Criminal Enforcement, Forensics, and Training
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	33%	

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight:14%

Explanation: Performance standards for Federal managers are based on program goals and managers are evaluated on whether they have achieved program goals. Bonuses and awards reflect program accomplishments. Project Officers for contracts work closely with Contracting Officers to ensure that all billings and work products are on schedule, within budgetary limitations, and meet contract requirements. In addition, upcoming procurement requirements are being reviewed to identify ones that can be structured as performance-based service contracts. They will contain clear, specific, and objective standards with measurable outcomes to evaluate contractors' performance and will increase the burden and the cost risk of contract performance from the government to contractors. Project Officers on grants and cooperative agreements work closely with Grants Specialists and Award Officials to ensure grantees make progress on projects, perform work consistent with work plans, and costs expended are appropriate, fair, and reasonable.

Evidence: SES Performance Management System; Memorandum: OECA Post-Award Assistance Management Plan, January 8, 2004; Contract and grant award spending plans. Performance Standards for Grants management Memorandum, Nov. 2003; Performance Standards for OCEFT individuals with Contract, Grant and/or IAG Management Responsibilities (OCEFT Memorandum, January 20, 2004)

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight:14%

Explanation: Prior to the start of the fiscal year, the program develops a spending plan by activity based on the President's Budget request. Resources are allocated by goal, objective, sub-objective, and object class and are aligned with EPA's Strategic Plan. Adjustments are made to reflect changes in the enacted appropriation. Fund transfers between program objectives in excess of Congressionally established limits require Congressional notification and/or approval. Obligations and expenditures are tracked in the Agency's Integrated Financial Management System against the Operating Plan. Status of funds are monitored on a monthly basis with reports to management. In FY 2003, the program obligated over 99% of expiring funds. EPA works with grantees to ensure that their work plans reflect the Agency's Strategic Plan and Operating Plan and the recipient spending is consistent with the approved work plan. Each program office and grants management office conducts post-award monitoring of assistance agreements, including monitoring of draw-down of funds against grantees progress on work plans and deliverables. The monitoring ensures that recipients are spending the funds designated to each program area for the intended purpose. All grantees are required to submit annual or more frequent financial status reports.

Evidence: EPA's Annual Plan and Congressional Justifications; Memo: Budget Automation System Reports; Agency and OCEFT Operating Plan Guidance; OCEFT Operating Plans and Monthly Status Reports; Carryover data for FY 2003 shows minimal balances in expiring accounts.

PART Performance Measurements

Program: Criminal Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Criminal Enforcement, Forensics, and Training
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	33%	

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES Question Weight:15%

Explanation: Most of the criminal enforcement program's extramural resources are spent via simplified acquisitions, cooperative agreements, and interagency agreements. For simplified acquisitions, program staff work with Agency procurement officials who follow the Federal Acquisition Regulations and EPA Acquisition Regulations to ensure competition and best price. For requirements where technical quality and other factors are more important than price to achieve program results, a 'best value' approach is used to evaluate and select vendors/contractors. Under such an approach, evaluation criteria such as past performance of a contractor, are established before solicitation of offers. In procurement requirements that can be structured as performance-based contracts, consideration is being given to use of incentives to induce contractors to provide better quality performance..In FY 2002 EPA implemented a grants competition policy (EPA Order 5700.5) that promotes competition in the award of grants and cooperative agreements to the maximum extent practicable, thereby allowing a fair and open process for sources to obtain financial assistance. Through the competitive process, a wider audience of organizations is reached and encouraged to submit applications and provides a greater base from which to select the ones with the most meritorious proposals. Where authority is provided, Interagency Agreements promote the economy and efficiency of government by utilizing the programs of other federal agencies specifically designed to provide these services (i.e. Public Health Service, Treasury's Federal Law. However, competitive sourcing has not been applied.

Evidence: OECA Post Award Assistance Management Plan, Dec. 30, 2002.; Contract and grant spending plans.

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES Question Weight:14%

Explanation: EPA's criminal enforcement program is unique; it is the only law enforcement program in the country that focuses on environmental crimes with a national jurisdiction. Nonetheless, the program collaborates effectively with other federal investigatory agencies and prosecutorial agencies (e.g., the offices of the U.S. Attorneys and the Environmental Crimes Section at the Department of Justice) that have complementary missions and responsibilities regarding specific aspects of environmental law. Examples include: EPA's cooperative efforts with the U.S. Coast Guard on prosecutions of the Cruise Line Industry for illegal dumping of wastewater and hazardous materials at sea; cooperation with HUD on prosecutions of violations of the lead paint disclosure rule; and EPA's Memorandum of Understanding (MOU) with the U.S. Customs Service regarding joint investigations of illegal cross-border movements of hazardous wastes and CFCs. EPA also has extensive cooperative efforts with other federal agencies regarding Homeland Security. For example, EPA's criminal program participates in the Department of Justice's National Joint Terrorism Task Forces, and, under Presidential Decision Directive 39, supports the FBI in the event of a terrorist attack. EPA's criminal program also provides counter terrorism support at National Security Special Events when requested by the U.S. Secret Service. The EPA criminal enforcement program also works closely with the International Criminal Police Organization (INTERPOL) on international environmental crimes, e.g., by obtaining international criminal histories on suspects and defendants and setting up a training program on the use of international criminal enforcement tools. EPA's criminal program also works closely with the District of Columbia's Environmental Crimes Task Force. Under the Agency's recently articulated 'Smart Enforcement' Approach, the criminal enforcement program is also expanding its relationships with the civil enforcement program (e.g., through enhanced case screening procedures) in determine the most efficient and appropriate way to resolve violations and achieve the best environmental result.

Evidence: U.S. EPA Annual Accomplishment Reports, 2002-2003; Criminal Investigations Division Annual Report, 2002; Presidential Decision Directives 39 (June 21, 1995), 62 (May 22, 1998), and 63 (May 22, 1998); Memorandum from the AA, OECA on Smart Enforcement, April 15, 2003

PART Performance Measurements

Program: Criminal Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Criminal Enforcement, Forensics, and Training
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	33%	

3.6 Does the program use strong financial management practices? Answer: YES Question Weight:15%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. EPA has a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. EPA trains staff to ensure that they understand requirements for invoice review and the financial aspects of program objectives. EPA received an unqualified audit opinion on its FY 2002 financial statements and had no material weaknesses associated with the financial audit. EPA is taking steps to meet the new accelerated due dates for financial statements. The OIG's January 2003 report on improper contract payments concluded that the number of improper contract payments found is minimal and EPA appears to provide high quality and accurate contract payments. EPA provides guidance and directives on resource operations and management for each fiscal year. The "Advice of Allowance Letter" provides specific information on the current operating plan, budget ceilings, reprogramming limitations, Congressional limits and directives, unliquidated obligations, and recertification guidance. During the fiscal year, OECA updates its subobjective descriptions, which guide where spending will be charged based on the type of work being performed, and holds quarterly status of funds meetings with the AA on resource spending issues.

Evidence: The resource policies can be found at: http://intrasearch.epa.gov/ocfo/policies.; Annual Congressional Justification; Budget Automation System (BAS) reports; Unqualified audit opinion on EPA FY 2002 financial statements, Fiscal Year 2002; Advice of Allowance Letter; OIG's January 26, 2003, Final Status Results on The Review of Improper Payments at EPA.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight:15%

Explanation: OECA continuously reviews policies, procedures, and guidance to assure that they support Agency and OECA goals and objective. During FY 2002, OCEFT worked with EPA's Quality Staff to implement changes to the OCEFT Quality Management Plan, (QMP) and the program conducted QMP-related training and began QMP implementation. The NEIC was granted accreditation from the National Forensic Science Technology Center, confirming that NEIC implements a recognized and systematic approach to planning, conducting, documenting, and assessing forensic and environmental data collection activities. Per FMFIA, the criminal enforcement program performs an annual program review and identifies proposed areas of material weakness for consideration by OECA's Assistant Administrator. In FY 2003, none of the criminal enforcement program's recommended material weaknesses were forwarded by OECA for Agency level review; however, the program has continually sought additional resources from the Agency and redirected available base resources to begin addressing areas of concern. As part of the FY 2003 FMFIA reporting process, OCEFT improved management of assistance agreements, long an Agency vulnerability.OCEFT's percentage of post award monitoring reviews far exceed Agency policy. As the result of OCEFT's activities, along with those of other OECA offices, OECA received an Excellence in Grants Management Award. The 2003 OCEFT Management Review identified some management weaknesses that needed to be addressed, particularly in the areas of internal communications and personnel policies. The criminal enforcement program is currently implementing the recommendations in these areas, e.g., it is drafting a new hiring, promotion and reassignment policy in order to both attract, develop and retain the highest quality workforce and to ensure a positive work environment consisting of open communication, equal opportunity and fair treatment of all employees.

Evidence: OCEFT Management Review Executive Summary and April 14, 2004 Action Plan for Implementation ; FMFIA Annual Review Process;OCEFT Quality Management Plan ;NEIC Accreditation; FY2003 Year End Report and Assurance Letter, FMFIA" August 1, 2003; Memo " Announcement of Excellence in Grants Management Program Awards," April 14, 2003.

PART Performance Measurements

Program: Criminal Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Criminal Enforcement, Forensics, and Training
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	33%	

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?

Answer: SMALL EXTENT

Question Weight 25%

Explanation: The EPA's criminal enforcement program has produced some measurable results and adequate progress for the long term goal of reducing, treating or eliminating pollution during the last several years. For fiscal years 2002-3, the criminal enforcement program reduced 60.5 million lbs. of pollution through its concluded actions. As noted above, this amount deals only with pollution formally 'reduced' and does not include the pollution impacts of enforcement cases. Both the criminal enforcement program and the civil enforcement program are currently looking at existing Agency models or templates to characterize the risk associated with pollution reduction. The criminal program is currently developing its annual measure relating to environmental management improvements by regulated entities, so it cannot demonstrate long term progress towards meeting this goal at this time. In FY 2005, the criminal program will begin internal tracking of the other long-term goal of a 5% increase in proved environmental management practices by 2008 and will report externally beginning in FY 2007.

Evidence: FY 2002 EPA Annual Report, pps. 105-108; FY 2003 EPA Annual Report, pps. 99-101; December 15, 2003 Press Release on Enforcement Accomplishments (data supplied by OCEFT Case Conclusion Reporting System and CRIMDOC); Attached Measure Implementation Plans

4.2 Does the program (including program partners) achieve its annual performance goals?

Answer: SMALL EXTENT

Question Weight 25%

Explanation: Under Goal 9 of the Agency's former (2000) Strategic Plan, the criminal enforcement program contributed to the enforcement-wide pollution reduction measure [Pounds of pollution required to be reduced through enforcement actions settled this year. Goal: 300 million pounds Actual' 600 million pounds (criminal enforcement contribution 40 million pounds)]. The program also achieved its homeland security-related APG in FY 2002 and FY 2003 (Goal 100% response Actual 100% response in both FY 2002 and FY 2003) and its annual targets for initiating criminal investigations in FY 2002 and FY 2003 (Criminal Investigations:. Goal 400 in both FY 02 and FY 03; Actual: 481 in FY 02 and 458 in FY 03). As noted in question 2.3, the target for the number of criminal investigations may be revised after FY 2005, consistent with the OCEFT Management Review recommendation that the program emphasize more "complex" cases. Since the program will be bringing additional annual measures "on line" over the next several years (pollution impact, prosecution acceptance rate, recidivism, etc.), these measures can also be used to help develop new targets for the number of criminal investigations in addition to enabling the program to better demonstrate its progress in meeting both its short-term and long-term compliance and enforcement goals.

Evidence: EPA FY 2002 Annual Report pps.II-99 to II-103; OECA December 15, 2003 Press Release on FY 03 Accomplishments(data supplied by CRIMDOC and Case Conclusion Report Analyses)

PART Performance Measurements

Program: Criminal Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Criminal Enforcement, Forensics, and Training
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	33%	

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: SMALL EXTENT

Question Weight 25%

Explanation: The current criminal enforcement program efficiency measure is pollutant reductions per FTE. This measure can vary, since annual results are based upon the universe of cases that are concluded within a given fiscal year. The results are: FY 2002: 77,651 lbs; FY2003: 153,787 lbs. This efficiency measure is an internal measure ' not an external APG or PM, and no annual target is developed for it . During FY 2004, OCEFT will be developing additional internal management measures, including those which might be appropriate as future efficiency measures, e.g., percentage of cases accepted for prosecution by DOJ.

Evidence: CRIMDOC and Case Conclusion Report System; OCEFT Five Year Strategic Plan, FY 2002-2006; Measure Implementation Plan for Prosecution Acceptance Rate for Referrals; Measure Implementation Plan for Pollution Reduction

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: NA

Question Weight: 0%

Explanation: The EPA criminal enforcement program is the only national environmental crime enforcement program mandated by Congress . EPA Special Agents are fully-authorized federal law enforcement officers, like their counterparts in other federal law enforcement agencies, and agents receive basic criminal enforcement training at the Federal Law Enforcement Training Center (FLETC) in Glynco, Georgia. Nevertheless, the EPA criminal enforcement program does not function as a local police force. Instead, it specializes in the investigation of environmental crimes, which are often legally and technically complex. While there are other federal law enforcement agencies who jurisdictions overlap with EPA in some areas (e.g., U.S. Coast Guard), and EPA's criminal enforcement program also investigates general criminal conduct under Title 18 of the U.S. Code if such violations are associated with environmental crimes, the other law enforcement agencies have regulated universes that do not generally align with the regulated universe of entities covered by the environmental laws under EPA's jurisdiction. This makes valid comparisons between EPA's criminal enforcement program and other federal law enforcement difficult. Nor do most states have comprehensive environmental crime law enforcement components, so comparisons with the states are not valid. There is no comparable private sector program.

Evidence: Citations to Regulatory Authority (Appendix C, EPA Strategic Plan); 1990 Pollution Prosecution Act, P.L. 101-593.

PART Performance Measurements

Program: Criminal Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Criminal Enforcement, Forensics, and Training
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	33%	

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: SMALL EXTENT

Question Weight 25%

Explanation: The reports, while acknowledging activities that are performing, found many items that required change. The IG Report raised some questions about its management operations and whether the criminal enforcement program has been stretched too thin over the last several years, the audit stated that 'Despite management problems, CID (the criminal investigations division) is carrying out its mission to investigate criminal violations of the environmental statutes' (page 25). The OCEFT Management Review concluded that the criminal enforcement program had become too insular in its culture and that it needed to better integrate its operations with the Agency and Regions. The Review recommended a series of actions to improve program operations, the large majority of which are currently being implemented. As opposed to these Agency-based reviews, it would be unusual for an outside entity to do a complete audit of a law enforcement organization, given the need for maintaining the enforcement confidentiality of files and case-related material. As previously noted, however, in Section 2, Question 6, the investigations conducted by EPA are analyzed by the Department of Justice during the referral process and there has been an independent evaluation of the program's forensic component through the NFSTC's accreditation of NEIC.

Evidence: Management Review of the Office of Criminal Enforcement, Forensics and Training, December 15, 2003; Congressional Request on EPA Enforcement Resources and Accomplishments, Office of the EPA Inspector General, Report 2004-S-00001, October 10, 2003, page 25; and OCEFT Action Plan Summary for Implementation of the Management Review, April 16, 2004. NFSTC Accreditation letters and certificates of March 2003 and January 2001; NEIC receipt of Excellence in Government Quality Improvement Award for 2002 from the Denver Federal Executive Board;

PART Performance Measurements

Program: Criminal Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Criminal Enforcement, Forensics, and Training
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	33%	

Measure: Pounds of pollution reduced treated or eliminated

Additional Information: The aggregate amount of pollution reduced, eliminated or treated, characterized as to risk.

Year	Target	Actual	**Measure Term:** Long-term
2005	Baseline		

Measure: Lbs. Of Pollutant Reduction per FTE

Additional Information: Pollutant reductions/FTE need to ensure that the temporal relationships of outcome to resource use is aligned.

Year	Target	Actual	**Measure Term:** Efficiency
2005	Baseline		

Measure: Change in behavior to use Improved Management practices.

Additional Information: This measure indicates the long term success of the enforcement program in expanding the use of improved environmental management practices to promote long term compliance.

Year	Target	Actual	**Measure Term:** Long-term
2004			
2005	BASELINE		

Measure: Reduction in recidivism

Additional Information: This measures a change in behavior and shows effectiveness of enforcement effort.

Year	Target	Actual	**Measure Term:** Annual
2005	Baseline		

PART Performance Measurements

Program: Criminal Enforcement
Agency: Environmental Protection Agency
Bureau: Office of Criminal Enforcement, Forensics, and Training
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	33%	

Measure: Change in behavior to use Improved Management practices.

Additional Information: Indicates annual progress in meeting long term goals.

Year	Target	Actual	**Measure Term:** Annual
2005	BASELINE		

Measure: Pounds of pollution reduced, treated or eliminated

Additional Information: To be characterized as to risk.

Year	Target	Actual	**Measure Term:** Annual
2002		20	
2003		40	
2004	Baseline		

Measure: Reduction in recidivism

Additional Information: Measures change in criminal behavior.

Year	Target	Actual	**Measure Term:** Long-term
2005	Baseline		
2006			

Measure: Pollutant Impact

Additional Information: Annual aggregate amount (in millions of pounds) of illegal pollution that is released into the environment that cannot be remediated, treated or reduced.

Year	Target	Actual	**Measure Term:** Annual
2006	Baseline		
2007			

PART Performance Measurements

Program: Drinking Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	33%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The DWSRF provides funds to States to establish State loan revolving funds that finance infrastructure improvements for public water systems and other activities that support State drinking water programs and promote public health protection.

Evidence: The program's authorizing statute (Safe Drinking Water Act amendments of 1996, Section 1452) and final rule (40 CFR 35, Subpart L) provide clear and consistent statements that the purpose of the DWSRF is to further public health objectives under the SDWA and to promote the efficient use of fund resources.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: The DWSRF provides a financial tool to address infrastructure problems associated with the provision of drinking water that is safe, affordable and compliant with SDWA drinking water standards. The program also has a focus on assistance to small systems (including private systems) that have difficulty finding financing.

Evidence: The 1999 Drinking Water Infrastructure Needs Survey identified $151 billion in infrastructure needs for the next 20 years. The DWSRF Report to Congress estimates that 93% of community water systems serve fewer than 3,300 people (19% of total population).

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: While other programs may provide financial assistance to water systems for infrastructure improvements, none have the program design of a revolving fund which can provide a long-term, sustainable funding source for states to address system needs. Additionally, the DWSRF may provide assistance to privately-owned systems, which most similar programs are not allowed to fund. The program precludes duplicative funding of projects through regulatory constraints and segmentation of multiple sources of funding within EPA.

Evidence: SDWA. GAO report on water funding sources discussed differences between different federal programs. CFR 35.3125 Limitations on SRF Assistance specifies the prevention of double benefit.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: The priority-setting process that states are required to use focuses the funds on the most important public health and compliance infrastructure needs. The DWSRFs utilize loans plus a state match, rather than grants, to enable a sustainable source of funding. The program design provides significant flexibility to states to maximize protection of public health (including leveraging of funds). The design ensures short-term sustainability of a state's fund by requiring all repayments and interest earnings to be deposited in the fund.

Evidence: SDWA and regulations describe requirements for fund to operate in perpetuity and target funds to public health and compliance needs.

PART Performance Measurements

Program: Drinking Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	33%	

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight 20%

Explanation: States receive grants which are allotted based on their share of the overall national need identified in the most recent infrastructure needs survey. States must develop priority systems which give emphasis to projects needed for public health protection, compliance and economic need on a per household basis. States must then offer funding to those systems with the highest priority that are ready to proceed with construction. During required annual reviews of state programs, EPA regional staff review records to ensure that the state is in compliance with the requirement to address the highest priority projects.

Evidence: SDWA and regulations describe allotment formula and priority-setting requirements

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight 13%

Explanation: The program has an outcome-based, long-term perfomance measure that supports the goals of "Water Safe to Drink" by reducing exposure to contaminants. The program has key long-term output measures that support the goal of developing state funds that are self-sustaining after federal support ends. The program is implementing two new long-term outcome efficiency measures that will be included in the 2006 GPRA strategic plan and a new long-term output efficiency measure that reports the cumulative number of projects initiating operations per cumulative dollars. The program has committed to develop a high level outcome measure (based on GAO's Hierarchy of Indicators) to assess the reduction in waterborne disease outbreaks due to unsafe drinking water.

Evidence: The performance measure tracks the percent population served by community water systems that receives drinking water in compliance with health-based standards. The measure is listed in EPA's 2003 Strategic Plan as a strategic target to track progress on the proposed goal of "Water Safe to Drink." The program tracks the national long-term average revolving level of the fund to assess long-term sustainability. For the efficiency measures (see measures tab) a "Measures Implementation Plan" has been submitted to OMB.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight 13%

Explanation: The targets and timeframes for the outcome performance measure and efficiency measure are ambitious given the existing external factors that limit EPA control and measurement of program progress. The measures emphasizes the importance of sustaining compliance as well as returning systems to compliance. Ambitious targets have been established for one of the key output measures. Targets for new output measures must be developed by next year.

Evidence: The baselines and targets provided in the measures tab for the long-term outcome measure are published in EPA's Strategic Plan, and the program's more detailed Subobjective Implementation Plan.

PART Performance Measurements

Program: Drinking Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	33%	

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight:13%

Explanation: The program has an outcome-based annual measure that tracks the rate of compliance of the nation's 53,000 community water systems with drinking water standards. If systems are in compliance, the population's exposure to contaminants is reduced. The program has two output performance measures that demonstrate progress toward the long-term financial and environmental goals. The program has a new efficiency measure as discussed in 2.1.

Evidence: The DWSRF contributes to the performance measure proposed in EPA's 2003 Strategic Plan: Increase the percent of community water systems that meet Pre-2001 and Post-2001 drinking water standards.

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight:13%

Explanation: The targets and timeframes are ambitious given the the existing external factors that limit collection of reliable data. For example, a percentage of the systems do not submit compliance reports. In future years, EPA must reduce external factors to continue to receive a yes answer.

Evidence: The baselines and targets provided in the measures tab for the annual outcome measure are published in EPA's Strategic Plan, and the program's more detailed Subobjective Implementation Plan.

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: NO Question Weight:13%

Explanation: Insufficient evidence. States submit annual reports on the use of funds, but do not report on how funding is linked to the long-term goal.

Evidence:

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight:13%

Explanation: At the Federal level, GAO has evaluated EPA's DWSRF program. EPA/HQ conducts reviews of EPA regional programs. EPA Regional Offices review state programs annually. At the State level, 43 states conduct separate independent audits with the remainder scheduled for periodic audits by the EPA Inspector General, which also reviews the quality of the other independent audits. These evaluations support program goals for financial performance. None of these audits evaluate the project level data necessary to assess performance with respect to public health goals. Additionally, audit-based approaches do not meet the quality criteria for determing the impact of the program.

Evidence:

PART Performance Measurements

Program: Drinking Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	33%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight:13%

Explanation: The Agency estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy and legislative changes. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification. Presentation to Congress of the Agency's budget, including resources for the DWSRF program, include alignment to its Strategic Plan goals. For the DWSRF, EPA also utilizes a planning model to align the budget with the output goal of achieving a target long-term revolving level.

Evidence: Annual Congressional Justification.Budget Automation System (BAS) reports.The SRF planning model has been used by both OMB and EPA to evaluate the impact of changes in appropriations and economic factors on the long-term revolving level.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: NO Question Weight:13%

Explanation: EPA has taken steps to strengthen its oversight of States' management and use of the fund, and has developed several key measures of the programs financial performance. But it has not linked this oversight role to performance evaluation related to the long-term goals of protecting public health and establishing funds that are sustainable in the absence of federal support.

Evidence:

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: NO Question Weight:11%

Explanation: Data for outcome performance measures are compiled from the Safe Drinking Water Information System (SDWIS/FED). EPA's Inspector General recently reported data quality problems with this reporting system and concluded that EPA is not accurately reporting its performance. EPA collects DWSRF financial and progress information annually from States through Annual Reports and through its information management system (DWNIMS). Regions review reports and data to determine if the program is meeting its objectives described in annual intended use plans and to use in discussions with the state on how to improve program performance.

Evidence: OIG, March 5, 2004. EPA Claims to Meet Drinking Water Goals Despite Persistent Data Quality Shortcomings, No. 2004-P-0008.Regulatory requirements for annual reports, information collection, annual reviews by regional staff. Examples of Performance Evaluation Reports (PERs) that show how information collected is used to assess performance.

PART Performance Measurements

Program: Drinking Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	33%	

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight:11%

Explanation: EPA has designated DWSRF program managers in all regional offices and at the national level. Additionally, Federal regional grant project officers are held accountable for ensuring that all policies and procedures of the EPA Grants Administration Division are followed. Grantees are accountable through grant agreements with EPA for program costs. EPA Regions' annual review of state performance under the grants and audit results can be used to adjust grant conditions.

Evidence: DWSRF program responsibilities are specified under performance standards in personnel performance appraisals. The final rule (40 CFR 35, Subpart L) specifies performance standards to be included in grant agreements (Section 35.3550).

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight:11%

Explanation: The DWSRF program requires states to have a schedule with timing targets to ensure that federal grants are taken in a timely and efficient way. DWSRF funded projects are identified on each State's Priority Projects List. EPA Regional Offices review state programs annually. At the State level, 43 states conduct separate independent audits with the remainder scheduled for periodic audits by the EPA Inspector General, which also reviews the quality of the other independent audits. All grantees are required to submit annual reports and supply data to EPA national database (DWNIMS) that document the activities of loan recipients. The reporting and evaluations confirm that recipients are spending the funds designated to each project for the intended purpose.

Evidence: Specific regulatory requirements governing DWSRF capitalization grant agreements are located at 40CFR Part 35 Subpart L Sections 35.3545 and 35.3550. In 2003 nearly 80% of available funds were committed to projects. This measure has increased every year since program inception; in 1998 it was 33%; in 2000 it was 64%; and in 2002 it was 75%. DWNIMS data are available at: www.epa.gov/safewater/dwsrf/dwnims.html. Many state and regional offices make annual report information available on their web sites.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: YES Question Weight:11%

Explanation: The DWSRF program requires states to have a schedule with timing targets to ensure that federal grants are taken in a timely and efficient way. States have flexibility to adopt procedures to maximize effectiveness. For example, states may not award loans to systems that do not have the technical, financial and managerial capacity to accomplish the intended results.

Evidence: Operating agreements obtain state commitment schedules to commit and expend all funds as efficiently as possible. On a quarterly basis, EPA regional staff checks federal cash draw requests against negotiated payment schedules to ensure state compliance.

PART Performance Measurements

Program: Drinking Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	33%	

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight:11%

Explanation: EPA has national agreements with the USDA Rural Utilities Service and HUD Community Development Block Grant programs, which also operate financing programs for water supply, to facilitate coordination within states. However, the effectiveness of coordination at the federal level has not been evaluated. A forthcoming report from EPA's Environmental Finance Advisory Board is expected to indicate that coordination generally has been effective although there are state-specific issues impeding coordination.DWSRF coordinates with related EPA programs (Public Water System Supervision and Underground Injection Control programs) to work toward shared performance goals.

Evidence: DWNIMS records indicate that 27 states report that 15% of DWSRF agreements were coordinated funding. Supporting material from State data submissions to DWNIMS indicates that at least 41 States answer "yes" to the question of whether they coordinate funding for infrastructure.EPA's 2003 Strategic Plan on the proposed goal of "Water Safe to Drink."

3.6 Does the program use strong financial management practices? Answer: YES Question Weight:11%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives. EPA received an unqualified audit opinion on its FY02 financial statements and had no material weaknesses associated with the audit. EPA reviewed the Drinking and Clean Water State Revolving Fund (DWSRF and CWSRF) programs and found only isolated instances of erroneous payments (<0.25%). Controls were found to be effective and the majority of overpayments had already been collected. The Office of Water SRF training held in March included a discussion on erroneous payments.

Evidence: Annual Congressional Justification, Budget Automation System (BAS) reports, Data: unqualified audit opinion on EPA FY02 financial statements, Fiscal Year 2002 Advice of Allowance Letter, 2002 Integrity Act Report. October 31, 2002, EPA final report on the review of the DWSRF AND CWSRF Operating agreements obtain state commitment schedules to commit and expend all funds as efficiently as possible. On a quarterly basis, EPA regional staff check federal cash draw requests against negotiated payment schedules to ensure state compliance.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight:11%

Explanation: EPA is developing an action plan to address data quality issues in SDWIS/FED.EPA has taken steps to address program management deficiencies. For example, EPA has taken action to address findings in a January 2002 GAO report that criticized EPA's slow development of financial indicators for use in assessing state programs and insufficient use of DWNIMS data in conducting annual reviews of state programs. EPA/HQ developed a review strategy to evaluate regional program management effectiveness and EPA Regions conduct annual reviews of state program effectiveness and compliance. EPA also has procedures to address non-compliant state programs.

Evidence: EPA, March 2004. Drinking Water Data Reliability Analysis and Action Plan (2003).EPA finalized a suite of financial indicators in May 2002 and is working to increase use of DWNIMS data in oversight. EPA has provided past examples of non-compliance notices to states.

PART Performance Measurements

Program: Drinking Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	33%	

3.BF1 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight: 11%

Explanation: Annually, data collection through DWNIMS, site visits, program audits and performance evaluation reports track how funds are used. EPA's Integrated Financial Management System tracks federal outlays to grantees.

Evidence: Grantee activities and use of funds are documented in the DWNIMS data reported by states.

3.BF2 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 11%

Explanation: EPA/HQ collects data on grantee activities through DWNIMS and makes them available to the public through a web site. State grantees must submit biennial reports on meeting goals/objectives. EPA Regions conduct annual reviews with each state. States are audited for proper practices.

Evidence: DWNIMS data are available at: www.epa.gov/safewater/dwsrf/dwnims.html. Many state and regional offices make annual report information available on their web sites.

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight: 20%

Explanation: The program is implementing new efficiency measures and is committed to a strategy and workplan. The DWSRF is progressing toward its long-term performance target although data quality issues suggest the numbers may under-report actual performance. It also met targets that measure relevant outputs that link to the long-term goal.

Evidence: Summarized in measures tab. EPA's Financial Planning Model projections indicate that a long-term revolving level of $1.2 billion can be achieved under current economic and proposed federal funding conditions.

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight: 20%

Explanation: The DWSRF appears to have met its annual performance targets although data quality issues suggest the numbers may under-report actual performance. It also met targets that measure relevant outputs that link to the annual goal.

Evidence: Summarized in measures tab.

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: LARGE EXTENT Question Weight: 20%

Explanation: The program has several output efficiency measures and demonstrates improved efficiencies in meeting its financial management goals. The program has made great progress in developing an outcome-based efficiency measure.

Evidence: The average fund utilization rate nationwide (a key efficiency measure) continues to increase. A high rate indicates that DWSRF funds are expeditiously used. From 1998 to 2003, the rate increased from 33% to 79%.

PART Performance Measurements

Program: Drinking Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	33%	

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: SMALL EXTENT

Question Weight 20%

Explanation: The Administration's Common Measures assessment for rural water activities indicated higher efficiencies for the Rural Utilities Service Water Funding Program and EPA's DWSRF relative to the Bureau of Reclamation Water Funding Program and the IHS Sanitation Program. The common measures selected were population and connections served per million dollars. The measures considered focus on only a small part of the DWSRF program.

Evidence: Findings of Rural Water drinking water funding projects described in the Department of the Interior FY 2004 budget narrative.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: NO

Question Weight 20%

Explanation: Although evaluations have been performed, they do not meet the criteria for independence, scope and quality. The Inspector General (IG) conducts financial audits of selected state programs each year, and evaluates independent audits conducted within each state for consistency with financial accounting standards. No independent evaluations of program achievements with respect to outcomes have been performed, Given that the program represents more than 10% of EPA's budget, more frequent and comprehensive evaluations are warranted.

Evidence: There has been no comprehensive independent evaluation of the DWSRF. A single GAO report has evaluated three key aspects of the program and has identified some deficiencies. GAO concluded that "EPA does not have all the information it needs to monitor the state's implementation of the program or assess the programs overall effectiveness."

PART Performance Measurements

Program: Drinking Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	33%	

Measure: Percent population served by community water systems in compliance with health-based drinking water standards.

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term
2003	Baseline	91.0%	
2008	95%		

Measure: Percent community water systems in compliance with drinking water standards.

Additional Information: This measure tracks the compliance rate of the nation's 53,000 community water systems with drinking water standards. If systems are in compliance, the population's exposure to contaminants is reduced.

Year	Target	Actual	**Measure Term:** Annual
2003	Baseline	92%	
2004	92.5%		
2005	93%		
2006	93.5%		

Measure: People receiving drinking water in compliance with health-based drinking water standards per million dollars (Federal and State).

Additional Information: Dollars include all federal and state funding for safe drinking water programs.

Year	Target	Actual	**Measure Term:** Long-term
2003	Baseline	202,840	
2008	233,645		

PART Performance Measurements

Program: Drinking Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	33%	

Measure: Dollars per community water system in compliance with health-based drinking water standards.

Additional Information: Dollars include all federal and state funding for safe drinking water programs.

Year	Target	Actual	**Measure Term:** Long-term
2003	Baseline	24,606	
2008	24,342		

Measure: Fund utilization rate for the DWSRF.

Additional Information: Cumulative dollar amount of loan agreements divided by cumulative funds available for projects.

Year	Target	Actual	**Measure Term:** Annual
2003	Baseline	79.2%	
2004	80.6%		
2005	81.9%		
2006	83.3%		

Measure: DWSRF Long-Term Revolving Level ($billions/yr)

Additional Information: Indicates the amount of funds available to be disbursed from the DWSRF program. The target is an average level of $1.2 B/year for the period 2018-2035

Year	Target	Actual	**Measure Term:** Long-term
2001	Baseline	0.97	
2002		1.0	
2018	1.2		

PART Performance Measurements

Program: Drinking Water State Revolving Fund
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	33%	

Measure: Average funding (in millions of dollars) per project initiating operations.

Additional Information: Dollars include all federal and state DWSRF funds made available to projects that have initiated operations since inception of the program.

Year	Target	Actual	**Measure Term:** Long-term
2003	Baseline	1.73	
2005	1.69		
2004	1.71		
2006	1.67		

Measure: Number of additioanl projects initiating operations.

Additional Information:

Year	Target	Actual	**Measure Term:** Annual
2003	Baseline	397	
2004	405		
2005	415		
2006	425		

PART Performance Measurements

Program: Ecological Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	30%	73%	20%	Demonstrated

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of EPA's Ecological Research Program is to provide the scientific understanding to measure, model, maintain, and/or restore, at multiple scales, the integrity and sustainability of highly valued ecosystems now and in the future.

Evidence: Ecological Research Multi-Year Plan (Page 5). Clean Water Act (CWA) Title I (33 USC 1251-1271); The Clean Air Act Amendments (CAAA); Toxic Substances Control Act; Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA);Comprehensive Environmental Resource Conservation and Liability Act (CERCLA); Resource Conservation and Recovery Act (RCRA); Pollution Prevention Act (PPA) (42 USC 13101-13109)

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Environmental assessments have increased in complexity over the last decade or so. For example, it is widely agreed that a watershed or landscape approach is necessary to appropriately assess and address water quality problems. However, there are significant gaps in the science available to support this more complex work.

Evidence: Ecological Research Multi-Year Plan (Page 5).ORD Strategic Plan 2001 (Page5) (http://www.epa.gov/osp/stplan.htm)Ecological Research Strategy (Section 1, pp 1-1 - 1-7)

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: NO Question Weight 20%

Explanation: Other Federal agencies also carry out similar research efforts on water quality, land use, and wildlife. EPA maintains that, as a regulatory agency, its research focus is different and distinct from other agencies. However, it appears overlapping efforts remain.

Evidence:

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: EPA's ecosystem research program uses a combination of in-house and competitive grants to carry out research. This leverages the knowledge of both the agency and other institutions.

Evidence: Ecological Research Multi-Year PlanClean Water Act (CWA) Title I

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: NO Question Weight 20%

Explanation: Because the program does not adequately coordinate with other EPA offices and other agencies, it lacks enough information to effectively target its resources.

Evidence:

PART Performance Measurements

Program: Ecological Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	30%	73%	20%	Demonstrated

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight:10%

Explanation: The program has a LTG that will result better environmental information for policy-makers and environmental managers. However, the program should focus on developing one or two more outcome-oriented LTGs to better focus other activities.

Evidence: Ecological Research Multi-Year Plan

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight:10%

Explanation: The program lacks ambitious targets and timeframes for its LTG.

Evidence:

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: NO Question Weight:10%

Explanation: The majority of the program's annual performance measures do not measure the program's progress toward reaching meaningful long-term goals.

Evidence:

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight:10%

Explanation: Received a "No" for 2.3.

Evidence:

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: NO Question Weight:10%

Explanation: Received a "No" for 2.3.

Evidence:

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: NO Question Weight:10%

Explanation: Evaluations have either been insufficient in scope or strictly process-focused. For example, the National Academy of Science's review of the STAR program includes many different areas of research, in addition to only a portion of the ecosystem research program.

Evidence:

PART Performance Measurements

Program: Ecological Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	30%	73%	20%	Demonstrated

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight:10%

Explanation: The Agency estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy, and legislation. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification. Performance data are considered at every step in EPA's planning and budgeting process (i.e. developing the OMB submission, Congressional Justification, and annual Operating Plan and reporting our results in the Annual Report). EPA managers use up-to-date financial, policy, and regulatory information to make decisions on program management and performance. The Agency's financial information is integrated with performance and other program data to support day-to day decision making of managers and executives.

Evidence: Annual Congressional Justification, Budget Automation System (BAS) reports. [EPA was selected as a government-wide finalist for the 2002 President's Quality Award in the area of budget and performance integration.]

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: NO Question Weight:10%

Explanation: While the MYPs represent a step in the right direction, they have not gone far enough in improving strategic planning. However, ORD is instituting an internal program evaluation process that could help them correct strategic planning deficiencies. The next revision of the office's Multi-Year Plan also presents an opportunity to improve strategic planning.

Evidence:

2.RD1 **If applicable, does the program assess and compare the potential benefits of efforts within the program to other efforts that have similar goals?** Answer: NO Question Weight:10%

Explanation: The program has not assessed or compared what its potential benefits might be in relation to other efforts that have similar goals either within the Agency, such as OW's water quality monitoring program within EPA, or in other agencies.

Evidence:

2.RD2 **Does the program use a prioritization process to guide budget requests and funding decisions?** Answer: YES Question Weight:10%

Explanation: ORD has a documented process where it identifies low priority activities that can be cut to meet budget guidance or appropriations constraints. It is unclear, however, how often the information generated by this exercise is used.

Evidence: ORD Contingency Plan Development Process

PART Performance Measurements

Program: Ecological Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	30%	73%	20%	Demonstrated

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?

Answer: YES Question Weight: 9%

Explanation: The establishment and review of annual performance goals and measures is an integral part of the Ecological Research program's annual planning and budgeting process. Progress towards achieving the APGs/APMs is reported quarterly within ORD. This information is used to inform the annual planning process as well as to update the MYP. Contractors and holders of cooperative agreements are monitored on a regular basis to ensure their progress is compatible with the overall aims of the MYP. STAR grantees are required to report annual progress and final results, including publications and significant accomplishments that are posted on a public web site. They are also required to participate in periodic program review workshops with other grantees and EPA staff to review progress and findings.

Evidence: EPA FY 2002 Annual Report (http://www.epa.gov/ocfo/finstatement/2002ar/2002ar.htm)STAR Web Site (http://es.epa.gov/ncer/)

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?

Answer: YES Question Weight: 9%

Explanation: The program incorporates program performance into personnel performance evaluation criteria. Management is accountable for specific performance standards relating to program goals. The program also monitors progress against GPRA targets, including mid-year reviews with the Deputy Administrator. For contracts and grantees, statement of work, deliverables, costs, and schedules are written into award terms. All ORD Project Officers (POs) are responsible for seeing that the agreement is awarded and managed according to government regulations in a way that gives value to the government and public.

Evidence: SES Performance standardsProject Officer Training (http://epawww.epa.gov/oamintra/training/index.htm)

PART Performance Measurements

Program: Ecological Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	30%	73%	20%	Demonstrated

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight: 9%

Explanation: Prior to the beginning of the fiscal year, the program develops an operating plan which reflects how it plans on spending its budget (as requested in the President's Budget). Resources are allocated by goal, objective, subobjective, program and object class. Programs then adjust the operating plan to reflect appropriated levels. EPA's budget and annual Operating Plan are aligned with the Agency's Strategic Plan and approved by OMB and Congressional Appropriations Committees. Obligations and expenditures are tracked in the Agency's Integrated Financial Management System (IFMS) against the Operating Plan. Fund transfers between program objectives in excess of Congressionally established limits require Congressional notification and/or approval. EPA works with grantees to ensure that their work plans reflect the Agency's Strategic Plan and Operating Plan and that recipient spending is consistent with the approved workplan. Each program office and grants management office conducts post-award monitoring of assistance agreements, including monitoring the draw-down of funds against grantee progress on workplan tasks and deliverables. This monitoring ensures that recipients are spending the funds designated to each program area for the intended purpose. All grantees are required to submit annual or more frequent financial status reports.

Evidence: End of year obligation reports. EPA's annual Operating Plan and Congressional Justification, EPA's Strategic Plan, Budget Automation System (BAS) data, EPA's Annual Report and Financial Statements. EPA's Policy on Compliance, Review, and Monitoring (EPA 5700.6, Advanced post-award monitoring (i.e. on and off-site grantee review) reports, documentation of post-award monitoring in assistance agreement files, grantee financial status reports.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: NO Question Weight: 9%

Explanation: While ORD is undertaking efforts related to this issue (the average length of time it takes to make grant awards, IT business cases that discuss efficiency improvements), nothing is currently available to measure efficiency of the program.

Evidence:

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: NO Question Weight: 9%

Explanation: While the program collaborates with a few other agencies, documented by MOUs, much of its effort generally appears distinct from related efforts within EPA and other Federal agencies. It is unclear how EPA's ecosystem research supports yet is distinct from other Federal efforts.

Evidence:

PART Performance Measurements

Program: Ecological Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	30%	73%	20%	Demonstrated

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 9%

Explanation: The Ecological Research program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives. EPA received an unqualified audit opinion on its FY02 financial statements and had no material weaknesses associated with the audit. EPA is taking steps to meet the new accelerated due dates for financial statements.

Evidence: Annual Congressional Justification, Budget Automation System (BAS) reports,unqualified audit opinion on EPA FY02 financial statements, Fiscal Year 2002 Advice of Allowance Letter, 2002 Integrity Act Report, resource policies at: http://intrasearch.epa.gov/ocfo/policies.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: NO Question Weight: 9%

Explanation: ORD is considering developing a program evaluation process. Enough details are not yet available to assess how effective it will be.

Evidence:

3.CO1 Are grants awarded based on a clear competitive process that includes a qualified assessment of merit? Answer: YES Question Weight: 9%

Explanation: 100% of the ecological research grants are awarded through ORD's competitive STAR grants program, using external scientific peer reviewers to rate applications based on scientific merit. Only applications rated as 'excellent' or 'very good' (usually 10-20% of proposals) are then considered for funding based on relevance to EPA programmatic priorities. To attract new investigators, research solicitations are announced in the Federal Register, posted on the NCER website for at least 90 days, emailed to institutions and individuals that have indicated an interest in receiving them, distributed at scientific conferences, and disseminated to researchers by other federal agencies.

Evidence: EPA National Center for Environmental Research website: RFA announcements (http://es.epa.gov/ncer/rfa/)NAS review, 'The Measure of STAR,' April, 2003 (http://www4.nationalacademies.org/news.nsf/isbn/0309089387?OpenDocument)

3.CO2 Does the program have oversight practices that provide sufficient knowledge of grantee activities? Answer: YES Question Weight: 9%

Explanation: Grant project officers monitor grantee performance, including submission of annual progress reports and compliance with federal requirements. Project officer site visits conducted on a minimum on 10% of active grantees. Project officers attempt to visit all research centers and institutions that receive large individual grants to check research progress (NAS review, 'The Measure of STAR,' April, 2003). Grant specialists conduct site visits for administrative and financial evaluations on a minimum of 10% of active grants annually.

Evidence: EPA Order 5700.6 Policy on Compliance Review and Monitoring

PART Performance Measurements

Program: Ecological Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	30%	73%	20%	Demonstrated

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 9%

Explanation: An annual progress report is submitted by each grantee and posted on the EPA National Center for Environmental Research website. Reports grantees are distributed to EPA staff to disseminate to interested parties. These reports include summaries of progress in relation to project objectives as well as publications of research results. Grantees also present results at the multitude of scientific conferences held annually.

Evidence: EPA National Center for Environmental Research website: progress reports and publications lists (http://es.epa.gov/ncer/results/)NAS review, 'The Measure of STAR,' April, 2003 (http://www4.nationalacademies.org/news.nsf/isbn/0309089387?OpenDocument)

3.RD1 **For R&D programs other than competitive grants programs, does the program allocate funds and use management processes that maintain program quality?** Answer: YES Question Weight: 9%

Explanation: EPA carries out a significant portion of its ecosystem research in-house. These funds must adhere to EPA's strong financial management practices.

Evidence: ORD Contingency Plan Development ProcessBAS reportsEPA annual report and financial statements

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: NO Question Weight20%

Explanation: The program lacks ambitious targets and timeframes.

Evidence:

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: NO Question Weight20%

Explanation: Received "No" for 2.3.

Evidence:

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: NO Question Weight20%

Explanation: ORD is undertaking efforts related to this issue, but cannot demonstrate results at this time. Efforts include currently monitoring the average length of time for EPA to make grant awards. In addition, ORD is developing IT business cases that document how particular projects improve efficiency.

Evidence:

PART Performance Measurements

Program: Ecological Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	30%	73%	20%	Demonstrated

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: YES Question Weight 20%

Explanation: Where the program has been compared to other research, it has been reviewed favorably. While no overall comparisons of this program have been completed, a recent NAS review of Agricultural Research in the Environment showed U S EPA exceeded USDA ARS in number of citations per published paper, a key metric in evaluating research productivity, and was comparable with CSIRO (Australia).A recent NAS report "The Measure of STAR", which included Ecological Indicators research supported under this objective, concluded "The U.S. Environmental Protection Agency's competitive research grants program has yielded significant new findings and knowledge critical for EPA's decision-making process ..." (NAS Press release) A citation analysis of ecological indicators grants "indicated that the rate of citations of STAR-funded research was similar to other research in the field." (pg 76)

Evidence: National Academy of Sciences report "The Measure of STAR" 2003.National Academy of Sciences report "Frontiers in Agricultural Research: Food, Health, Environment, and Communities" pages 128 and 134,

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results? Answer: NO Question Weight 20%

Explanation: Evaluations have either been insufficient in scope or strictly process-focused. For example, the National Academy of Science's review of the STAR program includes many different areas of research, in addition to only a portion of the ecosystem research program.

Evidence:

Measure: The states and tribes use a common monitoring design and appropriate ecological indicators to determine the status and trends of ecological resources

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term

Measure: Measure Under Development

Additional Information:

Year	Target	Actual	**Measure Term:** Annual

PART Performance Measurements

Program: Endocrine Disruptors
Agency: Environmental Protection Agency
Bureau: ORD/OPPTS
Type(s): Direct Federal | Competitive Grant | Research and Development

Section Scores				Rating
1	2	3	4	Adequate
80%	70%	91%	26%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The Endocrine Disruptors Program provides EPA with the scientific information necessary for the Agency to reduce or prevent potential unreasonable risks to human health and wildlife from exposures to chemicals that adversely affect the endocrine system, called endocrine disrupting chemicals (EDCs). The program develops and uses validated test systems and other scientifically relevant information to determine whether certain substances may have an effect in humans and wildlife similar to naturally-occurring estrogen. The program is comprised of two components: the screening program, which is mandated under the Food Quality Protection Act and the Safe Drinking Water Act, and the research program, which provides the scientific information and tools for the screening program to fulfill its purpose. These programs are carried out, respectively, by EPA's Office of Pesticides, Prevention, and Toxic Substances (OPPTS) and EPA's Office of Research and Development (ORD). Under statute, the program is to provide testing for all pesticide chemicals, at a minimum.

Evidence: Office of Research and Development Strategic Plan, pp. 32-33, (http://www.epa.gov/osp/strtplan/documents/final.pdf). Research Plan for Endrocrine Disruptors, p. 6-8, (http://www.epa.gov/ORD/WebPubs/final/ORD-EDR-Feb1998.pdf). Multi-Year Plan for Endocrine Disruptors, pp. 4-6, (http://www.epa.gov/osp/myp/edc.pdf). Federal Food Drug and Cosmetic Act [21 U.S.C 346a(p)], Endocrine Disruptor Screening and Testing Advisory Committee (EDSTAC) Final Report (EPA/743/R-98/003). http://www.epa.gov/scipoly/oscpendo/edspoverview/edstac.htm. Authorizing legislation to conduct research: Section 346a(p) of the Federal Food Drug and Cosmetic Act, as amended by the Food Quality Protection Act of 1996 (P.L. 104-170); Safe Drinking Water Act, Section 1442, as amended, Public Law 93- 523, Toxic Substances Control Act, Section 10, as amended 15 U.S.C. 2609; Federal Insecticide, Fungicide, and Rodenticide Act, Section 20, as amended 7 U.S.C. 136r.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Congress required creation of the program due to the growing awareness over the last two decades of the possible adverse effects to humans and wildlife from exposure to chemicals that can interfere with the endocrine system. These effects can include developmental malformations, interference with reproduction, increased cancer risk, and disturbances in the immune and nervous system function. Some chemicals cause these effects in wildlife, but more research is needed on the potential of chemicals to cause these effects in humans at environmental exposure levels. EDCs are suspected to cause the reported declines over the last four decades in male reproductive health (e.g., decreases in the quality and quantity of sperm production, increases in certain malformations of male reproductive organs) and increases in certain endocrine-related cancers, such as breast, prostate, and testicular. Very few chemicals have been tested as to their potential to interfere with the endocrine system, and current standard test methods do not provide adequate data to identify potential EDCsor to assess the potential risks to humans and wildlife. FQPA required EPA to set up the EDSP using validated test methods and in addition to developing assays and determining what chemicals may affect the endocrine system, EPA is responsible for then setting in place protections frompotential harm from these chemicals.

Evidence: Special Report on Environmental Endocrine Disruption: An Effects Assessment and Analysis (EPA/630/R-96/012). http://www.epa.gov/ORD/WebPubs/endocrine/endocrine.pdf. National Research Council, Hormonally Active Agents in the Environment, NAS Press, Washington, DC, (http://www.nap.edu/books/0309064198/html/). World Health Organization/International Programme on Chemical Safety, Global Assessment of the State of the Science of Endocrine Disruptors, 2002, pp. 1-3; 131-132, (http://www.who.int/ipcs/emerg_site/edc/global_edc_TOC.htm). Committee on Environment and Natural Resources (CENR), The Health and Ecological Effects of Endocrine Disrupting Chemicals: A framework for planning, National Science and Technology Council, Office of Science and Technology Policy, November 22, 1996, Washington, DC., pp. 14-15 (http://www.epa.gov/endocrine/frametext.html)

PART Performance Measurements

Program: Endocrine Disruptors
Agency: Environmental Protection Agency
Bureau: ORD/OPPTS
Type(s): Direct Federal Competitive Grant Research and Development

Section Scores				Rating
1	2	3	4	Adequate
80%	70%	91%	26%	

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: NO Question Weight 20%

Explanation: EPA made special efforts when creating the program to consider other ongoing efforts, but it is not clear that some elements of this program currently are not duplicative or redundant of other federal efforts. An interagency working group (IWG) on ED research has been in place under the Administration's Committee on the Environment and Natural Resources (CENR). EPA chairs the IWG, which includes fourteen agencies. Over the years, the CENR working group: 1) developed a framework for federal research related to the human health and ecological effects of EDCs; 2) developed an inventory of on-going federally funded research on EDCs; and, 3) overlaid the framework with the inventory to identify high priority research gaps in the federal portfolio. CENR, the IWG, and EPA, however, have not been diligent about reviewing what type of research is conducted by its members to make sure no duplication is occurring unless deemed necessary. CENR has recently solicited from agencies a detailed accounting of ED research being pursued. While some degree of duplicationis acceptable, the explanation must justify that the program provides value beyond that of similar efforts, including those at other federal agencies. The screening program is the only US program statutorily required to develop assays and require testing of pesticides for their potential to disrupt the endocrine system,and therefore, it is not in duplication with any entity.

Evidence: In the absence of this most recent CENR inventory, which the agencies have not yet filled out, it is not clear that duplication of some ED research is not occurring, particularly health effects research, and whether this duplication is appropriate. Committee on Environment and Natural Resources (CENR), The Health and Ecological Effects of Endocrine Disrupting Chemicals: A framework for planning, National Science and Technology Council, Office of Science and Technology Policy, November 22, 1996, Washington, DC., pp. 1-2 (http://www.epa.gov/endocrine/frametext.html) .

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: The research and screening programs were developed with input from external scientists and stakeholders to ensure the most appropriate design. EPA solicited input from scientists nationally and internationally in identifying research questions prior to developing its ED Research Plan. The Reseach Plan was then reviewed by an external peer review panel (1997) to ensure that the research program addressed the most critical scientific questions. The research program drafted a multi-year plan (MYP) in 1999 and updated it three times to take into consideration scientific progress. The screening program was design by EDSTAC, a Federal advisory committee with broad stakeholder and scientific input on the basis of the best available science. The Science Advisory Board (SAB) and the Scientific Advisory Panel (SAP) reviewed the proposed design of the program in 1999. The SAB/SAP cautioned EPA about taking on too much too soon regarding this complex area and recommended that EPA implement the program in stages with 50-100 chemicals for screening in the initial stage followed by a thorough review of the program before proceeding to a second batch of chemicals.

Evidence: Endocrine Disruptor Screening and Testing Advisory Committee (EDSTAC) Final Report;chapter 7 (http://epa.gov/scipoly/oscpendo/history/finalrpt.htm). Review of the EPA's Proposed Environmental Endocrine Disruptor Screening Program, Joint Committee of the Science Advisory Board and Scientific Advisory Panel EPA-SAB-EC-99-013, July 1999, pp. 1-3 (http://epa.gov/sab/pdf/ec13.pdf). Endocrine Disruptor Screening Program, Proposed Chemical Selection Approach for Initial Round of Screening; Request for Comment, December 30, 2002 (67FR 79611) (http://www.epa.gov/scipoly/oscpendo/docs/12-02-frnotice.pdf).

PART Performance Measurements

Program: Endocrine Disruptors
Agency: Environmental Protection Agency
Bureau: ORD/OPPTS

Section Scores				Rating
1	2	3	4	Adequate
80%	70%	91%	26%	

Type(s): Direct Federal | Competitive Grant | Research and Development

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1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: The research program is relevant to the specific national need of learning more about the potential exposures and effects of EDCs as well as assisting OPPTS, its customer, to create and refine assays for validation for OPPTS's screening of chemicals for ED potential. In at least one example, the research program works effectively with EPA's program offices, its other customers. For instance, the research program is conducting research on wastewater treatment operations to remove certain EDCs as well as research on identifying androgenic compounds in paper mill effluent, both to aid EPA's Office of Water. This question does not apply to the screening program at this time because the program is in the process of determining assays to validate for future screening; it does not have beneficiaries in the traditional sense of equity or disbursement of services.

Evidence: Endocrine Disruptor Screening Program, Proposed Chemical Selection Approach for Initial Round of Screening; Request for Comment, December 30, 2002 (67FR 79611) (http://www.epa.gov/scipoly/oscpendo/docs/12-02-frnotice.pdf). List of assays currently undergoing validation: http://www.epa.gov/scipoly/oscpendo/assayvalidation/status.htm. Research Plan for Endocrine Disruptors, pp. 7-8, (http://www.epa.gov/ORD/WebPubs/final/ORD-EDR-Feb1998.pdf). Multi-Year Plan for Endocrine Disruptors, Fig. 4 (http://www.epa.gov/osp/myp/edc.pdf).

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 10%

Explanation: The research and screening programs share a long-term outcome measure, to determine the extent of the impact of EDCs on humans, wildlife, and the environment to better inform federal and scientific communities. The research program has another long-term outcome measure, which is to reduce the uncertainty of the effects, exposure, assessment, and management of EDCs so that EPA has sound scientific foundation for decisionmaking across the Agency. The research program also has a long-term output measure of conducting science that supports OPPTS's screening and program. The screening program has one long-term output measure, which is the number of chemicals screened for potential ED effects. An outcome measure, such as concentrations of EDCs in the environment or risk reduction in humans and/or wildlife, is not appropriate at this time, because the program has not yet determined which chemicals may cause adverse effects. Once the program has screened chemicals, it can then develop regulations to protect the public, by which it will be able to collect data for more appropriate outcome measures at that time.

Evidence: See Measures tab.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight 10%

Explanation: Not all the measures have targets and timeframes. The targets for the long-term measures for the research program are not quantitative, and targets and progress will be verified by ratings from an expert scientific panel. For the research measures to be successful, the panel will look at the progress EPA has made on its "ten questions of uncertainty" from its research strategy and then determine appropriate qualitative targets (i.e., defining "success"). Each of the three measures, including the shared measure, addresses at least one of the ten uncertainty questions. The research program, however, is in the process of a charge for external review and has not yet defined its LTG targets. The screening program's long-term measure is new and targets and timeframes are under development. The targets and timeframes are highly dependent on the availability in the future of screening assays. The targets and timeframes for both the research and screening programs are tied to each others measures, because the programs depend on each other to accomplish the purpose ofthe program as mandated by Congress.

Evidence: See Measures tab.

PART Performance Measurements

Program: Endocrine Disruptors
Agency: Environmental Protection Agency
Bureau: ORD/OPPTS

Section Scores				Rating
1	2	3	4	Adequate
80%	70%	91%	26%	

Type(s): Direct Federal | Competitive Grant | Research and Development

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2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:10%

Explanation: The research program's EDC MYP lists annual measures, or milestones, that tie into the long-term mesures, including the long-term measure shared with the screening program. Due to the variety of annual measures proposed, research conducted, and workproducts developed, it is not appropriate at this time for the research program to have an efficiency measure. The development of an efficiency measure for the research program should be evaluated in the future when both ORD and OPPTS have made more progress on the long-term performance measures. The screening program has annual measures to support its long-term measures, including the long-term measure shared with the research program. In addition, the screening program is developing an efficiency measure of cost per labor hour of contracted validation studies. The program is moving away from a large mission support contract to a new multiple award contract, which will encourage competition of work assignements among several vendors. The efficiency measure will enable the program to determine costs to accomplish a specified amount of effort in assay validation and whether increased efficiencies were realized via a contract mechanism of vendor competition under each work assignment.

Evidence: See Measures tab. Multi-Year Plan for Endocrine Disruptors, pp. 18-33, Figures 1-3. (http://www.epa.gov/osp/myp/edc.pdf). Research Plan for Endrocrine Disruptors, pp. 14-32. (http://www.epa.gov/ORD/WebPubs/final/ORD-EDR-Feb1998.pdf).

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight:10%

Explanation: The screening program has baselines, but not adequate targets. The baselines for the screening program is zero in 1996, because no ED screening and testing existed when FQPA was enacted and no prevalidation or validation studies had been completed. The baslines for the research program are represented by the state of science at the initiation of the integrated research program. For example, in 1998, EDSTAC identified a few assays to use as starting points but stated that no assays were considered to be 'validated' at the time. A description of the state of the science served as the basis of discussion and input at two international workshops EPA convened to identify key critical research needs before developing a Research Plan. The state of the science related to ED has also been evaluated in other documents subsequent to finalization of the Research Plan. The research program has annual milestones for its long-term goals, which is included in its MYP.

Evidence: See Measures tab. Multi-Year Plan for Endocrine Disruptors, pp. 18-33, Figures 1-3. (http://www.epa.gov/osp/myp/edc.pdf). Research Plan for Endrocrine Disruptors, pp. 14-32. (http://www.epa.gov/ORD/WebPubs/final/ORD-EDR-Feb1998.pdf).

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Section Scores				Rating
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Type(s): Direct Federal | Competitive Grant | Research and Development

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight:10%

Explanation: Screening program: contractors and subcontractors commit to the program's long-term and annual goals, which are defined in the scope of work. Then new Endocrine Disruptor Screening Validation Support Services contract will require periodic reviews to ensure that the newly developed annual performance measures and long term measure are adhered to. Other federal agencies cooperate with the EPA in standardization and validation of assays through Interagency Agreements (IAGs), which include performance goals. The program also has commitment with the Organization for Economic Cooperation and Development (OECD), with which it works, via a statement in its objectives. Partners for the research program include EPA's program and regional offices, federal agencies, and extramural grantees. All program's commit to the research program's long-term and annual goals. Grant proposals are developed consistent with the LTGs and APGs of the research program and supportive of EPA's long-term goals. Annual reports from extramurally-funded proposals are reviewed for consistency with stated goals to ensure funded research supports long-term Agency goals. Periodic program reviews, that bring together intramural and extramural scientists supported through the program, are held to monitor the progress toward the long-term goals.

Evidence: For the screening program: Annual reports, monthly invoices, and monthly progress reports from the contractor are reviewed for consistency with the stated objectives found in the scope of work. Regular meetings and communication with various workgroups (e.g., Priority Setting Workgroup and Regulatory Assessment Group) and partners such as OECD, to monitor progress toward the LTGs of the program. For the research program, EPA's program and regional offices commit to the annual and long-term goals of the research program through ORD's Research Planning Process (RPP), in which they participate via an ED Research Coordination Team. Scope of Work for contracts and IAGs (representative example - main support contract given). Standard Instructions for Submitting a STAR Application, pp. 10-11, (http://www.epa.gov/ncer/rfa/forms/standinstr_03-04a.pdf).

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2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?

Answer: NO Question Weight:10%

Explanation: The screening program does not have independent reviews of sufficient scope that examine how well the program is accomplishing its purpose and meeting its long-term goals. A review was completed of the proposed program in 1999 but it focused on design and plans for implementation rather than performance. EPA cites reviews by it advisory committee (EDSTAC), which has met regularly in the past three years, and its stakeholder group (EDMVS). Because both committees are made up of stakeholders they are not independent. The screening program must conduct another independent high-quality review of its program. For the research program, the 1997 peer review of the research plan was an evaluation of design and implementation, not results. Components of the research program as well as the labs have been peer or expert reviewed, but a review of the performance of the research program is more appropriate. ORD, is initiating a formalized mechanism for conducting independent external expert reviews of the quality, relevance, and performance of EPA research programs, including the ED research program, which will take place every four to five years and are intended to provide a qualitative assessment of the progress of EPA research in advancing the science and reducing uncertainty. In addition, ORD's Board of Scientific Counselors (BOSC) will assess progress of long-term goals.

Evidence: Review of the EPA's Proposed Environmental Endocrine Disruptor Screening Program. Joint Subcommittee of the Science Advisory Board and Scientific Advisory Panel. EPA-SAB-EC-99-013, July 1999. (http://www.epa.gov/sab/pdf/ec13.pdf). National Risk Management Research Laboratory, Scientific Written Peer Review of the National Risk Management Research Laboratory's Risk Management Evaluation (RME) of Endocrine Disrupting chemicals (EDCs), June 30, 2003. National Center for Environmental Assessment, Scientific Peer Review of An integrated human health and ecological species effects assessment: A case study of bisphenol A, 2003.

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?

Answer: YES Question Weight:10%

Explanation: EPA estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy, and legislation. EPA managers use up-to-date financial, policy, and regulatory information to make decisions on program management and performance. EPA's financial information is integrated with performance and other program data to support day-to-day decisionmaking of managers and executives. The screening program's budget is transparent inasmuch as it has since inception been a "key program" accounted for separatley in EPA's Congressional Justification. In FY 2004, the program is assigned a unique project ID tied to a single GPRA goal and objective in EPA's new accounting structure, which will enable the program to evaluate funding changes to performance and vice versa. The research program requires that all short- and long-term impacts to critical research paths described in the multi-year plans are identified in order to inform all investment or disinvestment decisions. Specifically, disinvestment proposals must be accompanied by information on impacts to existing annual and long-term goals, and investment proposals must be accompanied by meaningful performance information that is consistent with the research directions outlined in the relevant multi-year plan(s).

Evidence: Annual Congressional Justification, Budget Automation System (BAS) reports. EPA was selected as a government-wide finalist for the 2002 President's Quality Award in the area of budget and performance integration. Program/Projects for 2004-2005 sorted by PRC code.

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80%	70%	91%	26%	

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight:10%

Explanation: The screening program is working to adopt a limited number of long-term and annual performance measures with ambitious targets and timeframes. The research program is implementing plans to conduct regular independent reviews of its research programs.

Evidence: Plans to review programs and ongoing effort to adopt adeqate measures.

2.RD1 If applicable, does the program assess and compare the potential benefits of efforts within the program to other efforts that have similar goals? Answer: YES Question Weight:10%

Explanation: As noted in 1.3, using the federal and global endocrine disruptors inventories of research, coordinated by EPA, it is possible to compare potential benefits of programs in other federal agencies, other countries (including EU and Japan), academia, and industry that address related topics associated with ED effects, exposure, assessment and management to ensure that work is not duplicated and to fill research gaps. CENR has initiated a data call to its ED workgroup members to report on activities and research being undertaken in the federal agencies so that a comparison can be made. Comparisons like these should occur more frequently in the future.

Evidence: CENR.

2.RD2 Does the program use a prioritization process to guide budget requests and funding decisions? Answer: YES Question Weight:10%

Explanation: ORD's Strategic Plan identified EDC research as one of six high-priority topics. ORD's Research Plan identifies and prioritizes key research areas within the broad topic of endocrine disruption, and the MYP identifies how and when EPA will address specific areas over the next ten years. The priorities are refined with each update of the MYP and consider input from the Agency's program and regional offices, progress to date, and awareness of research ongoing in other organizations. The priorities inform ORD's risk-based contingency planning process, in which: the program and regional-office members of the multi-media Research Coordination Teams (RCTs) identify their problem-driven research needs; RCTs prioritize the needs; and, ORD and EPA management base resource decisions on the prioritized information. In developing the priorities for the Research Plan and MYP, the degree of emphasis for research areas and long-term goals was based on the following: 1) the importance of the research to EPA program/regional offices; 2) magnitude of uncertainties in the knowledge base; 3) sequence of research needed for a final answer; 4) possibility that research would result in significant product(s) for hazard identification, risk characterization, or risk management; 5) technical feasibility of conducting a successful project; and 6) statutory timeframes.

Evidence: Strategic Plan of the Office of Research and Development, pp. 13-18, 30-31. (http://www.epa.gov/osp/strtplan/documents/ord96strplan.pdf). Office of Research and Development, 1997 Update to ORD's Strategic Plan, pp. 11-15. (http://epa.gov/osp/strtplan/documents/1997rev1.pdf). Research Plan for Endocrine Disruptors, p. 10, Appendix VI. (http://www.epa.gov/ORD/WebPubs/final/ORD-EDR-Feb1998.pdf). Multi-Year Plan for Endocrine Disruptors, pp. 13-14. (http://www.epa.gov/osp/myp/edc.pdf). ORD Planning Guidance, Office of Science Policy Intranet Site (hhtp://intranet.epa.gov/ospintra/Planning/fy05guid.pdf).

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Type(s): Direct Federal | Competitive Grant | Research and Development

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 9%

Explanation: The screening program receives monthly progress reports from contractors on the progress of assay validation. Meetings with the research program's scientists are conducted as needed weekly. The Endocrine Disruptor Methods Validation Subcommittee (EDMVS), established and administered by the screening program, provides technical and scientific advice on each of the assays as they progress through the validation process. The endocrine disruptor priority setting workgroup composed of members from mutliple Agency program offices, meet weekly to develop Agency policy. The EDSP meets regularly, occasionally 'retreats', and briefs management several times per year to keep all abreast of progress and to chart future directions of the program. The research program reports progress towards achieving the performance measures is quarterly and summarized yearly within ORD. This information is used to inform the annual planning process as well as to update the MYP. Contractors and holders of cooperative agreements are monitored on a regular basis to ensure their progress is compatible with the overall aims of the MYP. STAR grantees are required to report annual progress and final results, including significant accomplishments which are posted on a public website. The ORD researchprogram has been adjusted based on the data generated by ED research.

Evidence: Monthly Progress reports from contractors. STAR Web Site on Terms and Conditions (http://es.epa.gov/ncer/guidance/tscs99.html). Interagency Coordinating Committee on the Validation of Alternative Methods (ICCVAM); evaluation of in vitro test methods for detecting potential endocrine disruptors: Estrogen receptor and androgen receptor binding and transcriptional activation assays, page xxv-xxvi, preface, National Toxicology Program, Research Triangle Park, NC, 2003 (http://iccvam.niehs.nih.gov/methods/endodocs/edfinrpt/edfinrpt.pdf).

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight: 9%

Explanation: For the screening program, annual performance of managers and staff is evaluated considering their success in achieving planned accomplishments as well as the impact of unforeseen events. As a technology development and validation program, the program encounters setbacks that cannot be planned for. What is critical is how the program and staff respond to those setbacks and their success in moving forward despite them. The research program incorporates program performance into personnel performance evaluation criteria. Through mid-year and end-of-year performance reviews conducted by ORD's Deputy Assistant Administrator for Management, senior managers are accountable for specific performance standards relating to program goals, including progress toward the targets and timeframes described in the multi-year plans. The research program also monitors progress against GPRA targets, including mid-year reviews with the Deputy Administrator. Some research is conducted extramurally. For both programs, contracts and grants, statements of work, deliverables, costs, and schedules are written into award terms. OPPTS and ORD project officers and Work Assignment Managers are responsible for seeing that agreements are awarded and managed according to government regulations to give value to the government and public.

Evidence: EPA encourages that contracts and grant management be reflected in individual performance criteria as applicable. Manager's personnel performance evaluation criteria.

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3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 9%

Explanation: The screening program has consistently obligated all of its funds in a timely manner since its inception. Specifically, it has always obligated its funds within the two-year period they are available for obligation, following an Operating Plan developed each year with the proposed budget and modified according to the Congressional appropriations. The funds are spent for the intended purpose. Obligations and expenditures are tracked in EPA's Integrated Financial Management System (IFMS) against the Operating Plan. The research program monitors obligations and spending via monthly IFMS status of funds reports. As of March 31, 2004, the research program had obligated 90% of its total two-year FY2003/2004 resources. EPA works with grantees to ensure that recipient spending is consistent with the approved workplan. Each program office and grants management office conducts post-award monitoring of assistance agreements, including monitoring the draw-down of funds against grantee progress on workplan tasks and deliverables. This monitoring ensures that recipients are spending the fundsdesignated to each program area for the intended purpose. All grantees are required to submit annual or more frequent financial status reports.

Evidence: Budget Automation System (BAS) data. EPA Records Schedule 299-Budget Automation System (BAS) (http://www.epa.gov/records/policy/schedule/sched/299.htm). Environmental Protection Agency, Annual Reports and Financial Statements (http://www.epa.gov/ocfo/finstatement/finstatement.htm).

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight: 9%

Explanation: The screening program uses existing infrastructure and procedures in other programs to improve efficiency and reduce operating costs overall. The program uses competitive sourcing procedures for obtaining contracts. The program is drafting a Request for Proposal (RFP) for the future contract on assay validation as a performance-based contract rather than the current level-of-effort contract to improve performance per program dollar. The program utilizes international partnerships, where possible, to share the costs associated with assay validation and to bolster the assay(s) scientifically. For the future, to assist the screening program in identifying efficiency improvement opportunities for the three major program components more effectively, the program has begun implementing Microsoft project, a tracking software tool. For the research program, ORD has a Total Cost of Ownership (TCO) initiative that builds upon guidance from the federal Chief Information Officer's (CIO) Council and best industry practices to develop more effective, efficient ways to provide quality desktop and server management. TCO's objectives are to reduce administrative expenses, increase efficiency, and maintain the same level of service and services. Through TCO, ORD has realized significant cost savings while enhancing the efficacy of conducting its science and research.

Evidence: The three components of ORD's TCO initiative that helped it realize cost savings are Desktop Replacement, Network Operations Center, and Consolidated Call Center. Infrastructure [Contract support (OPPT), IT supplies (OPPT), Grant support(OPPT SEES), FR Notice office (OPPTS), docket (OPPT)].

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Type(s): Direct Federal | Competitive Grant | Research and Development

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 9%

Explanation: The screening and research programs coordinate and collaborate extensively on the direction of the overall research program and the development and validation of the assays: The ED program collaborates with the Office of Pesticide Programs (OPP), Office of Prevention and Toxics (OPPT), Office of Water (OW), and Office of General Council (OGC) on the development of the endocrine program's priority setting. The ED program collaborates with federal agencies through the EDC IWG of CENR, which has resulted in two joint solicitations and funding of 24 research projects (14 of which by EPA). Through the Federal Advisory Committee Act process, EPA scientists participate with stakeholders (e.g., environmental advocacy groups, chemical industry, animal welfare organizations, academia, other federal and state agencies) in a public forum to solicit advice as we progress toward the goals of the EDSP as mandated by Congress. These collaborations led EPA to jointly sponsor a series of workshops with the chemical industry and an environmental advocacy group; 4. Internationally, the ED program collaborates and coordinates through OECD on developing validated assays, particularly in the ecotoxicity testing areas. EPA also collaborates with the European Union, Japan, and through WHO to jointly sponsor ED workshops.

Evidence: CENR, The Health and Ecological Effects of Endocrine Disrupting Chemicals: A framework for planning, National Science and Technology Council, Office of Science and Technology Policy, November 22, 1996, Washington, DC., pp. 14-15 (http://www.epa.gov/endocrine/frametext.html) Proceedings for joint CMA and WWF workshops. Japan National Institute for Environmental Studies-US EPA International Workshop on Endocrine Disrupters, February 28 - March 3, 2001. Joint Research Centre European Commission, National Institute of Environmental Health Sciences, Environmental Protection Agency 1999. Expert Panel Meeting on Opportunities for Collaborative EU/US Research Programmes on Endocrine Disrupting Chemicals. World Health Organization/International Program on Chemical Safety Global Assessment of the State of the Science of Endocrine Disruptors (http://who.int/pcs/emerg_site/edc/global?edc_TOC.htm)

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 9%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives. EPA received an unqualified audit opinion on its FY 2003 financial statements and had no material weaknesses associated with the audit. EPA is taking steps to meet the new accelerated due dates for financial statements. The ED program has no material weaknesses as reported by the Office of the Inspector General (OIG) and has procedures in place to minimize erroneous payments. Since October 2003, the screening program has instituted new procedures for identifying and distributing screening program funds in IFMS more in alignment with the program's goals and objectives.

Evidence: Budget Automation System (BAS) reports. Unqualified audit opinion on EPA FY02 financial statements. Fiscal Year 2002 Advice of Allowance Letter. 2002 Integrity Act Report, resource policies at: http://intrasearch.epa.gov/ocfo/policies. EDSP Annual Budget (Tracking Sheets). GAO 'scrub' of the EDSP FY04 budget completed in spring 2003.

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Type(s): Direct Federal | Competitive Grant | Research and Development

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 9%

Explanation: In FY 2003, no Agency- or program-level material weakness was identified for the EDSP or ED research program by the Federal Managers Financial Integrity Act (FMFIA) annual review process. In addition, any recommendations to the research program that may result from the PART review will be addressed through ORD's MYP team and its National Program director, who oversees the management of the program.

Evidence: FMFIA Annual Review Process. MYP development/review process. Memo Announcing National Program Director, December 17, 1999.

3.CO1 Are grants awarded based on a clear competitive process that includes a qualified assessment of merit? Answer: YES Question Weight: 9%

Explanation: The research program's extramural research grants are awarded through EPA's Science to Achieve Results (STAR) grants program, which uses external scientific peer review to rate applications based on scientific merit. Only applicants rated as excellent or very good, typically 10 to 20 percent of proposals, are considered for funding based on relevance to EPA's programmatic priorities.

Evidence: EPA National Center for Environmental Research website: RFA announcements (http://es.epa.gov/ncer/).

3.CO2 Does the program have oversight practices that provide sufficient knowledge of grantee activities? Answer: YES Question Weight: 9%

Explanation: The research program designates grant project officers to monitor grantee performance, including submission of annual progress reports and compliance with federal requirements. Grantees provide a list of publications, presentations, and other activities on an annual basis and at the end of their grant period. Three workshops have been held that brought together all the grantees to discuss their work, one of which integrated grants' results with results from the intramural program. The research program also has one cooperative agreement with CIIT Centers for Health Research in RTP. ORD's oversight practices for cooperative agreements are similar to those for grants in that project officers monitor performance through progress reports and are provided lists of publications, presentations and other activities annually and at the end of the agreement. Because EPA researchers work much more collaboratively with cooperative agreement partners than with grantees, there is a significantly greater amount of involvement in, and oversight of, their activities.

Evidence: Grant Project Officers. Cooperative agreement with CIIT Centers for Health Research

3.CO3 Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner? Answer: YES Question Weight: 9%

Explanation: An annual progress report is submitted by each grantee and posted on the EPA National Center for Environmental Research website. Reports are distributed to EPA staff to disseminate to interested parties. These reports include summaries of progress in relation to project objectives as well as publications of research results. Grantees also present results at the multitude of ED-related national and international scientific conferences held annually. Project officers monitor cooperative agreement performance through annual progress reports. Results of cooperative agreements are made available through publication in scientific journals. Progress reports and publication information are posted on the NCER web site.

Evidence: Grantee Annual Progress Reports. EPA National Center for Environmental Research website: RFA announcements (http://es.epa.gov/ncer/). Results of cooperative agreements published in scientific journals.

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Type(s): Direct Federal | Competitive Grant | Research and Development

3.RD1 **For R&D programs other than competitive grants programs, does the program allocate funds and use management processes that maintain program quality?** Answer: NO Question Weight: 9%

Explanation: The research program does not provide sufficient evidence that allocation of funding, including intramural, is based on a competitive process of merit. The program cites that internal funding is allocated to high-priority project areas as determined by ORD's planning process and internal programmatic reviews. The program also notes that it has a comprehensive quality assurance program and that division-level peer reviews take place every three to four years. Guidance states that allocation of funds through the selection of research proposals based solely on peer review is not equivalent to a merit-based competitive process, so alone would not satisy this question.

Evidence: Evidence as required in the guidance is not provided.

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight 20%

Explanation: The research program has demonstrated progress in achieving its long-term performance goals, including the shared measure with OPPTS. In 1998, few assays were identified as starting points and none were considered "validated" at the time. The research program refined these assays and developed new ones when the starting point assays were found to be unreliable or inadequate. The research program is developing not only assays for near-term use through the screening program but also the subsequent generation of assays using molecular and computational approaches (such as EPA's Computational Toxicology research program). The screening program's long-term goals are new or under development, but historical information has shown that the program has been slow to make progress towards its LTGs. Mandated by FQPA in 1996, the program to date does not have any validated assays and therefore cannot begin to screen chemicals. Public sentiment may also be of the same opinion. In 1999, the Natural Resources Defense Council (NRDC) sued EPA contending in part that EPA had not moved expeditiously to implement the screening program.

Evidence: Historically, ORD's EDC research program has developed performance indicators that monitor research activities and outputs, which is appropriate for a research program in the early stages of its development. ORD has since changed its performance management framework to implement recommendations from EPA's IG, OMB, OSTP, and the NRC as is appropriate for a more mature research program. Because some of the starting point assays failed during the process of development and demonstration, the program had to set even more ambitious targets to develop assays that were reliable, relevant, and reproducible - targets that it has met.

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80%	70%	91%	26%	

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: SMALL EXTENT Question Weight 20%

Explanation: The screening program has not made as much progress as expected for the assays targeted for inclusion in the program, which are its APMs. To be fair to the program, the original performance goals were overly ambitious and assumed that all scientific studies would be performed perfectly, would not require significant coordination with groups outside EPA's control, and would give unambiguous, ideal results. A number of unexpected hurdles, listed in the evidence section, hindered expected progress for all the original measures. FQPA mandated the screening program in 1996, and to date, no assays have been validated; however, all the Tier 1 battery of assays are in the latter phases of validation, and Tier 2 assays are progressing through pre-validation. For the research program, all annual performance targets supporting the LTGs, except one, have been completed on schedule. Several protocols developed through the ED research program are being validated either for use by the screening program or OECD. To date ORD has produced at least eight protocols, prepared detailed review documents for three protocols, and was a major contributor to another four detailed review documents. In addition, ORD is working on the next generation of assays. Another example of progress in ED research, which should not be taken alone as a measure of success, is that almost 400 articles have been published in peer reviewed journals under the ED research program.

Evidence: Screening: The original annual goals did not take into account many complexities in a validation activity of this scale. Additional time costs associated with contract performance (time developing acceptable study plans, QAPPs, etc.), experimental success (some experiments fail requiring modification of test method or otherwise provide unexpected results), lab capacity (limited number of experiments that can be performed at any given time), biological limitations (time required for animals to be available at proper life stage, acclimation time, in-life phase of the experiment), FACA consultation (time to consult with advisory group, assimilate feedback, make modifications, and adjust experimental time frames), and international coordination (time to coordinate with international partners) were not duly accounted for in the original goals. EPA is in the process of revising its official annual targets to consider the recognized complexities and make the new targets both ambitious and realistic. In view of the constraints encountered, program accomplishments have progressed as rapidly as technically feasible and have been remarkable.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: SMALL EXTENT Question Weight 20%

Explanation: The screening program has used available resources efficiently, establishing worksharing relationships with other national and international partners in a number of areas. These include international validation efforts of several key assays. A proposed new multi-award contract will be implemented that will encourage competition and improve efficiencies. The contract will be performance based and adaptive to further promote efficiency. In conjunction with these changes, the program is developing a 'dollars/labor hour' efficiency measure for its validation contract efforts. The screening program has begun or will begin in the near future implementing some improvements, such as a new contracting mechanism and Microsoft project as referenced in Question 3.4, which will help it realize improvements in this area. The research program ha also achieved cost savings from its Total Cost of Ownership intiative as well as international collaboration on science and research.

Evidence: Multi-award contract package. OECD Endocrine Disrupter Testing and Assessment homepage http://www.oecd.org/document/62/0,2340,en_2649_34377_2348606_1_1_1_1,00.html. TCO initiative actions to realize cost savings: Desktop Replacement, Network Operations Center, and Consolidated Call Center.

PART Performance Measurements

Program: Endocrine Disruptors
Agency: Environmental Protection Agency
Bureau: ORD/OPPTS
Type(s): Direct Federal | Competitive Grant | Research and Development

Section Scores				Rating
1	2	3	4	Adequate
80%	70%	91%	26%	

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: NO | Question Weight 20%

Explanation: There are federal programs conducting similar research into the exposure and effects of EDCs, however, no comparison has been made. CENR is undertaking some type of information collection, but the results of which will not be available in the near future.

Evidence: CENR.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: SMALL EXTENT | Question Weight 20%

Explanation: Components of the research program have undergone different levels of review. Periodic peer reviews have indicated the research is consistent with the program's goals. The reviews have been supportive of the program's direction. The National Academy of Sciences reviewed the EDC extramural grants as part of its review of EPA's Science to Achieve Results (STAR) grants program as a whole, and noted that "[STAR] research in endocrine disruptors . . . has resulted in groups of peer-reviewed publications of immediate use in understanding causes, exposures, and effects of environmental pollution." Four of EPA's labs that conduct ED research convened external panels to review those programs and adjusted the research program in response to recommendations from each of these panels. The research supporting the screening program has resulted in protocols that were proposed for validation. It is expected that the research program's implementation of future regular and independent reviews of the R&D Investment Criteria as well as the BOSC review of the MYP will inform the program and the public of the research program's performance in meeting its long-term goals, including the one shared with the screening program. Because the screening program has not had an independent review of the program's results since 1999, the ED program as a whole can receive only partial credit to this question.

Evidence: Review of the Endocrine Disruptor Screening Program by joint subcommittee of the Science Advisory Board and Scientific Advisory Panelhttp://www.epa.gov/science1/pdf/ec13.pdf (1999-did not focus on performance). National Academy of Sciences review 'The Measure of STAR', pp. 20-63 (www.nap.edu/books/0309089387/html/). National Risk Management Research Laboratory, Scientific Written Peer Review of the National Risk Management Research Laboratory's Risk Management Evaluation (RME) of Endocrine Disrupting chemicals (EDCs), June 30, 2003. National Center for Environmental Assessment, Scientific Peer Review of An integrated human health and ecological species effects assessment: A case study of bisphenol A, May 28, 2003.

PART Performance Measurements

Program: Endocrine Disruptors
Agency: Environmental Protection Agency
Bureau: ORD/OPPTS

Section Scores				Rating
1	2	3	4	Adequate
80%	70%	91%	26%	

Type(s): Direct Federal | Competitive Grant | Research and Development

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Measure: Determination of the extent of the impact of endocrine disruptors on humans, wildlife, and the environment to better inform the federal and scientific communities. (Targets and baseline under development).

Additional Information: This is an Office of Research and Development (ORD) and Office of Prevention, Pesticides, and Toxic Substances (OPPTS) shared goal. The measure explicitly links research program to screening program's decisions and to environmental outcomes. Scientific progress of research will be determined through external independent expert panels that will assesss the appropriateness of the measure and extent to which it has been met.

Year	Target	Actual	**Measure Term:** Long-term
2008			

Measure: Reduction in uncertainty regarding the effects, exposure, assessment, and management of endocrine disruptors so that EPA has a sound scientific foundation for environmental decision-making.

Additional Information: ORD measure. This long-term measure is a short-term outcome that explicitly links endocrine disrupting chemical (EDC) research to OPPTS decisions and environmental outcomes. Progress in reducing scientific uncertainty will be determined qualitatively through the use of external independent expert panels that will assess the appropriateness of the measures and the extent to which they have been met.

Year	Target	Actual	**Measure Term:** Long-term
2012			

Measure: Improved protocols for screening and testing.

Additional Information: ORD measure. Provides annual picture of research progress to develop screening and testing protocols for OPPTS to use. Additional annual milestones for 2007 and 2008 are described in the EDC Multi-Year Plan (MYP).

Year	Target	Actual	**Measure Term:** Annual
2001	9	9	
2002	10	10	
2003	8	8	
2004	0		
2005	5		
2006	4		

PART Performance Measurements

Program: Endocrine Disruptors
Agency: Environmental Protection Agency
Bureau: ORD/OPPTS

Section Scores				Rating
1	2	3	4	Adequate
80%	70%	91%	26%	

Type(s): Direct Federal | Competitive Grant | Research and Development

Measure: Assessment Milestones Met

Additional Information: ORD measure. The targets include products such as guidance for assessing endocrine disruptors. Additional milestones for 2007 through 2012 are described in the MYP.

Year	Target	Actual
2001	2	1
2002	0	0
2003	0	0
2004	1	
2005	0	
2006	1	

Measure Term: Annual

Measure: Risk Management Milestones Met

Additional Information: ORD measure. Targets include products such as a Risk Management Evaluation of EDCs and a report on optimizing wastewater treatment plan operations to remove certain EDCs to be used by the Office of Water. Additional milestones for 2007 through 2012 are described in the MYP.

Year	Target	Actual
2001	2	2
2002	0	0
2003	3	3
2004	4	
2005	6	
2006	4	

Measure Term: Annual

PART Performance Measurements

Program: Endocrine Disruptors
Agency: Environmental Protection Agency
Bureau: ORD/OPPTS

Section Scores				Rating
1	2	3	4	Adequate
80%	70%	91%	26%	

Type(s): Direct Federal | Competitive Grant | Research and Development

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Measure: Effects and Exposure Milestones Met

Additional Information: ORD measure. Targets below include products that will help determine the extent of ED impact, such as reports identifying androgenic compounds in paper mill effluent; assessing children's exposure to pesticides, EDCs, and other persistent organic pollutants; and potential effects of flame retardants on human thyroid function. Additional milestones for years 2007 and 2008 are described in the MYP.

Year	Target	Actual
2001	22	22
2002	22	22
2003	18	18
2004	17	
2005	2	
2006	5	

Measure Term: Annual

Measure: Cumulative number of screening assays that have been validated. (Targets under development).

Additional Information: OPPTS measure. EPA reports progress in terms of generally accepted milestones for the validation process for biological assays. The screening program intends to make these milestones performance measures. This new measure will replace the screening program's existing measure.

Year	Target	Actual

Measure Term: Annual

Measure: Cost per labor hour of contracted validation studies. (Targets and baseline under development).

Additional Information: OPPTS. Measure provides a way to begin quantitative tracking of efficiency as the program moves from a single level of effort prime contract to a more flexible multiple award contract with both fixed price and level of effort features. The baseline will be hourly labor costs incurred for comparable efforts during FY 2002 and FY 2003 under the program's current validation support approach.

Year	Target	Actual

Measure Term: Annual

PART Performance Measurements

Program: Environmental Education
Agency: Environmental Protection Agency
Bureau: Administrator's Office
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	75%	90%	13%	Demonstrated

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of the Environmental Education (EE) Programs is to provide national leadership and resources to the field of environmental education at the local, state, national and international levels, to encourage careers related to the environment, and to leverage non-federal investment in environmental education and training programs. Congress mandates the following programs to accomplish this purpose: 1) teacher training; 2) EE Grants to grassroots and larger organizations nationwide; 3) fellowships to college students; 4) youth awards for achievements to protect the environment; 5) a task force of Federal agencies to increase coordination; 6) an external advisory committee to advise EPA; and 7) a separate nonprofit foundation to work with the private sector to advance environmental education.

Evidence: Purposes as identified in Section 2 of the National Environmental Education Act of 1990 (the Act) which is Public Law 101-619 or 20 USC 5501. EPA's Office of Environmental Education (OEE) Strategic Plan. The National Environmental Education and Training Foundation Charter, articles of incorporation, and bylaws.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Congress found, and Roper ASW survey research results confirm, that efforts to inform and educate the public concerning complex environmental problems are not adequate and financial support to develop an educated workforce for the environmental fields is not sufficient. Environmental education opportunities must be available in schools and universities to teach students about career opportunities in the scientific and environmental fields. Increased environmental knowledge will decrease pollution and solid waste, help improve public health, advance scientific learning, and increase private sector funding and volunteerism for public purposes.

Evidence: National Environmental Education Act, Sections 2,3,4,5,6,7,&10. 68% of adult Americans questioned fail a basic environmental knowledge quiz (Roper ASW International, Environmental Survey, 2002). By 2012, 50% of the federal environmental and natural resource workforce will reach retirement age, possibly creating a void of trained environmental professionals in the workforce. EPA believes that some of the environmental ed activities provide knowledge for persons to pursue environmental professions.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: NO Question Weight 20%

Explanation: There is not sufficient evidence to show that EPA does not duplicate other local, state, national, and private environmental education programs.

Evidence:

PART Performance Measurements

Program: Environmental Education
Agency: Environmental Protection Agency
Bureau: Administrator's Office
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	75%	90%	13%	Demonstrated

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: NO Question Weight 20%

Explanation: Congress drafted the Environmental Education Act to be perscriptive of allocation of funds. EPA is required to implement and manage statutorily-mandated programs with specific associated dollar appropriations: 38% of appropriated funds are for Environmental Education Grants to educational or environmental agencies and non-profit organizations; 25% are for training and supporting environmental educators (Teacher Training); 25% are for activities of the Office of Environmental Education to include interagency agreements (IAGs) with other Federal agencies, administrative costs, and contractors; 10% goes to the National Environmental Education and Training Foundation (NEETF) for challenge grants to education agencies and non-profit organizations; and 2% to the Council on Environmental Quality (CEQ) to develop and manage a teacher award program. This perscriptive allocation can prevent EPA from distributing funds based on performance.

Evidence: National Environmental Education Act of 1990, PL 101-619 (Section 11).

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: The target audience has benefitted from federal funding for EE and from the non-federal matching funds leveraged by these programs. Since 1992, over 2,500 EE Grants have been awarded competitively nationwide. Each year, EE Grants reach 50,000 students and 6,000 teachers, plus 100,000 in the general public. EE Grants require a match of 25%, which is typically greatly exceeded; e.g., in 2002 EPA awarded $2.7 million for EE grants and leveraged $5.2 million in non-federal matching funds. The Teacher Training Program has educated over 100,000 teachers and leveraged 30% of the funding or $6 million from non-federal sources. 1,200 college students have received training and career development the National Network for Environmental Management Studies (NNEMS) Fellowship Program. Over 40 IAGs with other Federal agencies for $5.7 million in funds have leveraged $7.5 million from other agencies. NEETF leverages its $700,000 annual federal funding to realize a $20 million business impact from matching grant funds; and has programs with high visibility such as Greenbiz.com; development of EE curricula for healthcare providers; and EE training of broadcast meteorologists.

Evidence: Listing of over 2,500 EE grants with descriptions of each grant and state location is available on the EE website at epa.gov/enviroed; List of 2002 grants with non-federal match per grant; Environmental Education; Solicitation Notice explaining required matching funds in Paragraph (K)(4); Training and Partnership (EETAP) teacher training description available on website listed above; 2003 National Network for Environmental Management Studies (NNEMS) description of fellowship program projects to fund students and support career development which attracts youth into environmental engineering jobs (also available on website listed above); List of IAGs with other Federal Agencies; NEETF annual report.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 13%

Explanation: The program has five long-term measures, two of which are outcomes and are new. One outcome measure attempts to evaluate the impact of the program on the level of environmental knowledge of students. This measure is a pre-cursor to a more advanced measure that is under development for the future, which will aim to measure student achievement and/or teacher aptitude. The second long-term outcome measure gets at the purpose of the program to encourage careers related to the environment.

Evidence: See Measures Tab

PART Performance Measurements

Program: Environmental Education
Agency: Environmental Protection Agency
Bureau: Administrator's Office
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	75%	90%	13%	Demonstrated

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight: 13%

Explanation: The program has not established a basline, timeline, or targets.

Evidence: See Measures Tab

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 13%

Explanation: The program has two annual measurs, one of which is an efficiency measure, which servss as both an annual and long-term efficiency measure.

Evidence: See Measures Tab

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight: 13%

Explanation: The program has not established a basline, timeline, or targets.

Evidence: See Measures Tab

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight: 13%

Explanation: All programs and projects supported by OEE are directly linked to OEE's long-term performance goals identified in the Revised Draft Strategic Plan 2005-2008. All partners and grantees are required to provide quarterly or semi-annual reports to enable EPA to confirm that they are supporting teachers, states, improved quality, research, or career development. For example, the Grant Solicitation Notice defines the educational priorities by which grant applications will be evaluated and awarded, and stipulates that reports are required from all grant recipients. The Revised Draft Strategic Plan Timeline specifically identifies the stakeholders from which OEE will solicit input.

Evidence:

PART Performance Measurements

Program: Environmental Education
Agency: Environmental Protection Agency
Bureau: Administrator's Office
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	75%	90%	13%	Demonstrated

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight:13%

Explanation: While the program has not had an independent, quality review of sufficient scope of its performance, i.e., how well it is accomplishing its mission and meeting its long-term goals, it is in the process of developing an appropriate evaluation to be completed by July 2005 (per PART guidance). The two evaluations that the program provided as evidence do not meet all the criteria for independence, quality, and scope. For example, the program cites an audit in 1996 by its Inspector General (IG). This audit, however, was a review of the program office's management, administration, and staffing, not the accomplishment of its performance measures. Therefore, the IG audit is not adequate as evidence for this question. Another review, which was independent and of quality (used rigorous evaluation methods), was of insufficient scope. The review was a pre-post comparison group study of Utah high school students. The program is currently consulting with inhouse evaluation experts to design a rigorous evaluation of sufficient independence, scope, and quality.

Evidence: Program has met with its inhouse evaluation experts and has also submitted a program evaluatoin timeline, detailing milestones until July 2005."An Analysis of the 2000-2001 Environmental Survey of Utah High School Students" by Insight Research, submitted to the University of Utah and EPA. "Environmental Education: Mixed Results at EPA", EPA IG, 1996.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: YES Question Weight:13%

Explanation: EPA estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy and legislation. All spending categories and the resource levels and activities are included in the annual Congressional Justification. Performance data are considered at every step in EPA's planning and budgeting process (i.e., developing the OMB submissions, Congressional Justification, and annual Operating Plan and results in the Annual Report). The Agency's financial information is integrated with performance and other program data to support day-to-day decision making of managers and executives. OEE program managers are given and use current financial information to make decisions on program management. If funding levels change, it is possible for OEE to quickly calculate the impact on each EE program managed and revise plans accordingly.

Evidence: Section 11 of The Act; Annual Congressional Justification, Budget Automation System (BAS) Reports. EPA was selected as a government-wide finalist for the 2002 President's Quality Award in the area of budget and performance integration.

PART Performance Measurements

Program: Environmental Education
Agency: Environmental Protection Agency
Bureau: Administrator's Office
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	75%	90%	13%	Demonstrated

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight:13%

Explanation: Prior to 1998, OEE did not have a strategic plan, long-term performance goals, or specific performance measures. To ensure the optimum use of staff and funds, OEE devised in 1998 a strategic plan to ensure that resources were allocated to areas and projects that best develop and improve the field of environmental education, such as the national environmental education materials guidelines. The strategic plan also was designed to address identified needs (i.e., internal and external evaluations of existing EE curricula indicated that too many materials existed and too few were well-designed). Hence, OEE funded the development of the environmental education materials guidelines (Exhibit 26) to address the need for guidance for educators and others who develop materials. Improved curricula and educational products have resulted. Based in part on results from the 2005 PART, OEE is revising its strategic plan (Exhibit 2) and has established a timeline (Exhibit 37) to solicit and incorporate feedback into the plan from OEE's internal and external stakeholders.

Evidence: Prior to 1998, the Environmental Education Programs did not have a strategic plan, long-term performance goals or specific performance measures. To ensure the optimum use of staff and funds, in 1998 OEE devised a strategic plan to ensure that resources are allocated to areas and projects that most develop and improve the field of environmental education, such as the national environmental education guidelines. The strategic plan was also designed to fill gaps, i.e. internal and external evaluations of existing EE curricula indicated that too many materials existed and too few were well designed. Hence, OEE funded the quality materials guidelines to fill the gap in directions to educators and others who develop materials. Improved curricula and educational products have resulted. Since 1998, the OEE has revised and updated the strategic plan as necessary . The current strategic plan was revised in 2002 and is in place until 2005, when OEE will convene with partner organizations and agencies to assess the need for revisions.

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: NO Question Weight:10%

Explanation: The program collects information from key partners for the following aspects of the program: 1) Teacher Training Program and IAGs -- EPA reviews quarterly progress reports; comments on the design of annual independent evaluations; and reviews results of the evaluations. Results are then factored into planning for the following year. 2) Competitive grant programs -- project officers are required to develop post-award monitoring plans to ensure timely collection of performance information from grantees, perform a sample of on-site reviews, and take corrective action where necessary. 3) NEETF ' EPA receives regular status reports, and evaluates the budget. The program, however, has not collected baseline performance data necessary to set meaningful, ambitious performance targets or evaluate results.

Evidence: Office of the Administrator Post-Award Management Plan for Assistance Agreements; Draft report on the environmental education activities and authorities of 14 Federal agencies; EETAP 2001 Evaluation Study, Western Michigan University; EETAP Capacity Building Evaluation, independent review team, 2002; EETAP Formative Evaluation, independent review team, 2002.

PART Performance Measurements

Program: Environmental Education
Agency: Environmental Protection Agency
Bureau: Administrator's Office
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	75%	90%	13%	Demonstrated

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight:10%

Explanation: Prior to awarding any funds for the partners listed above, EPA project officers critique all objectives and milestones in project work plans, perform cost analyses, and require revisions where necessary. Once funds are awarded, all partners are subjected to thorough post-award monitoring of expenditures as compared to the original budget. EPA monitoring also ensures adherence to timelines and evaluation of performance results. For the environmental education grant programs, the standing policy is that no incremental funding awards are made unless they were planned from the inception of the work plan and/or were scheduled to be phased into future years. The EE Grant Program Solicitation Notice informs applicants that if they will be needing funds above their original budget amount, they must submit a new proposal in the next grant cycle and go through another competition process. There is no tolerance for cost over-runs or additions to the original budget. No-cost extensions to the budget period are approved if the project officer deems that there is sufficient reason.

Evidence: Office of the Administrator Post-Award Management Plan for Assistance Agreements; Environmental Education Grants Program Solicitation Notice; Invitation for Proposals, National Environmental Education Training Program (EETAP Teacher Training)

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight:10%

Explanation: Prior to the beginning of each fiscal year, OEE develops a projected budget based on the percentages established by Congress in the Act. Flexibility in spending within those program categories and percentages is determined by the EE Strategic Plan which has goals, objectives, and subobjectives and are obligated by program and object class codes. The EPA Operating Plan and Strategic Plan require that individual offices track their funds in that manner. OEE also must ensure that the 10 EPA regional offices receive adequate funding from the appropriation to manage their own EE Grant Program expenditures and other EE operations. Obligations and expenditures are tracked in the Agency's Integrated Financial Management System (IFMS) against the Operating Plan. Fund transfers between program objectives in excess of congressionally established limits require Congressional notification and/or approval.

Evidence: EPA's annual Operating Plan and Congressional Justification; EPA's Strategic Plan, Budget Automation System (BAS) data; EPA's Annual Report and Financial Statements; EPA's Policy on Compliance, Review, and Monitoring (EPA 5700.6; Post-award monitoring and Advanced monitoring (i.e. on and off-site grantee review); documentation of post-award monitoring in assistance agreement files; grantee project reports and financial status reports.

PART Performance Measurements

Program: Environmental Education
Agency: Environmental Protection Agency
Bureau: Administrator's Office
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	75%	90%	13%	Demonstrated

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: YES Question Weight:10%

Explanation: The program has increased the useage of IT to enhance communication, achieve efficiencies, eliminate duplication, and conserve or leverage resources. These IT approaches include the use of: (1) a grants database on-line and searchable by recipient organization, environmental issue, dollars leveraged and other key topics. This database allows EPA to study trends in grants issued and alter funding priorities accordingly. It also assists in preventing duplicate or repeat awards of grants from two regional offices or by Headquarters. (2) an on-line searchable EE materials database, that represents EPA's best effort to catalog all existing EE materials developed or funded by EPA. This resource allows EPA to prevent the unnecessary and costly development of duplicate materials. (3) a website with links to each of the EE programs such as grants, youth awards, and internships. This site and the teacher training website improves public access to quality EE information and materials. All products and materials developed through the teacher training program are available on-line to reduce consumer purchase costs and EPA's material production costs.

Evidence: Environmental Learning in America: Working Toward Nationwide Environmental Literacy, 2002; National Environmental Education Act of 1990 (PL 101-619), Section 4; EE website epa.gov/enviroed ; the contractor that assists the EE staff by developing IT was selected through use of the competitive sourcing process and IGCEs are performed for budget analysis and level of effort purposes.

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight:10%

Explanation: OEE works with other EPA offices, such as the Office of Water, in the development and dissemination of EE programs, projects and materials. EPA collaboration is done at two levels: at HQ and also at the ten regional offices each of which has an environmental education coordinator. OEE chairs the National EE Task Force which brings together many Federal agencies to reduce duplicative efforts and leverage resources. OEE coordinates a citizen advisory council, which represents the following sectors: business and industry, not-for-profits, colleges/universities, primary/secondary education, state departments of education and environmental protection, and senior Americans. The Teacher Training Program is a partnership of 11 organizations and universities which coordinate delivery of EE training programs and sevices for educators. The EE Grant program creates partnerships with thousands of state, local and grassroots organizations. All programs mandated by the Act are accomplished through partnerships with organizations producing and providing EE at the national, state, and local levels.

Evidence: The Act, Sections 4,5, 6, and 9, mandates collaborations as listed in this response through a Federal Task Force, a National Advisory Council, and a Teacher Training Program; additional Information about each of these collaborations can be found on the epa.gov/enviroed website. The NEETF website (neetf.org) also contains information about extensive partnerships with business, industry, NGOs, health organizations, etc; publication demonstrating collaboration between OEE and another EPA office entitled Education Projects in the Office of Water -- A How-To Guide for Developing Environmental Education Projects.

PART Performance Measurements

Program: Environmental Education
Agency: Environmental Protection Agency
Bureau: Administrator's Office
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	75%	90%	13%	Demonstrated

3.6 Does the program use strong financial management practices? Answer: YES Question Weight:10%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives. EPA received an unqualified audit opinion on its FY02 financial statements and had no material weaknesses associated with the audit. EPA is taking steps to meet the new accelerated due dates for financial statements.

Evidence: Annual Congressional Justification, Budget Automation System (BAS) reports, unqualified audit opinion on EPA FY02 financial statements, Fiscal Year 2002 Advice of Allowance Letter, 2002 Integrity Act Report, resource policies at: http://intrasearch.epa.gov/ocfo/policies.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight:10%

Explanation: OEE has made changes to improve management of programs. Three steps for improved management are: (1) OEE designed and implemented an on-line database that allows for the tracking of all competitive EE grants awarded since 1992. The database allows OEE to determine the dollar amount of each grant; recipient organization; the geographic location; the audience, such as teachers; environmental issue; and method of delivery for each grant. This database allows for analysis of trends to direct funds where needed and provides a safeguard against duplicate funding. (2) Creation of an EE Resource Library for materials developed and/or implemented by EPA, grantees, and other key partners. Collecting this information in a searchable database will save money by preventing EPA Offices (Air, Water) and regions from duplicating curricula; it also identifies gaps in materials development. (3) The post-award monitoring requirements recently put into place for the EPA managers of grants and assistance agreements will improve oversight and quick solutions to management issues as they arise.

Evidence: Environmental Education Grants Database available on line; Environmental Education Resource Library which is searchable by topic such as pesticides or asthma; Office of the Administrator Post-Award Management Plan for Assistance Agreements.

3.CO1 Are grants awarded based on a clear competitive process that includes a qualified assessment of merit? Answer: YES Question Weight:10%

Explanation: OEE uses the Federal Register and EPA website to advertise the availability of funds. EE programs are also featured in educational journals, newsletters and catalogs that list grant programs. The EE Grant Solicitation Notice spells out the 100 point scoring system used for each grant proposal. The structured scoring system evolved to distinguish between excellent proposals. Precise scores lead to the selection of top quality proposals. Out of 100% of applications per year and average of 94% of the grantees are non-repeaters from one year to the next. The number of applications received annually has dropped to under 1,000 nationwide because of the high rejection rate. A two-tiered review process uses external reviewers and EPA panels to score applications. A Reviewer Guidebook with explicit directions and scoring sheets are improved annually based on comments from EPA and external reviewers.

Evidence: EE Grant Program Solicitation Notice (Paragraph G) specifies that grantees will not be selected more than once, unless they have a new project or a new audience. The OEE website and Grant STATS database list all EE Grants awarded by State and on average less than 6% received a grant in the previous year. EPA required enhanced Grant Competition Policies in 2003 and the EE Grant Program was used as the model Solicitation Notice in the Administrator's Office Handbook. OEE Grant Reviewer Guidebook.

PART Performance Measurements

Program: Environmental Education
Agency: Environmental Protection Agency
Bureau: Administrator's Office
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	75%	90%	13%	Demonstrated

3.CO2 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight:10%

Explanation: Grantees are required to submit quarterly reports to explain their: progress to date; expenditures; preliminary data results; descriptions of equipment purchased; techniques and materials used; and a statement of activity anticipated for the next reporting period. Differences between the proposed work plan and progress or expenditures to date must be explained to enable EPA to take corrective action. A final report is also required and it must expand on the above and also include two copies of all tangible products resulting from the grant, such as curriculum, videos, workshop agendas, training materials, and posters. EPA has an on line financial system that allows staff to print a report of the expenditures to date for any grant awarded. EPA recently issued tighter monitoring requirements and now schedules mandatory off-site and on-site evaluations of grantees.

Evidence: EPA Post Award Management Guidance; Cost Analysis Guidance; and Copy of Financial Report (Random selection).

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight:10%

Explanation: OEE created an analysis system to track expenditures for grants and audiences reached. It allows EPA to study trends to improve the grant program and share information with the public. Educational priorities can be revised to direct funds into gaps in EE or away from saturated topics. This EE Grant Searching Tool and Tracking System (EE STATS) is on line and allows access to the following information about grants: matching funds per grant; environmental issue addressed, such as lead in water; educational priority such as career development; type of recipient organization such as university, state agency, or nonprofit; target audience such as teachers; and number of grants and dollars per state. EE STATS can also search over 2,500 EE Grants and locate grants by word search, e.g. grants that addressed asthma or endangered species. It allows the public to determine if another organization has experience and can serve as a partner on a grant project. Also, on the website the public can see a State map showing the location of every EE Grant and find partners with expertise that are located nearby.

Evidence: Grant STATS Graphs and search pages by topic; Grant Maps from website epa.gov/enviroed

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: NO Question Weight:20%

Explanation: The program does not have data for its long-term performance measures.

Evidence: See Measures Tab

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: NO Question Weight:20%

Explanation: The program does not have data for its annual performance measures.

Evidence: See Measures Tab

PART Performance Measurements

Program: Environmental Education
Agency: Environmental Protection Agency
Bureau: Administrator's Office
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	75%	90%	13%	Demonstrated

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: SMALL EXTENT

Question Weight 20%

Explanation: The program is in the process of developing an efficiency measure, but has procedures that have resulted in cost effectiveness in program execution. These include: (1) Teacher Training Program - leverages resources by funding a consortium of universities and partners to work toward a common purpose, rather than funding each individually; (2) Grant Solicitation Notice - reaches educators in all states to impart news, such as the discontinuance of EE funding for new curricula, because excellent materials already exist and limited resources will now be used to train educators about the proper use of the materials; (3) EE Resource Center - reduces EPA's duplication of materials by enabling access to existing materials that EPA HQ or Regions developed or sponsored through grants; (4) Grant STATS system - enables EPA offices to determine whether an organization has already received EE funding for a project that is being proposed elsewhere; and (5) the Federal Task Force on Environmental Education which reduces duplication of effort among agencies, such as USDA and Interior. More recently implemented information management procedures through the internet have resulted in cost effectiveness. These include new online applications for NNEMS fellowship and President's Environmental Youth Award programs, and enhanced data collection and quality review process for Grant STATS.

Evidence: Grant Solicitation Notice; Description of Resource Library which is also available on line; description of Grant Searching and Tracking System (Grant STATS) which also available on line; List of Interagency Agreements and description of projects.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: NO

Question Weight 20%

Explanation: The program has not been evaluated to assess impacts at the state or local level, therefore it is difficult to assess its performance relative to state and local programs with similar purpose and goals. Other examples of possible duplication include the North American Association for Environmental Education (NAAEE) and SEEK: Sharing Environmental Education Knowledge, Minnesota's Interactive Directory of Environmental Education Resources. NAAEE, which is made up of professionals and students, provides support for environmental education and educators through a variety of programs and activities.

Evidence: NAAEE website: www.naaee.org.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: SMALL EXTENT

Question Weight 20%

Explanation: The independent review of Utah high school students showed that there were beneficial changes in the students who participated in environmental education post participation as well as conpared to students who had not participated. The most notable impacts were of student attitudes toward the environment and in student knowledge about environmental issues, events, and in determining means of solving environmental problems. Less change was noted in specific student behavior as compared to the control group (students who had not had environmental ed). Because the evaluation was a small sample size and there were limitations with the study, the program cannot receive a higher rating. The program is in the process of developing a rigorous evaluation of sufficient scope and independence.

Evidence: Program has met with its inhouse evaluation experts and has also submitted a program evaluatoin timeline, detailing milestones until July 2005."An Analysis of the 2000-2001 Environmental Survey of Utah High School Students" by Insight Research, submitted to the University of Utah and EPA. "Environmental Education: Mixed Results at EPA", EPA IG, 1996.

PART Performance Measurements

Program: Environmental Education
Agency: Environmental Protection Agency
Bureau: Administrator's Office
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	75%	90%	13%	Demonstrated

Measure: Percent of all students and teachers targeted demonstrate increased environmental knowledge, as measured by the Guidelines for Learning for K-12, developed by the North American Association for Environmental Education. (Baseline under development.)

Additional Information: Measures the performance of OEE programs to strengthen the use of environmental education in formal settings. (See OEE Revised Draft Strategic Plan (2005-2008), Long-Term Goal 1). Measure is a pre-cursor to a future measure of student achievement and/or teacher aptitude.

Year	Target	Actual	**Measure Term:** Long-term
2005	Baseline		
2006			
2007			

Measure: Number of states adopting or aligning Guidelines for Learning curricula and standards to state academic standards or number of states developing new environmental education standards based on Guidelines for Learning.

Additional Information: Measures the performance of OEE programs to strengthen the use of environmental education in formal settings. (See OEE Revised Draft Strategic Plan (2005-2008), Long-Term Goal 1)

Year	Target	Actual	**Measure Term:** Long-term
	1		

Measure: Number of NNEMS fellows who pursue environmental careers.

Additional Information: Measures the performance of OEE programs to promote and support environmental careers. (See OEE Revised Draft Strategic Plan (2005-2008), Long-Term Goal 5)

Year	Target	Actual	**Measure Term:** Annual
2005			
2006			
2007	Baseline		

PART Performance Measurements

Program: Environmental Education
Agency: Environmental Protection Agency
Bureau: Administrator's Office
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	75%	90%	13%	Demonstrated

Measure: Ratio of number of students/teachers that have improved environmental knowledge per total dollars expended. (Baseline under development.)

Additional Information: Measure is currently under development. Future efficiency measure(s) may consider academic achievement or teacher aptitude.

Year	Target	Actual
2005	Baseline	
2006		
2007		

Measure Term: Long-term

PROGRAM ID: 10001136

PART Performance Measurements

Program: Existing Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	100%	86%	34%	

1.1 Is the program purpose clear? Answer: YES Question Weight 25%

Explanation: The Toxic Substances Control Act (TSCA) requires that the Agency systematically assess adverse effects of exposure to chemicals in commerce. The Administrator has authority to regulate chemical substances and mixtures that "present an unreasonable risk of injury to health or the environment" and to summarily redress those which are "imminent hazards". TSCA provides EPA with comprehensive authority to regulate the manufacture (including importation), use, distribution in commerce, and disposal of chemical mixtures (as defined by the Act. Disposal of solid wastes and hazardous wastes is regulated by the Resource Conservation and Recovery Act). Before undertaking a regulatory action under TSCA to protect from unreasonable risk, the Administrator, however, must consider the environmental, economic, and social impact of that action, and use the least burdensome requirements to address such risk.

Evidence: TSCA, Section 2 (Findings, Policy, and Intent), Section 4 (Testing of Chemical Substances and Mixtures); Section 6 (Regulation of Hazardous Chemical Substances and Mixtures); and Section 8 (Reporting and Retention of Information).

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 25%

Explanation: The program's purpose is to identify and manage unreasonable risk of injury to health and the environment from the manufacture, importation, use, processing, or disposal of a chemical substance or mixture in US commerce in the least burdensome way.

Evidence: Approximately 60,000 chemicals lacked data on health and environmental effects at enactment in 1976. Currently, very small percentage of existing chemicals has basic risk screening data.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 25%

Explanation: EPA's progress on gathering health data on existing chemical substances has been slower than expected. The program was established by Congress to fill gaps in existing environmental laws rather than supplant the then-existing programs for control of toxic substances. Consequently, EPA may not regulate an existing chemical if the chemical's risks could be eliminated or reduced under another Federal law administered by EPA (Section 6). Furthermore, TSCA provides that if other agencies can adequately control a risk, then EPA may not act on its own (Section 9).

Evidence: GAO. TSCA, Section 6. Section 9 (Relationship to Other Federal Laws). In 20 years, EPA has issued 7 rules to control only 15 of 62,000 existing chemicals. Inventory Update Rule Amendments will collect exposure data in future.

PART Performance Measurements

Program: Existing Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	100%	86%	34%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 25%

Explanation: Congress intended TSCA to be a "gap-filling" statute. The aim is to prevent risks from toxics that might "fall through the cracks" between other environmental statutes. This crosscutting role means that there have been ongoing questions about TSCA's overlap with other environmental statutes. The goal of TSCA is not to regulate all chemicals which present risk, but those that present an "unreasonable risk". EPA has rather general authority to seek out and regulate any "unreasonable risk" wherever it finds it, but that sweeping authority is balanced by a requirement to consider economic impacts. The act places other small checks on TSCA authority and it requires other authorities to be considered --"If...a risk of injury to health or the environment could be eliminated or reduced to a sufficient extent by actions taken under another Federal law" [§6(c); §9(a)(1)], that other law must be deferred to unless it can be shown to be in the public interest to regulate under TSCA. Since 2002 EPA has sought to reestablish the use of voluntary testing, as opposed to testing required by consent agreements, as had been the case since a lawsuit challenged the earlier practice of negotiated voluntary testing .

Evidence: Sections 4 and 6, Toxics Substances Control Act. Also, 1994 GAO study found burden on EPA for compiling data to be costly and time-consuming. TSCA authorizes EPA to issue rules to require testing, however, promulgating a test rule can require over 2 years and cost $69,000 to $234,000. The lawsuit that discouraged voluntary testing was NRDC v. EPA, 595 F.Supp. 1255 S.D.N.Y.(1984).

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: NA Question Weight: 0%

Explanation:

Evidence:

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 12%

Explanation: The program has one long-term (LT) outcome goal, which aims to reduce the relative risks to human health associated with environmental releases of industrial chemicals. The program also has one output measure, which is to establish short-term acute exposure limits for chemicals. This information will aid in homeland security response, recovery, and preparedness. The efficiency measure that supports the long-term measures (LTMs) is under development: increasing the efficiency of achieving Risk Screening Environmental Indicators Model (RSEI) risk reductions through improved targeting of program activities. Office of Pollution Prevention and Toxic Substances (OPPT) will be looking to the National Pollution Prevention and Toxics Advisory Committee FACA for guidance on the direction / emphasis of the Existing Chemicals program. With this guidance the program intends to develop new performance measures that will enable OPPT to chart the program's progress. In addition, OPPTS and the Office of Water are exploring a new tool that could help with measuring human healthimpacts of EPA's actions, by addressing and aggregating economic costs of morbidity and mortality related to certain chemical exposures.

Evidence: The Agency intends to include the following in either the Agency's revised strategic plan or the FY 2005 Annual Performance Plan: 1 (outcome). Through 2008, reduce relative risks to chronic human health associated with environmental releases of industrial chemicals in commerce by 6% from 2001 levels, as measured by EPA's Risk Screening Environmental Indicators model, and 2 (output). By 2008, establish short-term exposure limits for 60% of the chemicals identified as priority by the Acute Exposure Guideline Levels (AEGLs) Program and representing a wide range of acutely toxic substances.

PART Performance Measurements

Program: Existing Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	100%	86%	34%	

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight:12%

Explanation: The target for LTG1 (21 percent risk reduction by 2008) is ambitious and challenging, especially because of uncertaingy in future production levels.

Evidence: See "Measures" tab.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:12%

Explanation: The program is commended for developing two outcome APGs that support the purpose of the program, which is to assess adverse effects of exposure to chemicals in commerce. The program has also developed one output APG that supports the LT output measure to develop short-term acute exposure limits. The proposed efficiency measure also supports the LTM.

Evidence: APGs are: 1. Reduction in risk-based score of releases for releases of Toxic Release Inventory (TRI) chemicals, 2. Reduction in hazard-based score of releasese of TRI chemicals, 3. number of chemicals with final acute exposure values and proposed / interim acute exposure values. RSEI Trend Analyses: FY 1995-2000; AEGL Value Production Table: Trend Analysis; OPPT's Annual Performance Goal and Measure Portfolio.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight:12%

Explanation: The program has baselines and ambitious targets for its annual measures.

Evidence: See "Measures" tab.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight:12%

Explanation: Some technical support for the program is completed with contractor assistance. Commitment to the program's LTGs and APGs is ensured by EPA's definition of the scope of work of these extramural activities. Contractors are held to deliverables and time schedules. For the Acute Exposure Guideline Levels Program (AEGL, which develops the short-term acute exposure limits), EPA's Office of Pollution Prevention and Toxics (OPPT) leads the collaborative effort that includes nine federal agencies (EPA, DOE, DOD, DOT, NIOSH, OSHA, CDC, ATSDR, and FDA), numerous state agencies, private industry, academia, emergency medical associations, unions, and other organizations in the private sector as well as members of the international community. The work of the program is accomplished through the National Advisory Committee for Acute Exposure Guideline Levels for Extremely Hazardous Substances (a FACA committee for development of the AEGLs comprised of representatives of federal and state agencies and organizations in the private sector). EPA's long-term and short-term AEGL measures capture those of the FACA committee and reflect a commitment of all collaborators for achievement.

Evidence: OPPT Finance Central report drawing on Contracts file showing types of vehicles to which 40302C funds are obligated (HPV and VCCEP Programs excluded); EPA Contract files; EPA's OPPTS. Overview of the Acute Exposure Guideline Levels (AEGL) Program. June 2002.

PART Performance Measurements

Program: Existing Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	100%	86%	34%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: YES Question Weight:12%

Explanation: GAO published a number of reports in the early1990s, with the most recent study concluded in 2000. The Agency has been slow to address these chemicals. GAO also recommended to Congress in 1994 legislative changes to make TSCA more effective. NAS will review in the near future some aspects of program, including the APGs presented in Sections II and IV, Qs 2. The program was also reviewed in 1995 by the Office of Technology Assessment (OTA).

Evidence: Numerous reports, only most recent listed below: GAO. Toxic Chemicals: Long Term Coordinated Strategy Needed to Measure Exposures in Humans, RCED-00-80, May 2000; GAO. TSCA: Legislative Changes Could Make the Act More Effective. RCED-94-103 September 1994; GAO. TSCA: EPA's Limited Progress in Regulating Toxic Chemicals, RCED-94-212 June 1994. OTA. Screening and Testing Chemicals in Commerce, OTA-BP-ENV-166 September 1995.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight:12%

Explanation: The Agency estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy and legislative changes. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification. Performance data are considered at every step in EPA's planning and budgeting process (i.e. developing the OMB submission, Congressional Justification, and annual Operating Plan and reporting our results in the Annual Report). EPA managers use up-to-date financial, policy, and regulatory information to make decisions on program management and performance. The Agency's financial information is integrated with performance and other program data to support day-to day decision making of managers and executives.

Evidence: Agency's annual Operating Plan. Program office's Annual Program Plan worksheets, which show allocation of programmatic infrastructure costs to all programs. OPPT's financial management system, Finance Central, reports present total allocations and expenditures. OPPT's Annual Performance Goal and Measure Portfolio; FY 2004 AEGL: Investment Document

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:12%

Explanation: Agency has cooperative agreement w/ Florida State University (FSU) to identify and develop improved environmental indicators and program performance measures. Program office has committed to working with OMB and stakeholders to develop improved long-term goals and APGs.

Evidence: The Agency is currently revising its Strategic Plan to focus on outcomes. The program's management has committed to developing outcome LTGs and, to the extent possible, APGs.

PART Performance Measurements

Program: Existing Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	100%	86%	34%	

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?

Answer: NO Question Weight:14%

Explanation: The program has not regularly collected performance information, but rather sporadically and only recently. We are encouraged by the program's examination of its performance and its early attempts to institutionalize a regular evaluation of itself. The program was created by TSCA in 1976, and to date, only 7 percent of chemicals which are produced or imported at greater than 1 million pounds annually (2,8000 chemicals) have basic screening data. EPA has also been slow to develop its testing program (Section 4), issuing its first test rule in 1984. EPA recognized these shortcomings and created the High Production Volume (HPV) Challenge program outside the Existing Chemicals program to obtain screening data on these chemicals. The results of this effort, however, are unknown at this time (data are still being collected), and the program will be evaluated with the PART in the near future. In the aftermath of September 11, 2001, the program also recognized the need to more quickly establish acute exposure values for emergency response for priority chemicals. The 2004 President's Budget provided funding for this effort. The program recently worked with the New Chemicals program to release two Significant New Use Rules (SNURs) addressing 88 perfluorooctane sulfonate-(PFOS)-related chemicals. This resulted in a drop in domestic PFOS production to zero before the end of 2002, from a total volume of 6.5 million pounds of PFOS-chemical production in the U.S. in 2000.

Evidence: GAO Reports. Agency's 2004 Congressinal Justification. AEGL (short-term acute exposure limits) 2004 Investment Document. PFOS SNUR Final Rules (TSCA Section 5): 67 FR 11008, FRL-6823-6, March 11, 2002; 67 FR 72854, FRL-7279-1, December 9, 2002.

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?

Answer: YES Question Weight:14%

Explanation: Program incorporates program performance into personnel performance evaluation criteria. Management accountable for specific performance standards relating to program. Program also monitors progress against GPRA targets, including mid-year reviews with the Deputy Administrator. For contracts and grantees, statement of work, deliverables, costs, and schedules are written into award terms. Program tracks monthly deadlines, through monthly reports by contractors/grantees.

Evidence: Program includes performance standards for managers in relation to meeting GPRA goals, which are evaluated mid-year with the DA and at the end of year during preparation of Annual Performance Plans and Reports. Contract awards and renewals consider past performance. Evidence includes closeout reports for contracts and grantees.

PART Performance Measurements

Program: Existing Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	100%	86%	34%	

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight:14%

Explanation: Program funds are obligated consistently with overall program plan. The program office's finance management system combines manager oversight with goal achievements, resulting in exceptionally strong accountability and spending records. Prior to the beginning of the fiscal year, the program develops an operating plan that reflects spending priorities consistent with the President's Budget. Resources are allocated by goal, objective, subobjective, program, and object class. Programs then adjust the operating plan to reflect appropriated levels. EPA's budget and annual Operating Plan are aligned with the Agency's Strategic Plan and approved by OMB and Congressional Appropriations Committees. Obligations and expenditures are tracked in the Agency's Integrated Financial Management System (IFMS) against the Operating Plan. Fund transfers between program objectives in excess of Congressionally established limits require Congressional notification and/or approval. In FY 2002 approximatlely 96 percent of the existing chemicals program budget was obligated by the end of the fiscal year.

Evidence: Status reports from OPPT's financial management system, Finance Central. Annual apportionments. Contracts and grants status reports. Actual spending as compared to Congressional Justifications and Annual Operating Plans.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight:14%

Explanation: Program supports competitive sourcing and is launching a detailed competitive sourcing review of selected functions. EPA believes that improved efficiencies and cost effectiveness are driven by declining programmatic budget and changes in information technology. Program participates in Agency-wide re-engineering of docket system to include electronic docket. Agency also developing electronic software for industry's use in submitting data.

Evidence: Program has technology replacement program and invests in analytical tools and the appropriate equipment to run them. In 2002, the program office participated in OEI's Central Data Exchange (CDX) to allow electronic submission of TSCA Section 8 data directly into an Agency public access database. CDX will also allow submitters to correct and update all non-Confidential Business Information submissions, thus saving EPA resources normally required for document handling (decreasing $/data submission).

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight:14%

Explanation: 1. Cooperative effort with Federal agencies and state environmental agencies on Consumer Labeling Initiative, which aims to provide consumers with clear information on product labels so that they can make informed choices when choosing products. 2. Working with OSHA in development of test rule under Section 4 for in vitro dermal penetration rate testing. OSHA plans to use data from these tests to develop "skin notations" for its Permissible Exposure Limits (PELs). 3. Working with Agency's OAR, OW, and ORD in developing regulatory options for MTBE. 4. Participating in international effort with OECD.

Evidence: 1. Consumer Product Safety Commission, US Federal Trade Commission, FDA, California, Maryland, Minnesota, and Vermont. 2. Collaborates as member of Toxic Action Committee and OMNE committee, the latter is comprised of OSHA, Mine Safety and Health Association, and NIOSH, which provides input to EPA on worker protection issues. 3. Program office considering developing proposed Section 6 rule. 4. Works with OECD on design of tests, testing protocols, and basic information summary formats employed by the Screening Information Data Set (SIDS), which is an international effort to secure basic toxicity information on OECD defined high production volume chemicals worldwide (those produced or imported at 2.2 million pounds annually).

PART Performance Measurements

Program: Existing Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	100%	86%	34%	

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 14%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives. The Assistant Administrator conducts program reviews twice annually to ensure strong financial management practices. EPA performs audits of the Agency contract and grants offices (or program offices) to ensure that proper financial procedures are followed in contracts/grants. EPA received an unqualified audit opinion on its FY02 financial statements and had no material weaknesses associated with the audit. EPA is taking steps to meet the new accelerated due dates for financial statements.

Evidence: Monthly Status of Funds reviews; Finance Central status reports; and near-perfect finance totals at EOY closeouts.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 14%

Explanation: While no Agency- or program-level Material Weaknesses have been identified for the program, independent evaluations (GAO) indicated that the program had inadequate management which hindered the success of the program in reviewing the effects of existing chemicals. The program, however, has addressed these deficiencies, which included the creation of the High Production Volume (HPV) Challenge program and better strategic planning to focus on health outcomes. In addition, the program reviews potential new deficiencies in annual review process to address Federal Managers' Financial Integrity Act (FMFIA) material weaknesses.

Evidence: FMFIA annual review process.

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: LARGE EXTENT Question Weight: 25%

Explanation: As recommended in the 2004 President's Budget, the program has developed an outcome goal for reducing risk to chronic human health and has also pursued activities to develop acute exposure guidelines (AEGLs) to aid in homeland security response, recovery, and preparedness (output LTG). These goals are new, but past trend data indicates that the program is progressing in meeting its LTGs: data shows progress towards the outcome goal of reducing risk and progress in developing AEGLs with a projected annual production rate of approximately 20 chemicals per year. From 2000 through mid-2003, for example, the program's performance for developing AEGLs has shown steady progress, with a total of 18 chemicals with final values, 48 chemicals with interim values, and 29 chemicals with proposed values.

Evidence: RSEI Trend Analyses: FY 1995-2000; AEGL Value Production Table: Trend Analysis; OPPT's Annual Performance Goal and Measure Portfolio

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: LARGE EXTENT Question Weight: 25%

Explanation: The measures are new, but EPA does have a robust set of data to offer for analysis. The program has been collecting trend data that indicates that it has made progress in the APGs, which support the LTGs.

Evidence: RSEI Trend Analyses: FY 1995-2000; AEGL Value Production Table: Trend Analysis; OPPT's Annual Performance Goal and Measure Portfolio

PART Performance Measurements

Program: Existing Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	100%	86%	34%	

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: NO Question Weight 25%

Explanation: The program is in the process of developing efficiency measures. Upon completion of the long-term efficiency measures referenced in question 2.1, the Agency will compile baseline cost-benefit information and monitor progress towards the goals through annual efficiency improvement measures.

Evidence: Two programs, High Production Volume (HPV) Challenge and Inventory Update Rule Amendments, may results in improved efficiencies by reducing the time necessary to address existing chemicals. The HPV program, however, wil be evaluated with the PART in the near future.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: NA Question Weight: 0%

Explanation: There is no other program across US government or in industry with similar purpose and goals.

Evidence: N/A

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results? Answer: NO Question Weight 25%

Explanation: Independent evaluations indicate that this program has been slow to address these chemicals. We will be evaluating a new voluntary program, the HPV Challenge program, in the near future, and we are optimistic that the program will fill gaps that have been identified in this PART evaluation. The HPV Challenge program is intended to address the lack of basic screening data on high production-volume existing chemicals.

Evidence: Numerous reports, only most recent listed below: GAO. Toxic Chemicals: Long Term Coordinated Strategy Needed to Measure Exposures in Humans, RCED-00-80, May 2000; GAO. TSCA: Legislative Changes Could Make the Act More Effective. RCED-94-103 September 1994; GAO. TSCA: EPA's Limited Progress in Regulating Toxic Chemicals, RCED-94-212 June 1994; OTA. Screening and Testing Chemicals in Commerce, OTA-BP-ENV-166 September 1995.

PART Performance Measurements

Program: Existing Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	100%	86%	34%	

Measure: Percent cumulative reduction of chronic human health risk from environmental releases of industrial chemicals in commerce since 2001.

Additional Information: Target is 2008. Goal is 7%. Baseline is 2001 levels, as measured by EPA•s Risk Screening Environmental Indicators (RSEI) model. 1999 and 2000 are being investigated as anomalies and are not believed to be reflective of future performance. 1996-2000 percentages are based on comparisons of current year data with previous yesr's as baseline.

Measure Term: Long-term

Year	Target	Actual
1997		24%
1998		11%
1999		(35%)
2000		32%
2002	3%	
2005	12%	
2006	15%	
2007	18%	
2008	21%	

Measure: Percentage of high-priority chemicals for which EPA has developed short-term exposure limits.

Additional Information: Target is 2008. Goal is 85%. Baselines under development. From the chemicals identified as priority by the Acute Exposure Guideline Levels (AEGL) Program and representing a wide range of acutely toxic substances. Highest-priority list contains approx. 200 chemicals.

Measure Term: Long-term

Year	Target	Actual
2002		39%
2004	48%	
2005	57%	
2006	66%	

PROGRAM ID: 10000230

Program: Existing Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	100%	86%	34%	

2008	85%

Measure: Reduction in the current year production-adjusted risk-based score of releases and transfers of toxic chemicals.

Additional Information: Baseline is prior year's data(for 2000, baseline is 1999). Currently, 1999 data is under review. Chemicals are those reported to the Toxic Release Inventory (TRI) from the level of previous year (reported two years after current year due to TRI data lag). EPA uses RSEI model to determine risk. Releases/off-site transfers to air and water. Supports chronic human health risk Long-Term Goal.

Measure Term: Annual

Year	Target	Actual
1996		7%
2008	3%	
2007	3%	
2006	3%	
1997		24%
1998		11%
1999		(35%)
2000		32%
2002	3%	
2003	3%	
2004	3%	
2005	3%	

PART Performance Measurements

Program: Existing Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	100%	86%	34%	

Measure: Reduction in the current year production-adjusted hazard-based score of releases and transfers of toxic chemicals.

Additional Information: Baseline is prior year's data. For 2000, the baseline is 1999. Chemicals are those reported to TRI from the level calculated for the previous year (reported two years after current year due to TRI data lag). EPA uses RSEI model to determine hazard. Releases/off-site transfers to air, water, and land. Supports LTG1.

Year	Target	Actual	**Measure Term:** Annual
1996		1%	
1997		4%	
1998		(3%)	
1999		13%	
2000		13%	
2002	2%		
2003	3%		
2004	1%		

Measure: Cumulative number of chemicals with proposed, interim, and/or final values for Acute Exposure Guideline Levels (AEGL).

Additional Information: The numbers represented are cumulative. Supports AEGL Long-Term Goal.

Year	Target	Actual	**Measure Term:** Annual
2002		85	
2004	105		
2005	125		
2006	145		
2008	187		

PART Performance Measurements

Program: Existing Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	100%	86%	34%	

Measure:

Additional Information: A companion efficiency measure for RSEI is under development for possible inclusion in the FY 2005-2008 Strategic Plan based on the concept of increasing the efficiency of achieving RSEI risk reductions through improved targeting of program activities.

Year	Target	Actual	**Measure Term:** Long-term (Efficiency Measure)

Measure: Cost and time to establish AEGL value per chemical (under development).

Additional Information: Analyses currently being conducted into feasibility of demonstrating how program has found ways to make the process more efficient. Support AEGL Long-Term Goal.

Year	Target	Actual	**Measure Term:** Annual (Efficiency Measure)

PART Performance Measurements

Program: Leaking Underground Storage Tanks
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The statute clearly defines the purpose of the program and establishes the use of the Leaking Underground Storage Tank (LUST) Trust Fund. Subtitle I requires EPA to regulate underground storage tanks (USTs) storing petroleum or certain hazardous substances. Resources from the LUST Trust Fund are used for oversight of cleanups by responsible parties and to pay for cleanups at sites where the owner is unknown, unwilling, or unable to respond, or which require emergency action.

Evidence: Resource Conservation and Recovery Act (RCRA), Subtitle I, Section 9003h.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: The program provides assistance to clean up releases of petroleum products from federally regulated underground storage tanks (USTs).

Evidence: Semi-annual Activity Reports. As of FY2002, there were 423,000 confirmed releases from USTs of which 277,000 have been cleaned up to state-set risk-based health and/or environmental standards that are protective of human health and the environment.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: The program does not duplicate other federal programs or other efforts (e.g., private parties, non-profits, etc.).

Evidence: RCRA, Subtitle I

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: Congress established a regulatory program and authorized EPA to provide states funds from the LUST Trust Fund through the use of cooperative agreements. No more efficient mechanism is obvious. The program is extemely well leveraged; for every Federal dollar appropriated, states collect and spend approximately $20 for cleanups.

Evidence: RCA, Subtitle I; 40 CFR Part 280 regulations

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: States use most of the federal funds to pay for staff to oversee the cleanups; the cleanups themselves are paid by responsible parties or state trust funds established to pay for cleanup of petroleum releases from USTs. EPA provides coordination, information and in some cases, as on tribal lands, direct cleanup of sites.

Evidence: LUST Trust Fund Spending Report (available on the OUST website); Annual Survey of State Funds (conducted by the State of Vermont and available on the ASTSWMO website)

PART Performance Measurements

Program: Leaking Underground Storage Tanks
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight:13%

Explanation: The LUST program has two long-term performance goals that reflect the purpose of the program which is to protect human health and the environment by cleaning up releases to soil and groundwater from leaking underground storage tanks. ' Reduce the number of cleanups that exceed state risk- based standards for human exposure and groundwater migration by 91,500 by 2008. This measure focuses on the LUST program's sole mission, which is to cleanup LUST sites and is in-line with their revised annual GPRA goal. This measure tracks EPA's performance overseeing cleanups performed largely by states.' Reduce the number of cleanups that exceed state risk-based standards for human exposure in Indian Country by 150 by 2008. This measure tracks EPA's performance of directly cleaning up sites, rather than tracking EPA's oversight of state cleanup programs as is covered in the first measure.

Evidence: EPA's Congressional Budget Justification and Annual Reports. Section III-63 (LUST/UST [LUST portion only]), 1st paragraph. OUST Semi-Annual Activities Report (states' data on the number of confirmed releases, cleanups initiated, and cleanups completed) http://www.epa.gov/oust

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight:13%

Explanation: EPA's long-term goal for site cleanups that exceed state risk-based standards requires that the program meet their revised annual GPRA goal of cleaning up 18,300 LUST sites per year. The complexity of cleanups have increased and the program has been averaging between 18,000 and 19,000 cleanups the past few years.The program's goal to complete 150 cleanups in Indian Country from 2003 to 2008 is ambitious considering the program completed 165 cleanups in Indian Country over the previous 5 years and is facing more complex and more costly cleanups.

Evidence: Agency Strategic PlanEmail from Richard Mattick, EPA LUST Program: The number of cleanups completed in Indian Country for the last five years is as follows:FY 1999 - 51; FY 2000 - 24; FY 2001 - 30; FY 2002 - 41; FY 2003 - 19.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:13%

Explanation: The program's annual performance measure is 18,300 completed cleanups. This annual goal tracks the program's progress in achieving its long-term goal of 91,500 cleanup completes over a 5 year period.The program has an annual goal of completing 30 cleanups in Indian Country per year which places the program on a track to achieve its long-term goal. The LUST program is developing a new measure of national program efficiency, "Cleanups Complete per Total Cleanup Costs"

Evidence: Annual Plans, Congressional Justifications, Goal 3 documents, and OUST Semi-annual activities reports. Section III-41, Section III-71, Section III-63, UST/LUST, LUST Trust Fund Spending Report

PART Performance Measurements

Program: Leaking Underground Storage Tanks
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight:13%

Explanation: EPA's annual goal for site cleanups that exceed state risk-based standards is 18,300 LUST sites per year. This is a ambitious goal because the complexity of cleanups have increased and the program has been averaging between 18,000 and 19,000 cleanups the past few years.The program has achieved 30 cleanups per year three times in the past 5 years and nearly reached the target in FY 2003. Therefore 30 cleanups per year in Indian Country is ambitious.The program is developing baselines and targets for its new efficiency measure and should have those ready by the time of the OMB Budget Submission.

Evidence: Memo (september 2002) from Cliff Rothesntein to EPA Regional Division Directors announcing the national goals for the LUST program; memo can be found on OUST website.Email from Richard Mattick, EPA LUST Program: The number of cleanups completed in Indian Country for the last five years is as follows:FY 1999 - 51; FY 2000 - 24; FY 2001 - 30; FY 2002 - 41; FY 2003 - 19.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight:13%

Explanation: States report to EPA, on a semi-annual basis, data on the number of confirmed releases, number of cleanups initiated, and the number of cleanups completed that meet state-set and risk-based health and/or environmental standards that are protective of human health and the environment.

Evidence: OUST Semi-annual activities report. Http://www.epa.gov/OUST/cat/camarchy.htm and http://www.epa.gov/swerust1/cat/ca_031_2.pdf

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: NO Question Weight:13%

Explanation: Although a few independent evaluations have been conducted by the EPA IG and GAO focusing on specific aspects of the LUST program, no process is in place to include the LUST program as part of any regular and independent evaluation. The program performs many types of evaluations; however, they are not independent. In response to IG audits of the LUST program, OUST made necessary changes and provided additional guidance to states. OUST has been working with the regions to improve cleanup performance by the states. OUST analyzed the cleanup performance of each state and sent regional and state performance profiles to the regions in FY 2003.

Evidence: December 31, 1996 Memorandum to the RPM "LUST Trust Fund Cost Recovery Policy" Regional and state performance profiles - FY 2003. April 21, 2004, FY 2003 Annual Planning Process for UST program Memorandum from OUST Director to UST/LUST Regions, Ocotber 30, 2002. GAO - May 2001 "Improved Inspections and Enforcement would better ensure the safety of Underground Storage Tanks"

PART Performance Measurements

Program: Leaking Underground Storage Tanks
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight:13%

Explanation: The budget request explicitly outlines the annual and long-term goals and shows the program's progress towards achieving those goals. Since most of the LUST appropriation is for administrative costs of State programs, funding increases or decreases would not have a direct effect on the goals of the program. For instance, a state may have no more state cleanup money to complete cleanups, even if there is federal administrative money provided to oversee cleanups.

Evidence: Agency Strategic Plan, Annual Plan and Annual Performance Report.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:13%

Explanation: OUST has started an initiative to better characterize its existing backlog of cleanups that have yet to be completed. From this analysis, the program will address state cleanup completed performance, impacts on drinking water systems (and the number of people served by these systems), and impacts on different populations (infants, school-age children, environmental justice communities). Based on the results of these studies, OUST may propose different strategies and priorities for acheiving completing these cleanups.

Evidence: Draft workplan for soliciting proposals under the GSA schedule contracts to do these studies.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight:11%

Explanation: EPA collects state mid-year and end-of-year data on the number of confirmed releases, cleanups initiated, and cleanups completed that have met state-set risk-based human health and/or environmental standards that are protective of human health and the environment to identify trends, problems, and progress. Part of the LUST Trust Fund allocation formula is based on each state's performance.

Evidence: The program reports state data on its website. The LUST Trust Fund Allocation Formula.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight:11%

Explanation: LUST program data are included in EPA's OCFO Annual Accountability Report to help allocate resources. Measures are used to distribute funds to states.

Evidence: OCFO Annual Accountability Report.

PART Performance Measurements

Program: Leaking Underground Storage Tanks
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight:11%

Explanation: Cooperative Agreements funds are awarded (obligated by EPA) within 60 days after Congress approves the Agency's Operating Plan. Statute established the uses of the LUST Trust Fund. Agency grant guidance and cooperative agreeements clearly state authorized uses. EPA Regional offices review state's uses during mid-year and end-of-year reviews.

Evidence: EPA obligation reports for LUST account. EPA grant guidance, state cooperative agreements, regional mid-year and end-of-year reviews of state programs.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight:11%

Explanation: Resources are distributed to states on the basis of need, ability to use, and past performance. States that are able to turn resources into completed cleanups are rewarded.The LUST program has promoted cost-effective methods (e.g., expedited site assessments, risk-based decision-making, pay-for-performance contracting, and multi-site cleanup agreements) which EPA believes has made cleanups more efficient. By instituting performance-based contracting cleanups in eleven states were completed more quickly at a savings of 40-60% from typical state cleanup costs.

Evidence: LUST Trust Fund Allocation formulaOUST Semi-annual activities report

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight:11%

Explanation: OUST participates fully in OSWER's One Cleanup Program. OUST regularly participates and collaborates with states through its Annual Conference and State Fund Administrators Conference. OUST also provides a great deal of assistance to states by giving grants to associations representing states such as ASTSWMO (Association of State and Territorial Solid Waste Management Officials) and meets on a regular basis with the Tanks Subcommitee of ASTSWMO.

Evidence: Agendas for the Annual Conference and the State Fund Administrators Conference. Workplans for grants to ASTSWMO supporting the Tank Subcommittee.

3.6 Does the program use strong financial management practices? Answer: YES Question Weight:11%

Explanation: The program is included in EPA's Planning and Budgeting Architecture and is visible in all budget documents. LUST Trust Fund cooperative agreements are signed by both grantee and EPA and include specific dollar amounts and usage requirements of the recipient. EPA has encouraged and assisted states in the development and implementation of Risk Based Decision Making (RBDM) and the use of Performance Based Contracting to clean up releases. Both approaches result in the most effective and efficient use of cleanup dollars. All work assignments use Independent Government Estimates (IGEs) to obtain the best price for the work to be done. All invoices are carefully reviewed to ensure charges are appropriate.

Evidence: Agency planning, budgeting, and performance reporting documents. Not reported as part of material weakness reports.

PART Performance Measurements

Program: Leaking Underground Storage Tanks
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 11%

Explanation: OUST has an annual review process, Regional Strategic Overviews, with the regional offices to identify progress, management and other issues, and potential solutions. Regional offices review state performance and management issues during md-year and end-of-year reviews.

Evidence: Annual Regional Strategic Overview Process, Regional mid-year and end-of-year review of state programs.

3.BF1 Does the program have oversight practices that provide sufficient knowledge of grantee activities? Answer: YES Question Weight: 11%

Explanation: States provide EPA with their workplans on what they intend to do and accomplish under the cooperative agreements. Regions conduct mid-year and end-of-year review of state programs.

Evidence: End of Year LUST Trust Fund Spending Report.

3.BF2 Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner? Answer: YES Question Weight: 11%

Explanation: Performance data is reported by the states to EPA on a semi-annual basis. Spending data is reported by the states on an annual basis.

Evidence: State data is reported on the EPA website.

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: LARGE EXTENT Question Weight: 25%

Explanation: The program met an earlier long-term goal ahead of schedule in 2003 and revised it's goal. In order to meet the new long-term goal, the program must achieve its new annual goal of 18,300 cleanups per year as it takes on more complex and costly cleanups.The program's goal to complete 150 new cleanups in Indian Country by 2008 is a new and ambitious goal as the program faces cleanups that are more complex and costly. The program completed 165 cleanups in Indian Country over the previous 5 years.

Evidence: OUST Semi-annual activities report. Email from Richard Mattick, EPA LUST Program: The number of cleanups completed in Indian Country for the last five years is as follows:FY 1999 - 51; FY 2000 - 24; FY 2001 - 30; FY 2002 - 41; FY 2003 - 19.

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: SMALL EXTENT Question Weight: 25%

Explanation: The LUST program is developing baselines and targets for its new measure of national program efficiency, "Cleanups Complete per Total Cleanup Costs" and should have those ready by the time of the OMB Budget Submission.EPA has exceeded its targeted number ofcleanups completed six of the last nine years. Overall, the Agency is ahead of its scheduled progress. The increasing complexity of cleanups has hindered the program's progress, and as a result, the program has not met it's annual goal for each of the past three years.The program achieved 30 cleanups in Indian Country per year three of the past 5 years and nearly reached the target in FY 2000. 30 cleanups per year in Indian Country is an ambitious new goal for the program.

Evidence: OUST Semi-annual activities report. Email from Richard Mattick, EPA LUST Program: The number of cleanups completed in Indian Country for the last five years is as follows:FY 1999 - 51; FY 2000 - 24; FY 2001 - 30; FY 2002 - 41; FY 2003 - 19.

PART Performance Measurements

Program: Leaking Underground Storage Tanks
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: LARGE EXTENT Question Weight 25%

Explanation: The LUST program promotes cost-effective methods (e.g., expedited site assessments, risk-based decision-making, pay-for-performance contracting, and multi-site cleanup agreements). By instituting performance-based contracting cleanups in eleven states were completed more quickly at a savings of 40-60% from typical state cleanup costs.The LUST program is developing a new measure of national program efficiency, "Cleanups Complete per Total Cleanup Costs" and should have a baseline and targets ready by the time of the OMB Budget Submission.

Evidence: OUST Semi-annual activities report. Http://www.epa.gov/OUST/cat/camarchy.htm and http://www.epa.gov/swerust1/cat/ca_031_2.pdf

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: NA Question Weight: 0%

Explanation: Direct comparison with other programs is difficult since the LUST Trust Fund program is designed and implemented differently than other programs dealing with hazardous waste site cleanup programs like those run by EPA, DOE and DOD.

Evidence:

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: NO Question Weight 25%

Explanation: There has not been a comprehensive, independent, and quality evaluation of this program.

Evidence:

PART Performance Measurements

Program: Leaking Underground Storage Tanks
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

Measure: Number of sites that meet state risk-based standards for human exposure and groundwater migration.

Additional Information: This annual goal of 21,000 cleanups completed tracks the program•s progress in achieving its long-term goal of reducing the backlog of cleanups not meeting state-set and risk-based health and/or environmental standards.

Measure Term: Annual

Year	Target	Actual
1999	21000	25678
2000	21000	20,834
2001	21000	19074
2002	22000	15,769
2003	21000	18518
2004	21000	
2005	21000	
2006	18300	

Measure: Number of sites that meet state risk-based standards for human exposure and groundwater migration on Indian Country.

Additional Information: Tracks EPA's performance of directly cleaning up sites, rather than tracking EPA's oversight of state cleanup programs as is covered in the first measure.

Measure Term: Annual

Year	Target	Actual
2001	Baseline	30
2002	Baseline	41
2003	Baseline	19
2004	30	
2005	30	

Program: Leaking Underground Storage Tanks
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

2006	30

Measure: Increase the number of sites that meet state risk-based standards for human exposure and groundwater migration.

Additional Information: This measure focuses on the LUST program's sole mission, which is to cleanup LUST sites, and is in-line with their annual GPRA goal of cleaning up 21,000 LUST sites per year.

Year	Target	Actual
2003	Baseline	99873
2008	91500	

Measure Term: Long-term

Measure: Increase the number of sites that meet state risk-based standards for human exposure and groundwater migration on Indian Country.

Additional Information: Tracks EPA's performance of directly cleaning up sites, rather than tracking EPA's oversight of state cleanup programs.

Year	Target	Actual
2003	Baseline	165
2008	315	

Measure Term: Long-term

Measure: Cleanups Complete (3-year rolling average) per total cleanup dollars

Additional Information: This efficiency measure compares the total cost of LUST site cleanups to the number of sites cleaned up. Total costs include Federal, State and private costs. A three year rolling average of cleanups complete is used in order to account for the fluxuation in annual cleanups due to their increasing complexity.

Year	Target	Actual
2004	Baseline	
2005	Baseline	
2006	Baseline	
2007		
2008		

Measure Term: Annual

PART Performance Measurements

Program: Mobile Source Standards and Certification
Agency: Environmental Protection Agency
Bureau: Office of Transportation and Air Quality
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Moderately
100%	67%	91%	73%	Effective

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of the program is to protect public health by regulating harmful emissions from moving (mobile) sources of air pollution. Under title 2 of the Clean Air Act Amendments (CAAA), EPA is required to set technology-forcing requirements for all categories of new engines and vehicles as well as regulate characteristics of the fuel used in such sources. Mobile sources, including cars and light trucks, large trucks and buses, nonroad recreational vehicles (such as dirt bikes and snowmobiles), farm, industrial and construction equipment, lawn and garden equipment, and locomotives, pollute the air through combustion and fuel evaporation. These emissions contribute to air pollution problems nationwide.

Evidence: Title 2 of the Clean Air Act (CAA).

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: A significant part of the country does not meet health standards for ground-level ozone and particulate matter. Mobile sources are major contributors to nitrogen oxide (NOx), particulate matter (PM), hydrocarbon, carbon monoxide (CO), and sulfur oxide (SOx) inventories nationwide. Given that about 50% of ozone precursors (NOx and VOCs) and particulate matter come from mobile sources, additional reductions are needed.

Evidence: EPA recently told 31 governors that areas of their states do not meet new standards for ozone. These areas represent part or all of 474 counties with a total population of 159 million people. Current estimates for PM2.5 are that 65 million people live in areas that violate the PM2.5 NAAQS. State Implementation Plans (SIPs) reflect the need for federal mobile sources programs in order to attain and maintain air quality standards.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: Congress has given EPA primary authority to control emissions from new vehicles and engines in the U.S, and there are EPA regulations or other control measures in place for all mobile source categories. The CAAA allow California to adopt its own emission standards for most mobile source categories (California is pre-empted from regulating emissions for new locomotives, marine vessels, and all construction and agricultural equipment under 175 hp), as California has historically had the nation's worst air quality. California must seek and obtain a waiver from EPA prior to adopting its own standards, thereby assuring that they are not redundant or duplicative. Other states are preempted from adopting their own emission requirements and almost exclusively rely on federal control measures to achieve reductions from mobile sources. There are no private efforts in this area.

Evidence: Title 2 of the CAA. Sections 177, 209 and 211 delineate States' limited authorities to adopt mobile source requirements, including requirements applicable to the California waiver process. Current SIPs show that States rely on federal mobile source control measures to reach attainment and maintain the ozone and PM NAAQS.

PART Performance Measurements

Program: Mobile Source Standards and Certification
Agency: Environmental Protection Agency
Bureau: Office of Transportation and Air Quality
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	67%	91%	73%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: The CAA provides EPA authority to control emissions from a wide range of mobile source categories. Provisions in Title 2 allow EPA to determine where and when more stringent standards are necessary and appropriate and to take action to implement such controls. EPA has the authority to periodically review its standards to ensure they are meeting the Act's mandate and achieving air quality improvements. EPA also has authority to regulate fuel characteristics, which allows for more effective regulations. Emission credit averaging, banking, and trading programs and other market incentives are tools available to ensure efficiency.

Evidence: Section 202 and 213 of the CAA authorize EPA to promulgate 'and from time to time revise' regulations addressing pollution from mobile sources. EPA's rulemaking documents provide evidence of benefits in excess of costs.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: Program resources effectively address the program purpose. People nationwide benefit from mobile source pollutant reductions. All sources covered by Title 2 of the Clean Air Act have emission standards and other applicable requirements that are cost effective for ozone, CO, and particulate matter control. Program resources also benefit States, who rely on mobile source emissions reductions to support SIPs. EPA also provides modeling resources to States to use in SIP development.

Evidence: Program resources are targeted to provide high priority benefits to public health based on current scientific understanding of health risks and analysis of where the most cost effective improvements could be made. State support programs are designed with stakeholder input, and because States with the greatest need typically receive the most support, these resources are effectively targeted to beneficiaries.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 11%

Explanation: The program's long term purpose is to improve air quality to healthy levels by reducing emissions from mobile sources of air pollution. The program quantifies progress toward this objective with 3 long-term perfomance measures that track reduced emission from mobile sources of 3 main pollutants. As these reductions can reasonably be expected to translate into improved air quality and contribute to attainment of health-based standards, they are considered to be end outcome measures. The program is developing a long-term outcome efficiency measure.

Evidence: Long term performance measures and targets are included in EPA's Strategic Plan. A report from the General Accounting Office (GAO), Managing for Results: EPA faces challenges in developing results-Oriented Performance Goals and Measures (April 2000) classifies this type of performance measure as an end outcome.

PART Performance Measurements

Program: Mobile Source Standards and Certification
Agency: Environmental Protection Agency
Bureau: Office of Transportation and Air Quality
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	67%	91%	73%	

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight:11%

Explanation: The mobile source program's long-term performance targets are ambitious considering the level of reductions achieved over the past 30 years and the expected increase in vehicle miles traveled (VMT). For example, obtaining these targets will provide reductions of PM and NOx emissions that exceed reductions achieved from 1970-2001, over a period in which VMT is projected to increase by more than 12 percent.

Evidence: Long term performance measures and targets are included in EPA's Strategic Plan. Emission Reductions are included in EPA Trends Reports: U.S. EPA. U. S. EPA. 2003.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:11%

Explanation: The program has several specific and quantified annual performance measures under the EPA strategic plan. The program uses annual emissions reductions to incrementally track its progress toward its long-term performance measures. As an increment of the long term performance measures, these measure can clearly demonstrate progress towards the long term goals. The program is has developed an output-based efficiency measure that will be included in the 2006 GPRA documents.

Evidence: U.S. EPA Fiscal Year 2003 Annual Report. Measurement Implementation Plan (MIP) for compliance certificate efficiency measure.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight:11%

Explanation: The program has specific baselines to measure progress toward its annual targets. The baselines for the annual performance measures are 1995 emission levels. The annual targets are ambitious considering the level of reductions achieved in the last 30 years, expected increases in vehicle miles traveled (VMT), and long (10-20 year) fleet turnover times.

Evidence: U.S. EPA Fiscal Year 2003 Annual Report. Emission Reductions are included in EPA Trends Reports: U.S. EPA. U. S. EPA. 2003.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: NO Question Weight:11%

Explanation: The program uses contractors, grantees, and interagency agreements to procure a number of program support services, including technical and analytical support, testing services, data collection and analysis, and information technology support. Contractors submit monthly progress reports, which evaluate performance quality, cost control, and timeliness of performance, but these reports are not designed to include performance goals that clearly align with program goals. In the area of grants management, the Office of Transportation and Air Quality (OTAQ) is beginning to administer an EPA plan that will require increased monitoring along with documentation of how proposed agreements contribute to long term goals, but there is not yet sufficent evidence of effectiveness.

Evidence: Sample Contractor Performance report.

PART Performance Measurements

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Type(s): Regulatory Based

Section Scores				Rating
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100%	67%	91%	73%	

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: NO Question Weight:11%

Explanation: A recent report from the National Research Council (NRC) evaluated EPA's effectiveness in implementing emission controls on mobile sources. While this study likely meets the criteria of quality, scope, and independence in its review of the program, there is no evidence that it is part of of a regularly scheduled review process. Other independent evaluations have not met scope or quality criteria.

Evidence: National Research Council: Air Quality Management in the United States (2004). Other independent reviewers include: the Clean Air Act Advisory Committee Mobile Sources Technical Review Subcommittee; GAO,Air Pollution: Limitation's of EPA's Motor Vehicle Emissions Model and Plans to Address Them (Sept 1997), National Academy of Sciences (NAS), Modeling Mobile Source Emissions(2000) ; Coordinating Research Council. Validation of the U.S. EPA MOBILE6 Highway Vehicle Emission Factor Model(2002); U.S. Department of Transportation, Sensitivity Analysis of MOBILE6 Motor Vehicle Emission Factor Model (2003); EPA's Inspector General (IG); and various industry groups.

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: NO Question Weight:11%

Explanation: The Budget documents do not clearly indicate the full costs of achieving the Mobile Source program's performance goals. The impact of funding decisions on expected performance is also unclear.

Evidence: EPA's Annual Plan and Budget Request documents. The annual budget request is tied to the overall "Healthier Outdoor Air" objective, but documentation does not clearly indicate full costs of achieving the program's goals.

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight:11%

Explanation: The program has taken steps to improve strategic planning. As an ongoing effort to identify deficiencies, the program is an active participant in the Agency's Multi-year Planning Meetings that are held annually with the Deputy Administrator and CFO to review performance progress. These discussions focus on performance progress over a multi-year period, and provide an early opportunity to identify potential obstacles or challenges that may necessitate changes in direction to ensure the program's ability to attain its long-term performance goals. Also, at least twice a year, the program's Senior Leadership Team (SLT), which is comprised of the Office Director, the Deputy Office Director, the Associate Office Director, and the five Division Directors, conducts off-site planning and management discussions to review the organization's strategic goals, long-term performance goals, and current program performance objectives.

Evidence: In 2003 the program revised its long-term program goals and strategies in the EPA Strategic Plan by implementing measurable, outcome-oriented performance goals. The program is also implementing two efficiency measures as a result of the PART review process. Specific deficiencies that were identified and addressed in the most recent SLT strategic planning sessions included: the need to shift additional resources to complete a large rulemaking; the need to internally redirect additional resources to develop a new (unanticipated) and congressionally-mandated rulemaking; undertaking a major internal effort aimed at evaluating the effectiveness of retrofit technologies in the field; and the implementation of an integrated strategy for in-use emissions testing.

PART Performance Measurements

Program: Mobile Source Standards and Certification
Agency: Environmental Protection Agency
Bureau: Office of Transportation and Air Quality
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	67%	91%	73%	

2.RG1 **Are all regulations issued by the program/agency necessary to meet the stated goals of the program, and do all regulations clearly indicate how the rules contribute to achievement of the goals?** Answer: YES Question Weight:11%

Explanation: The CAA gives EPA authority to determine whether emissions requirements for motor vehicles, highway vehicles and engines, and nonroad engines are appropriate, and if so, to develop appropriate regulations. EPA may also regulate fuel characteristics. Air quality data indicate that mobile source emission reductions continue to contribute to improvement in public health. Final rules generally include an analysis showing the air quality need for action, and the preamble of each of these rules typically states how the specific rule contributes to the achievement of program goals by defining specific tons of emission reductions, and where calculated, health benefits.

Evidence: Title 2 of the CAA and EPA rules and associated technical support documents.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 9%

Explanation: The program continuously collects performance information from manufacturers and other sources to ensure emission reductions are achieved. As part of the certification process, manufacturers provide testing data on vehicles and engines to demonstrate they meet emissions standards. Manufacturers also must report defective emissions equipment. EPA receives quarterly recall reports from manufacturers and periodically conducts recall audits. EPA also regularly collects information from fuel refiners to ensure compliance with fuel standards. To improve model development, EPA regularly collects performance information and supporting data. EPA also obtains performance information through peer and stakeholder review, validation studies, and other channels of communication such as a list-serve (to communicate with key program partners) and interactive workshops.

Evidence: Data collected on model performance is used in one of three ways toimprove model performance: changes are made to the software code itself (e.g., algorithms changed), changes are made to block data or input data thatthe model uses to make its calculations, and/or changes are made to guidance on the use of the model. Data collected from manufacturers and refiners is used to help determine appropriate compliance measures (e.g., which engine families to test in the recall test program)and to redirect, if appropriate, Agency resources.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight: 9%

Explanation: Senior managers develop and identify the major program commitments and results to be achieved during the year, with a given allocation of resources, and these commitments are incorporated into performance appraisals. The plans are reviewed and updated as appropriate during the year and serve as a major management tool for tracking performance and expenditures. Evaluation criteria in these plans include results-oriented performance measures that relate to the program goals (but typically do not directly reflect the goals themselves). Contractors that provide programmatic work products are held accountable for cost, schedule, and performance results through the written terms of contract awards, reports filed with contract managers, and regular performance reviews.

Evidence: SES Performance Management System. Sample Performance Agreement, Appraisal and Certification documents with program-specific perfomance measures. Written terms of contract awards.

PART Performance Measurements

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3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 9%

Explanation: Program funds are obligated in a timely manner and are aligned with the program's statutory authorities and GPRA goals. Obligations and expenditures of funds are tracked in the Agency's IFMS against OMB-approved operating plan levels. During the year, OTAQ's expenditures are monitored regularly by staff using a number of available tracking systems, including IFMS, the OCFO's Budget Automated System (BAS), and OTAQ's own internal tracking system (linked to IFMS). Reports are prepared for OTAQ senior management on the utilization of funds. Status of funds reports are also available to all OTAQ program managers and budget staff through the use of OTAQ's internal tracking system.

Evidence: EPA Annual Operating Plan, IFMS Financial Reports, Budget Automation System Reports, and OTAQ Status of Funds Reports. EPA. Annual Financial Statements.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight: 9%

Explanation: The program has processes in place to ensure efficient use of funds and is developing at least one efficiency measure to measure and achieve greater efficiencies. Contract funding is awarded through full and open competition in compliance with EPA rules and procedures. Cost comparisons are an important element of this process. Grant funding provided by OTAQ is also awarded in accordance with the Agency's competitive award policy. IT and facility improvements will continue to produce efficiencies and achieve cost savings. Private costs are minimized through the use of averaging, banking and trading (ABT) programs.

Evidence: A facility modernization project at the National Vehicle and Fuel Emissions Laboratory (NVFEL) will reduce energy consumption at NVFEL by an anticipated 66 percent, lower energy costs by 74 percent, and reduce water consumption 80 percent. An example of IT improvements is the redesign of the Compliance and Fuel Economy Information System (CFEIS) which will achieve cost savings for EPA and industry. This will result in an annual savings of 2 FTE (equivalent to $200k) and a 50% reduction in maintenance costs. General Motors estimated it could save $470,000 annually. EPA's motor fuels ABT programs employ simplified electronic reporting methods in lieu of traditional paper forms submissions and decreases compliance costs.

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 9%

Explanation: EPA routinely collaborates and coordinates with stakeholders and partners through workshops, conference calls, cross organizational teams, and collaborative testing programs. EPA participates with a DOE program to test advanced diesel engines. This testing directly supports EPA's regulatory programs for diesel engine control. EPA also works closely with CARB on regulatory control programs, including performance issues, and model development issues. EPA and California are working to redesign the certification and compliance database to ease the compliance burden on manufacturers and to facilitate data sharing. The program has also entered into a memorandum of understanding (MOU) with CARB to work together to address heavy duty engine emissions and locomotive emissions. Other examples include; a 3-day workshop with stakeholders in 2003 to share the latest information on mobile source model development; and a test program in Kansas City in 2004/2005 involving a wide range of partners including the STAPPA/ALAPCO, the Coordinating Research Council (CRC), DOT, DOE.

Evidence: Interagency agreement with DOE. Interagency agreement with DOT. MOU with CARB. Statement of Work for Kansas City project. Cooperative Research and Development agreement with CRC.

PART Performance Measurements

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100%	67%	91%	73%	

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 9%

Explanation: OTAQ follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. EPA received an unqualified audit opinion on its FY 2002 financial statements and had no material weaknesses associated with the audit. OTAQ has no material weaknesses as reported by the Office of the Inspector General.

Evidence: Agency officials have a system of controls and accountability, based on GAAP and other principles, to ensure that improper payments are not made. Annually each Division Director in OTAQ is required to conduct an evaluation of their internal management control systems in accordance with guidance provided by OCFO and to certify that their management systems provide reasonable assurance that they are in compliance with the requirements of the Federal Managers' Financial Integrity Act. Evidence also includes audit reports from the EPA Office of Inspector General.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 9%

Explanation: To identify and correct potential management deficiencies, OTAQ requires each Division Direction to prepare an Annual Assurance Letter to the Office Director. These letters evaluate and report on the management controls that support the achievement of programmatic goals and reasonably protect programs from potential mismanagement. These letters address any management integrity weaknesses or challenges that have been identified. The Annual Assurance Letter also provides opportunity for each Division Director to identify any new potential weaknesses or challenges that may require follow-up action. The Office Director then prepares and submits an OTAQ Office-level Assurance Letter to the Assistant Administrator for Air and Radiation.

Evidence: The Annual Assurance Letter system has enabled the program to identify and successfully correct a number of potential management deficiencies. In the FY 2000 and FY 2001 Assurance Letter process, management identified a potential deficiency related to the program's ability to accurately measure compliance with new, more stringent emission standards. Early identification enabled the program to work with the OCFO and OMB to fund improvements in the FY 2003 budget. Through the FY 2001 Assurance Letter process, the program identified and addressed a potential vulnerability related to data collection, modeling, and data systems. The OTAQ 2000 Reorganization Proposal describes how the program made significant changes to its organizational structure in order to address more readily the core business functions and mission of the organization.

PART Performance Measurements

Program: Mobile Source Standards and Certification
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Bureau: Office of Transportation and Air Quality
Type(s): Regulatory Based

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1	2	3	4	Moderately Effective
100%	67%	91%	73%	

3.RG1 **Did the program seek and take into account the views of all affected parties (e.g., consumers; large and small businesses; State, local and tribal governments; beneficiaries; and the general public) when developing significant regulations?**

Answer: YES Question Weight: 9%

Explanation: EPA's mobile source rulemaking process includes extensive outreach and coordination with stakeholders throughout the full range of regulatory development. Information obtained from this outreach, which ranges from telephone calls to written comments to facility visits, is reflected in rulemaking documents. EPA conducts Small Business Regulatory Enforcement Fairness Act (SBREFA) panels when appropriate. EPA also coordinates research activities in support of regulatory efforts by working with the Coordinating Research Council (made up of automobile and oil industry representatives). Final rules are typically supported by industry, state and local governments, environmental and public health groups, and other stakeholders.

Evidence: The program's rulemakings document stakeholder views, and reflect comments and other technical information obtained throughout the process. EPA's Office of Transportation and Air Quality has conducted six SBREFA panels. Except in a few instances, recommendations coming out of the panel process are incorporated into EPA's proposed rulemakings. When developing the heavy duty engine rule, EPA asked the Coordinating Research Council to analyze the effects of sulfur and other fuel components on emissions control technologies. The data generated from this research helped support the Agency's fuel sulfur reduction measures.

3.RG2 **Did the program prepare adequate regulatory impact analyses if required by Executive Order 12866, regulatory flexibility analyses if required by the Regulatory Flexibility Act and SBREFA, and cost-benefit analyses if required under the Unfunded Mandates R**

Answer: YES Question Weight: 9%

Explanation: The Office of Transportation and Air Quality typically prepares thorough engineering analyses in support of its rules, but these analyses have not always complied with OMB guidelines. However, recent rulemakings from the program have shown improvements by incorporating economic analysis. New guidelines (OMB Circular A-4) will require the program to continue to upgrade its analyses of major rules.

Evidence: EPA mobile source rulemaking documents.

3.RG3 **Does the program systematically review its current regulations to ensure consistency among all regulations in accomplishing program goals?**

Answer: NO Question Weight: 9%

Explanation: The program has reviewed regulations and determined that more protective standards were appropriate. However, there is no regular review process in place to analyze rulemaking to determine if the requirements are still necessary, relevant, and consistent.

Evidence: Intermittent reviews have led to changes in existing rules. Standards for passenger cars, for example, have revised three times in the last decade, and similar trends can be seen in fuel sulfur requirements and emission standards for diesel engines. However, there is no evidence of a regular plan for review of existing rules.

PART Performance Measurements

Program: Mobile Source Standards and Certification
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Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	67%	91%	73%	

3.RG4 **Are the regulations designed to achieve program goals, to the extent practicable, by maximizing the net benefits of its regulatory activity?** Answer: YES Question Weight: 9%

Explanation: The program's regulatory process involves regulatory impact analyses, cost-effectiveness analyses, cost-benefit analyses, and small business impact analyses (e.g., SBREFA), which help the Agency in selecting appropriate options when setting standards for mobile sources.

Evidence: EPA mobile source rulemaking documents show evidence of a decisionmaking process that leads to benefits in excess of cost.

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight: 17%

Explanation: Emissions per VMT of key air pollutants from motor vehicles have decreased substantially since enactment of the CAA. Reductions in CO emissions have been linked to significantly reduced overall population exposure. Mobile source programs promulgated within the last decade are expected to further reduce emissions and will contribute to meeting the targets established for 2010. However, mobile sources remain a significant contributor to air pollution in the U.S., and EPA data indicates that nearly half of Americans still live in areas with unhealthy air. Gaps remain in the program's ability to directly relate projected emissions reductions (based on emissions factors and model results) to higher level outcomes such as reduced population exposure.

Evidence: The NRC Air Quality Management report (2004) states that reductions in motor vehicle emissions per mile traveled have been significantly reduced. Another recent NRC study (NRC 2003b) links mobile source standards to reductions in population exposure. Emission reductions and inventory trends are included in EPA's air quality trends report: Latest Findings on National Air Quality: 2002 Status and Trends. Progress towards long term goals is detailed in EPA's Fiscal Year 2003 Annual Report. EPA rule documents include emission reductions expected in different mobile source categories.

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: LARGE EXTENT Question Weight: 17%

Explanation: The program met annual mobile source performance measures in FY 2001- FY 2003 and is on track to meet annual performance measures for FY 2004.

Evidence: U.S. EPA. Fiscal Year 2003 Annual Report.; U.S. EPA Fiscal Year 2004 Annual Performance Goals (APG) and Measures, Goal 1 ' Clean Air and Global Climate Change. Data from EPA's National Emissions Inventory and inventory projections indicate that at mid-year 2004, the mobile source program is on target to meet its annual performance measures.

PART Performance Measurements

Program: Mobile Source Standards and Certification
Agency: Environmental Protection Agency
Bureau: Office of Transportation and Air Quality
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	67%	91%	73%	

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: LARGE EXTENT Question Weight:17%

Explanation: The program has demonstrated increased efficiency. The light-duty vehicle program has been streamlined to reduce burden on both industry and government while maintaining stringency. In addition, EPA has improved the efficiency of its regulatory programs by addressing vehicle/engines and fuels as a system. Additional regulatory efficiencies have been achieved by relying on technology transfer from previously regulated vehicle/engine categories. With continued compliance program streamlining, and by implementing one or more efficiency measures in the near future, the program will be able to make a stronger demonstration of efficiency improvements.

Evidence: In FY 2003 the Certification program issued 2,565 certificates. This is triple the number of certificates issued in 1995 with fewer FTE. For the 2004 model year, approximately 7% more certificates were processed than 2003, with one fewer FTE. The U.S. EPA CAP2000 rule reduced the annual burden on industry through improved procedures to ensure compliance. It also reduced EPA compliance burden by reducing the number of EPA confirmatory tests and reducing staff time. The agency estimates information reporting savings at over 500,000 burden-hours of effort (about a 54% reduction), resulting in $1.5 million in annual savings. EPA's compliance program is currently working with industry on further streamlining initiatives. The program's proposed efficiency measure is included on the measures tab.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: YES Question Weight:17%

Explanation: Because of severe air quality problems, the State of California has been given the authority to develop mobile source regulations to address their specific local issues. A few other states also have chosen to adopt and implement California's light-duty vehicle program to address specific local air quality problems. Although these state programs don't cover the scope of a Federal national program, they are comparable in some aspects and share several goals. However, the Federal program is usually more effective and efficient, as it addresses air quality issues more comprehensively at a national level, which helps reduce costs while increasing the opportunity for additional benefits. There are no private programs to compare with EPA's mobile sourceprogram.

Evidence: The programs can be compared based on major with similar goals. For example, California LEV II regulations can be compared with EPA Tier 2regulations for light-duty vehicles. In 2010, the California LEV IIregulations will reduce smog-forming emissions statewide by 56.6 thousand tons/year, at a cost of about $3000/ton. The EPA Tier 2 program is projected to reduce smog-forming emissions (NOx+HC) in 2010 by 1.86 million tons, at a cost of $2150/ton. Another example of comparable EPA and California programs relates to NOx and HC controls for small engines (e.g., lawnmowers) . The cost-effectiveness of the California program is estimated to be $2000 - $4000/ton, while the EPA program has a cost-effectiveness of $507-$857/ton.

PART Performance Measurements

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Section Scores				Rating
1	2	3	4	Moderately Effective
100%	67%	91%	73%	

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: LARGE EXTENT

Question Weight:17%

Explanation: The NRC Air Quality Management report (2004) credits the mobile source program with standards that have significantly reduced motor vehicle emissions per mile traveled. Other independent program evaluations, though not necessarily meeting the scope or quality criteria, have supported program acheivments. Multiple studies have linked CO standards to reductions in ambient concentrations, and to related health benefits. Independent reviews of the program's models indicate that emissions reductions will result in air quality improvements. However, evaluations also report that, after almost 3 decades of regluations, mobile source emissions continue to be a major source of air pollution in the U.S.

Evidence: The health impacts of CO reductions are shown in a study published in the Journal of American Medical Association. A recent NAS report analyzed the state of CO pollution in the United States and determined that federal carbon monoxide standards on motor vehicles had effectively eliminated almost all violations of CO ambient air quality standards. Independent evaluations of EPA's mobile source models have indicated that these models are effective and achieve intended results. Three independent evaluations have evaluated EPA's mobile source models (National Research Council, Coordinating Research Council, and U.S. Department of Transportation). InAir Quality Management in the United States(2004), The National Research Council finds that progress has been made in controlling mobile source emissions, but that "emissions from mobile sources are still a major source of air pollution in the United States."

4.RG1 Were programmatic goals (and benefits) achieved at the least incremental societal cost and did the program maximize net benefits?

Answer: LARGE EXTENT

Question Weight:17%

Explanation: As stated above, the program has not always complied with OMB guidelines requiring a thorough economic analysis and evaluation of alternatives. Without this type of analysis, determination of maximum benefits is not possible. However, in support of recent regulations, the program has analyzed reasonable alternatives and provided an evaluation of costs and benefits. In some of these rulemakings, the program has projected significant net benefits.

Evidence: EPA mobile source rulemaking documents. The light-duty vehicle rule (Tier 2), the heavy-duty diesel rule for highway trucks, and the engine and fuel standards for nonroad diesel engines all showed projected benefits in excess of costs.

PART Performance Measurements

Program: Mobile Source Standards and Certification
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Bureau: Office of Transportation and Air Quality
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	67%	91%	73%	

Measure: Millions of tons of volatile organic compounds (VOCs) reduced since 2000 from mobile sources.

Additional Information: Measures reduction in millions of tons of VOC emissions from mobile sources against a 2000 baseline, as estimated by EPA models and emissions inventories.

Year	Target	Actual	**Measure Term:** Long-term
2000	Baseline	7.7	
2010	1.7		

Measure: Tons of pollutants (VOC, NOx, PM, CO) reduced per total emission reduction dollars spent.(Targets and baseline under development).

Additional Information: Measures cumulative reduction in tons of pollution from mobile sources divided by total dollars spent on related mobile source programs by EPA and private industry.

Year	Target	Actual	**Measure Term:** Annual
2004			
2010			

Measure: Millions of tons of nitrogen oxides (NOx) reduced since 2000 from mobile sources

Additional Information: Measures reduction in millions of tons of NOx emissions from mobile sources against a 2000 baseline, as estimated by EPA models and emissions inventories.

Year	Target	Actual	**Measure Term:** Long-term
2000	Baseline	11.8	
2010	3.4		

Measure: Tons of fine particulate matter (PM2.5) reduced since 2000 from mobile sources

Additional Information: Measures reduction in tons of PM2.5 emissions from mobile sources against a 2000 baseline, as estimated by EPA models and emissions inventories.

Year	Target	Actual	**Measure Term:** Long-term
2000	Baseline	510550	
2010	122,400		

PART Performance Measurements

Program: Mobile Source Standards and Certification
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Bureau: Office of Transportation and Air Quality
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	67%	91%	73%	

Measure: Millions of tons of volatile organic compounds (VOCs) reduced since 1995 from mobile sources.

Additional Information: Measures reduction in millions of tons of VOC emissions from mobile sources against a 1995 baseline, as estimated by EPA models and emissions inventories.

Measure Term: Annual

Year	Target	Actual
1995	Baseline	8.1
2003	1.85	1.85
2004	2.04	
2005	.86	
2006	1.03	

Measure: Millions of tons of nitrogen oxides (NOx) reduced since 1995 from mobile sources

Additional Information: Measures reduction in millions of tons of NOx emissions from mobile sources against a 1995 baseline, as estimated by EPA models and emissions inventories.

Measure Term: Annual

Year	Target	Actual
1995	Baseline	12
2003	1.45	1.45
2004	1.65	
2005	1.69	
2006	2.03	

PART Performance Measurements

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Bureau: Office of Transportation and Air Quality
Type(s): Regulatory Based

Section Scores				Rating
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Measure: Tons of particulate matter (PM10) reduced since 1995 from mobile sources

Additional Information: Measures reduction in tons of PM10 emissions from mobile sources against a 1995 baseline, as estimated by EPA models and emissions inventories.

Year	Target	Actual
1995	Baseline	880,000
2003	25,000	25,000
2004	18,100	
2005	62,161	
2006	74,594	

Measure Term: Annual

Measure: Tons of fine particulate matter (PM2.5) reduced since 1995 from mobile sources

Additional Information: Measures reduction in tons of PM2.5 emissions from mobile sources against a 1995 baseline, as estimated by EPA models and emissions inventories.

Year	Target	Actual
1995	Baseline	644,000
2003	18,000	18,000
2004	13,500	
2005	61,217	
2006	73,460	

Measure Term: Annual

Measure: Tons of carbon monoxide (CO) reduced since 1995 from mobile sources

Additional Information: Measures reduction in millions of tons of CO emissions from mobile sources against a 1995 baseline, as estimated by EPA models and emissions inventories.

Year	Target	Actual
1995	Baseline	71

Measure Term: Annual

Program: Mobile Source Standards and Certification
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Section Scores				Rating
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2003	11.33	11.33
2004	12.64	
2005	-.84	
2006	-1.01	

Measure: Percent reduction in time (days) per certificate approval for large engines (Nonroad CI, Heavy duty gas and diesel engines)

Additional Information: Measures average time in days from receipt of certification application to approval for three categories of large engines. Program cost will be monitored by a supplemental measure of program dollars per heavy duty certificate.

Measure Term: Annual

Year	Target	Actual
2005	Baseline	
2012	50%	

PART Performance Measurements

Program: New Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	53%	Effective

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The Toxic Substances Control Act (TSCA) authorizes EPA to control for new chemicals being introduced into commerce (manufacture or import) to prevent unreasonable risk to human health and environment, through Pre-Manufacture Notification (PMN) and rulemaking.

Evidence: TSCA, Section 5 (Manufacturing and Processing Notices)

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Prior to the program, no system existed to ensure that chemical substances introduced into commerce did not pose unreasonable risk to environment, workers, and consumers. The program addresses potential acute and long-term risks posed by applications for approximately 1,700 new chemicals annually. Provides for risk management mechanisms for safe chemical handling, use, and disposal. Fosters development of "green", or safer, chemical alternatives.

Evidence: TSCA, Section 2 (Findings, Policy and Intent), Section 5; and House and Senate conferees' view (1976)

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: This is the only government program that protects the public from unreasonable risk of chemicals before they are manufactured. EPA provides industry with the same tools that it uses to screen chemicals, so that industry can forecast risk-related issues prior to PMN submission.

Evidence: To date approximately 20 percent of TSCA chemicals have been screened and deemed safe for the public. Approximately 10 percent of 1,700 PMNs require risk management mechanisms to be applied in their use, handling, and disposal. EPA expects this percentage to decrease as goals of other programs within New Chemicals (Green Chemistry, PBT Profiler, P2 Framework) are realized.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: TSCA caps the amount that EPA can charge companies for PMN applications, not allowing Agency to cover full cost. However, EPA has shown creativity in managing the program with limited resources.

Evidence: TSCA, Section 26 (Administration of the Act). Also, EPA created Sustainable Futures to assist industry in evaluating risks prior to PMN application, as early as R&D stage, which can result in expedited PMN processes.

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Program: New Chemicals
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Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	53%	Effective

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: The Sustainable Futures component subsidizes training of companies in the use of our new chemicals assessment tools, with the aim of accruing two social benefits from the program's investment: 1) Improved Efficiency: an increase in the submissions of chemicals that require less intensive reviews, forming the basis for the program's new efficiency measures; and, 2) Improved Effectiveness: program can focus resources and attention on chemicals that are not self-screened by companies. Training resources are effectively targeted, focusing on companies and sectors that have traditionally submitted the greatest number of PMNs. The program recognizes that while smaller and medium-sized companies may not provide the bulk of PMN submissions, these companies may be hindered from doing screening and research due to lack of resources. The program plans to review how it can be of assistance to these firms.

Evidence: Sustainable Futures Federal Register Notice: Sustainable Futures'Voluntary Pilot Project under the TSCA New Chemicals Program, Notice; Federal Register Vol. 67, No. 238, 12/11/02: OPPT-2002-0011 http://www.epa.gov/fedrgstr/EPA-TOX/2002/December/Day-11/t31243.pdf

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 12%

Explanation: The program is making strides towards outcome long-term measures (LTMs) that reflect the purpose of the program. A new measure is under development for risks avoided as a result of the program's PMN process. This measure will show the environmental releases and exposures (to worker and general population) that otherwise would have occurred had the program not been in place, which would have threatened human health and environmental quality. The program's Green Chemistry long-term goals (LTGs) are to reduce hazardous chemical releases and presence in wastes. Considered an outcome goal for this review, it is expected, however, that the program next year will provide some measure of the impact to the environment or public health (for example, hazard reduced or risk averted) from the substitution of "green" chemicals in commerce. The program is commended for developing a long-term efficiency measure of decreased costs per chemical reviewed from the Sustainable Futures program (training of companies in EPA's chemical risk screening tools), which it plans to include in EPA's revised Strategic Plan for 2005-2008. The program is considering development of an additional efficiency measure of cost savings to EPA and industry from exemptions to PMN requirements.

Evidence: EPA's LTGs are: 1. Risks avoided to workers and the general population from prevention of the entry of new chemicals into commerce through the PMN program, 2. Reduction of releases of industrial hazardous chemicals to the environment and in industrial wastes in millions of pounds, and 3. Conservation of millions BTUs of energy and gallons of water, and reduction of thousands of metric tons of CO2 emissions. EPA's efficiency measure is the reduction of EPA's per-chemical review costs from expedited reviews as a result of training provided to chemical developers (through the Sustainable Futures program). The program's progress to date in creating outcome preformance measures include the publishing of the second Chemical and Pesticides Results Measures (CAPRM) report and investing in a deeper analysis of the feasibility of possible new measures and applicability. In addition, OPPTS and the Office of Water are exploring a new tool that could help with measuring human health impacts of EPA's actions, by addressing and aggregating economic costs of morbidity and mortality related to certain chemical exposures. Of note is EPA's selection of this program as one of its program measurement improvement projects, aimed at achieving more outcome measures.

PART Performance Measurements

Program: New Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	53%	Effective

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight:12%

Explanation: Program has developed ambitious targets and timeframes for its LTGs. Its timeframe for showing results for its new LTG for quantifying risk avoided is ambitious (by end of year).

Evidence: Targets and timeframes under development for LTG1.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:12%

Explanation: The program's annual performance goals (APGs) support the program's LTGs. Progress toward each of the improved long-term measures cited in Questions 2.1 and 2.2 will be measured through annual performance goals already in use or under development and to be published in the FY 2005 President's Budget.

Evidence: EPA's annual measures are: 1. Number of TSCA 8(e) notices received for PMN-reviewed chemicals, 2. Annual cumulative quantity of industrial hazardous chemical releases to the environment and hazardous chemicals in industrial wastes, in millions of pounds, and 3. Annual cumulative quantity of BTUs of energy (in millions) and gallons of water conserved as well as CO2 emissions reduced (in thousands of metric tons). Annual efficiency measures under development are: 1. Annual number of pre-screened new chemical alternatives generated through industry's Sustainable Futures participation during the earliest stages of research and development, and 2. Cost savings to the progam and industry from exemptions from PMN requirements.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight:12%

Explanation: Targets are ambitious, specific, and quantified for annual measures, or are currently under development, thus promoting continued improvement and achievable efficiencies. Baselines are either established or being established in time for inclusion in the FY 2005 GPRA plan. Efficiency annual measures are also ambitious, based on analysis of baseline trend data, but are achievable through continuous management attention on improving program performance.

Evidence: OPPT's Annual Performance Goal and Measure Portfolio and New Chemicals Performance Measurement Improvement proposal submitted under OCFO/OPEI Program Evaluation and Performance Measurement Improvement Competition on May 9, 2003. See also TSCA 8(e) FR notice: March 16, 1978 (43 FR 11110); February 1, 1991 (56 FR 4128); June 20, 1991 (56 FR 28458); July 13, 1993 (58 FR 37735; March 20, 1995 (60 FR 14756))

PART Performance Measurements

Program: New Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	53%	Effective

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight:12%

Explanation: While the PMN aspect of the New Chemicals program is performed by the Agency, other aspects, such as P2 Framework, PBT Profiler, and Green Chemistry, include contracts and grants. Most technical support for these programs is completed with contractor assistance. Commitment to the program's annual and long-term goals is ensured because EPA defines the scope of work of these extramural activities. Contractors are held to deliverables and time schedules. Contractors and grantees document risk reduction and pollution prevention benefits derived from P2 Framework and PBT Profiler by chemical producers and provide insight into how to improve the program's screening methodologies and how to apply technology transfer to Agency risk reduction efforts.

Evidence: Program office's Finance Central report on contract files; EPA grant on sustainable chemistry with OECD; 120 PBT Profiler evaluations and 25 P2 Framework case studies prepared by contractors and grantees to document the risk reduction and P2 benefits derived by users.

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight:12%

Explanation: There is only one independent evaluation has been completed, by GAO in 1994. Also in 1994, OECD and EPA published a joint study comparing the results from the European Community's (EC) new chemicals test method to EPA's new chemicals test method. Results showed that EPA's method could be improved, however, aside from public meetings, it is not clear that EPA implemented improvements to its method. Therefore, it is not clear how EPA has improved the new chemicals program. In addition, the question demands that the scope of an independent review be broad enough to apply to the entire New Chemicals Program, including the Green Chemistry program, and not just the PMN reviews (for which there is only one evaluation).

Evidence: GAO, TSCA: Legislative Changes Could Make the Act More Effective. RCED-94-103 September 26, 1994. OECD and EPA, US EPA/EC Joint Project on the Evaluation of (Quantitative) Structure Activity Relationships. OECD Monographs, No. 88 and EPA 743-R-94-001.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight:12%

Explanation: The Agency estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy and legislative changes. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification. Performance data are considered at every step in EPA's planning and budgeting process (i.e. developing the OMB submission, Congressional Justification, and annual Operating Plan and reporting our results in the Annual Report). EPA managers use up-to-date financial, policy, and regulatory information to make decisions on program management and performance. The Agency's financial information is integrated with performance and other program data to support day-to day decision making of managers and executives.

Evidence: FY03 President's Budget includes language to lift the PMN fee caps in TSCA. Agency's annual Operating Plan and PMN tracking reports.

PART Performance Measurements

Program: New Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	53%	Effective

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight:12%

Explanation: Agency has cooperative agreement w/ Florida State University (FSU) to identify and develop improved environmental indicators and program performance measures. Program office has committed to working with OMB and stakeholders to develop improved long-term goals and APGs during its FY04 Strategic Planning process.

Evidence: Cooperative agreement w/ FSU on Chemicals and Pesticides Program Results Measures, which engages outside stakeholders in improving the program offices capacity for performance budgeting and management. The Green Chemistry program is recognized within EPA as a key element of EPA's overall pollution prevention program.

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight:14%

Explanation: The program regularly assesses the PMN program's performance in meeting statutory timeframes, via internal evaluations and customer surveys. The program has developed a number of policies to streamline the PMN review process while continuing to control potential unreasonable risks. EPA also completes case studies with customers of P2 Framework and PBT Profiler to determine uses and improvements.

Evidence: Evaluations of the PMN program have resulted in the creation of five exemptions, with estimated annual savings to industry of $12 M (2000 data). The Agency also implemented new chemical exposure limits (NCELs) similar to those of OSHA's "permissible exposure limits", PBT chemicals policy; chemical categories; and a PMN status web page that provides weekly updates to companies on where their new chemical is in the PMN process, allowing companies to make commercial plans earlier than previously in the 90-day review process.

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: YES Question Weight:14%

Explanation: The program incorporates program performance into personnel performance evaluation criteria. Management is accountable for specific performance standards relating to program. The program also monitors progress against GPRA targets, including mid-year reviews with the Deputy Administrator. For contracts and grantees, statement of work, deliverables, costs, and schedules are written into award terms. The program tracks monthly deadlines, through monthly reports by contractors/grantees.

Evidence: The program includes performance standards for managers in relation to meeting GPRA goals, which are evaluated mid-year with the DA and at the end of year during preparation of Annual Performance Plans and Reports. Contract awards and renewals consider past performance. Evidence includes closeout reports for contracts and grantees.

PART Performance Measurements

Program: New Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	53%	Effective

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight:14%

Explanation: In FY 2002, 94 percent of the new chemical and green chemistry programs' budgets was obligated by the end of the fiscal year. Program funds are obligated consistently with overall program plan. The program office's finance management system combines manager oversight with goal achievements, resulting in exceptionally strong accountability and spending records. Prior to the beginning of the fiscal year, the program develops an operating plan (Op Plan) that reflects spending priorities consistent with the President's Budget. Resources are allocated by goal, objective, subobjective, program, and object class. Programs then adjust the operating plan to reflect appropriated levels. EPA's budget and annual Op Plan are aligned with EPA's Strategic Plan and approved by OMB and Congressional Appropriations Committees. Obligations and expenditures are tracked in EPA's Integrated Financial Management System (IFMS) against the Op Plan. Fund transfers between program objectives in excess of Congressionally established limits require Congressional notification and/or approval.

Evidence: Status reports from OPPT's financial management system, Finance Central. Annual apportionments. Contracts and grants status reports.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight:14%

Explanation: The program supports competitive sourcing and is launching a detailed competitive sourcing review of selected functions. EPA believes that improved efficiencies and cost effectiveness are driven by declining programmatic budget and changes in information technology. The implementation of PMN exemptions have resulted in reduced average time and expense for full PMN notification. The program participates in Agency-wide re-engineering of docket system to include electronic docket. EPA is also developing electronic software for industry's use in submitting PMNs.

Evidence: The program has a technology replacement program and invests in analytical tools and the appropriate equipment to run them. EPA estimates cost savings of $12 M annually to industry through PMN exemptions (2000 data).

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight:14%

Explanation: 1. Collaborates w/ OSHA and NIOSH on workplace protection control actions on new chemicals. Agency control actions include negotiated consent orders that stipulate workplace exposure controls and hazard communication requirements. Under such orders, new chemical manufacturers may rely on OSHA's existing hazard communication program. 2. Collaborated w/ environmental advocacy group and chemical trade associations to create chemical risk screening tool. 3. Collaborates with other EPA program offices which share common purpose or goal. 4. Collaborating and coordinating in international efforts.

Evidence: 1. Monthly meetings w/ OMNE committee, comprised of OSHA, Mine Safety and Health Association, and NIOSH, which provides input to EPA on worker protection issues. 2. Collaborated w/ Environmental Defense, American Chemistry Council, Chlorine Chemistry Council, and Synthetic Organic Chemical Manufacturers Association to create PBT Profiler, to examine chemical structure and estimate potential hazard and risk. 3. Modified existing PMN review process to include input from EPA's Office of Air and Radiation Significant New Alternatives Policy (SNAP) program and consulted with program offices in the creation of a PBT category for new chemical testing. 4. Co-leading with Italy the OECD Sustainable Chemistry Initiative, which coordinates "green chemistry" globally.

PART Performance Measurements

Program: New Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	53%	Effective

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 14%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO's and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives. Assistant Administrators conduct program reviews biannually to ensure strong financial management practices. EPA performs audits of the Agency's contracts and grants offices (or program offices) to ensure that proper financial procedures are followed in contracts/grants. The results of EPA's financial management are that the Agency received an unqualified audit opinion on its FY 2002 financial statements and had no material weaknesses associated with the audit. EPA is taking steps to meet the new accelerated due dates for financial statements.

Evidence: Monthly Status of Funds reviews; Finance Central status reports; and near-perfect finance totals at EOY closeouts.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 14%

Explanation: None identified for program in Agency- and program-level Material Weakness review process. The program reviews potential new deficiencies in annual review process to address FMFIA material weaknesses.

Evidence: FMFIA annual review process.

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: LARGE EXTENT Question Weight: 20%

Explanation: EPA has a new outcome goal for the program, risks avoided to workers. The program compiled data from the previous three years to demonstrate that it has protected workers from potential health risks. EPA to some extent met its LTG, however, the program must include additional information to better demonstrate performance, including characterizing information on the general population risks avoided. For the Green Chemistry program, EPA is meeting its chemical reductions, which provides the program with necessary information to determine hazard or risk reduction. The program has also developed a new efficiency measure, and therefore does not yet have data. The program is, however, creating a baseline for costs per PMN. EPA must continue to make progress in better showing results for these LTGs to maintain Large Extent in the next PART evaluation of this program. This includes characterizing potential risks avoided to the general population.

Evidence: Data from 2nd quarter, 1993, show that the program prevented 3.8 million kgs/year of harmful chemicals released to the environment and 3.8 million kgs/year of exposure to the general population that would have been ingested from eating fish and through drinking water. PMN database; OPPT Green Chemistry Database; Work Assignment for second phase of PMN Program Evaluation

PART Performance Measurements

Program: New Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	53%	Effective

4.2 Does the program (including program partners) achieve its annual performance goals?

Answer: SMALL EXTENT

Question Weight 20%

Explanation: The program is expanding analysis of TSCA 8(e) submissions this summer to confirm that new chemicals screened for commerce are not chemicals are not presenting unreasonable risks (because this is a new long-term and annual measure, baseline data are still under development). In 2002, EPA received approximately 20 TSCA 8(e) notices identifying new hazards/risks linked to chemicals that were reviewed through the PMN process prior to 2002. This represents 10% of the 8(e) notices received by EPA in 2002. EPA is further assessing the PMN-related 8(e) notices as part of an expansion of the Phase II PMN program evaluation this summer to determine if any of these identify hazards or risks that were not identified or effectively managed through the PMN review. Commencing in 2004, all 8(e) submissions will be similarly assessed upon arrival so that this standard can be monitored routinely, and any exceptions can be immediately considered for possible improvements to the PMN review processes and tools. The Green Chemistry annual measures are also new, but tracking of previous long-term measures upon which the new annual measures are based indicate they are being achieved.

Evidence: OPPT's Annual Performance Goal and Measure Portfolio; 8(e) FR notice: March 16, 1978 (43 FR 11110); February 1, 1991 (56 FR 4128); June 20, 1991 (56 FR 28458); July 13, 1993 (58 FR 37735; March 20, 1995 (60 FR 14756); Work Assignment for second phase of PMN Program Evaluation; OPPT Green Chemistry data base.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: LARGE EXTENT

Question Weight 20%

Explanation: While the program funding has been essentially level from year to year because TSCA restricts EPA from collecting fees to cover the full cost of the program, EPA has implemented programs to keep costs low to the Agency and industry. These include an A-76 competition currently underway for 'TSCA Risk Analysis' function, scheduled for completion later this year and the development of baseline cost per PMN trends, scheduled for completion at end of FY 2003. Previous efforts have included establishing one new chemical category, revising another, and considering revision of two more. The establishment of a PBT category resulted in the identification and control of more new PBT chemicals than the previous year. EPA is currently training chemical developers in the use of EPA's risk screening tools to enable companies to pre-screen chemicals prior to PMN submission and qualify for a 50-percent reduction in PMN review times.

Evidence:

PART Performance Measurements

Program: New Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	53%	Effective

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: YES Question Weight 20%

Explanation: The New Chemicals PMN Review program is a model and template for the U.S. Food and Drug Administration's Food Contact Substance premarket notification program. FDA's program, established in 1999 as a result of a 1997 amendment to the Food Drug and Cosmetic Act of 1958 (FDCA), has similar purpose and goals as EPA's New Chemicals program. Both programs act as gatekeepers to protect public health by bringing safe chemicals into commerce. Under TSCA, EPA has broad authority to identify and control substances that may pose a threat to human health or the environment. However, there are categories of new chemicals excluded from TSCA authority, such as foods, tobacco, drugs, cosmetics, etc., that fall under the jurisdiction of other Federal laws. FDA's Food Contact Substance Notification System regulates 'any substance intended for use as a component of materials used in manufacturing, packing, packaging, transporting, or holding food if such use is not intended to have a technical effect in such food' (Section 409(h)(6) of the FDCA) (this includes coatings, plastics, paper, adhesives, and other basic components of food packaging).

Evidence: Letter from FDA's Center for Food Safety and Applied Nutrition, 20. June 2003.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: NO Question Weight 20%

Explanation: The program has not yet had an independent evaluation of sufficient scope and quality.

Evidence: Program received "No" for 2.6.

PART Performance Measurements

Program: New Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	53%	Effective

Measure: Risks avoided to workers and the general population from prevention of the entry of new chemicals into commerce (under development).

Additional Information: Will show releases and exposures (to worker and general population) that otherwise would have occurred had the program not been in place, which would have threatened human health and environmental quality.

Year	Target	Actual	**Measure Term:** Long-term

Measure: Cumulative reduction of releases of industrial hazardous chemicals to the environment and in industrial wastes in millions of pounds.

Additional Information: Baseline is 0 in 1996.

Year	Target	Actual	**Measure Term:** Long-term
2001		150	
2002		190	
2004	450		
2005	590		
2008	960		

Measure: Cumulative conservation of millions of BTUs of energy and gallons of water.

Additional Information: Timeline is 2008. Goal is 30/650/160. Baseline is 0 in 1996. NA denotes that BTUs of energy cannot be targeted until 2007.

Year	Target	Actual	**Measure Term:** Long-term
2002		NA/330	
2004	NA/440		
2005	NA/500		
2007	25/600		
2008	30/650		

PART Performance Measurements

Program: New Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	53%	Effective

Measure: Review costs per chemical (for EPA and indusry) (under development).

Additional Information: Timeline is 2008. Baseline is 2002. Goal to be determined from Phase II of OPPT PMN Program Evaluation, completed in September 2003.

Year	Target	Actual	**Measure Term:** Long-term (Efficiency Measure)

Measure: Number of TSCA 8(e) notices received for PMN-reviewed chemicals.

Additional Information: These notices are submitted to EPA by industry identifying potential risks associated with PMN-reviewed chemicals (chemicals for which sero risk was previously determined). A proxy measure is to show zero risk.

Year	Target	Actual	**Measure Term:** Annual
2002		20	
2003	0		
2004	0		
2005	0		
2008	0		

Measure: Cumulative reduction of industrial hazardous chemical releases to the environment and hazardous chemicals in industrial wastes, in millions of pounds.

Additional Information:

Year	Target	Actual	**Measure Term:** Annual
2001		150	
2002		190	
2004	450		
2005	590		
2008	960		

PART Performance Measurements

Program: New Chemicals
Agency: Environmental Protection Agency
Bureau: Office of Prevention, Pesticides, and Toxic Substances
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	53%	Effective

Measure: Annual number of pre-screened new chemical alternatives generated through industry's participation during the earliest stages of research and development.

Additional Information:

Year	Target	Actual
2002	0	0
2004	40	
2005	40	
2007	40	
2008	40	

Measure Term: Annual (Efficiency Measure)

Measure: Annual cumulative quantity of water conserved (millions of gallons).

Additional Information:

Year	Target	Actual
2002		330
2004	440	
2005	500	
2007	600	
2008	650	

Measure Term: Annual

PART Performance Measurements

Program: Nonpoint Source Grants
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	88%	100%	40%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The Clean Water Act establishes a "national policy" to develop and implement nonpoint source (NPS) programs expeditiously to achieve the goals of the Act.

Evidence: Section 319(h)(7) of the CWASection 101(a)(7) of the CWAEPA's grants/PPG regulation in 40 C.F.R. Part 35

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: The Section 319 program (319) addresses NPS pollution, which is the largest remaining cause of water quality impairments.

Evidence: 1998 National Water Quality InventoryNAWQA

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: 319 is the only program to address all sources of NPS pollution. 319 can be used for monitoring and watershed planning, for which USDA funds cannot be used. The program focuses more on targeting resources for water quality results than USDA programs (e.g. EQIP) that are somewhat similar.

Evidence: EPA 319 guidelines (various)State NPS Management ProgramsState Annual ReportsSection 319(h)(7) of the CWA

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: NO Question Weight 20%

Explanation: The Clean Water Act does not allow the program to fund best management practices, only demonstration projects. Allowing funding for best management practices could improve the program's effectiveness and efficiency.

Evidence: Section 319(h) of the CWA

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: Each year $100 million of CWA Section 319h grants are targeted towards addressing impaired watersheds.

Evidence: EPA 319 guidelines (various)

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 13%

Explanation: The program has a new long-term outcome performance measure that tracks improvement in water quality in NPS-impaired waters and a new long-term outcome efficiency measure that tracks cost effectiveness in reaching that goal.

Evidence: See measures tabEPA Strategic Plan (PAM matrix)Grants Reporting and Tracking System (GRTS)Assessment Database2004 303(d) Listing Guidance Consolidated Assessment Listing Methodology TMDL Tracking System

PART Performance Measurements

Program: Nonpoint Source Grants
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	88%	100%	40%	

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight:13%

Explanation: Waterbodies take a long time to improve, with numerous factors affecting water quality. However, given this limitation, the program has established ambitious targets for partially or fully restoring significantly NPS-impaired waters. Over the next year, the program should determine the 2003 baseline for the efficiency measure.

Evidence: See measures tabEPA Strategic Plan (PAM matrix)

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:13%

Explanation: The program has three output measures that track the reduction of key pollutant loadings to NPS-impaired water. These measures support the long-term goal of improving water quality in the nation's waters.

Evidence: See measures tabEPA Strategic Plan (PAM matrix)

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight:13%

Explanation: The program should re-evaluate its annual performance measure targets in future years.

Evidence: See measures tab

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight:13%

Explanation: To ensure that States' efforts support the goals of the program, EPA requires each State to submit nonpoint source management plans for review and approval. As a condition of funding, States are also required to provide project-specific load reduction and stream restoration data consistent with the program's annual goals.

Evidence: Clean Water Act Sec. 319 (b)319 program guidelines

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: NO Question Weight:13%

Explanation: Although independent evaluations have been conducted for the program, the assessment methodologies do not meet the quality criteria for determing the impact of the program.

Evidence:

PART Performance Measurements

Program: Nonpoint Source Grants
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	88%	100%	40%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight:13%

Explanation: The Agency estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy and legislative changes. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification. Presentation to Congress of the Agency's budget, including resources for the 319 program, include alignment to its Strategic Plan goals.

Evidence:

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:13%

Explanation: EPA has worked with a joint State-EPA workgroup to develop outcome and output-based goals that collectively reflect most of what the program addresses.

Evidence:

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight:11%

Explanation: EPA uses the upgraded GRTS and WATERS to review how States are progressing with respect to achieving load reductions for nutrients and sediment, protecting shorelines, restoring streambanks, and restoring water quality. States also submit annual NPS reports to EPA.

Evidence: GRTSWATERS

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight:11%

Explanation: States are required to submit annual reports that demonstrate progress towards meeting NPS goals. Inadequate progress towards the program's goals may result in the withholding of the grant, consistent with the Clean Water Act. EPA will track progress towards meeting the national goals, and will re-evaluate how the program is being implemented if progress towards meeting targets is inadequate. States also are required to submit semiannual Financial Status Reports and project reports to ensure fiscal responsibility. Additionally, the Office Director's performance standards include grants management activities specified in the personnel evaluation. Federal regional grant project officers also are held accountable for ensuring that all policies and procedures of the EPA Grants Administration Division are followed.

Evidence: Section 319(h)(8) and 319(h)(11) of CWAOffice Director's performance standards

PART Performance Measurements

Program: Nonpoint Source Grants
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	88%	100%	40%	

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight:11%

Explanation: EPA includes a standard condition in each grant that the State will obligate its funds within one year of the grant award. On infrequent occasions, delays may occur due to State staffing shortages or because a State has difficulties getting a local project underway, etc. For the most part, however, this is not a problem.

Evidence: FY 03 319 funds were approximately95% obligated by the end of the yearSingle Audit Act reports

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight:11%

Explanation: The program recently developed a long-term efficiency measure which will help it improve program efficiency and effectiveness. The program also recently upgraded its GRTS server to reduce the amount of time required to fulfill reporting requirements. Additionally, most States use a competitive process to award 319 funds.

Evidence: See Measures tab for efficiency measureServer upgrade procurement requestState RFPs

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight:11%

Explanation: The program worked closely with USDA to ensure the new EQIP rule addresses nonpoint source pollution in a manner consistent with EPA's approach. Many EPA NPS projects are joint efforts with USDA and/or other State/local/tribal agencies. Additionally, each State agency administering 319 funds has committed in its recently upgraded NPS program to strengthening their working partnerships and linkages to appropriate State, interstate, Tribal, regional, and local entities (including conservation districts), private sector groups, citizens groups, and Federal agencies.

Evidence: Nonpoint Source Program And Grants GuidelinesState survey of 319 agricultural projects.7 CFR 1446.4 (EQIP Rule--National Priorities)

3.6 Does the program use strong financial management practices? Answer: YES Question Weight:11%

Explanation: Financial status reports are submitted by States on a semiannual basis. Spending for particular projects is reported in GRTS. Regional grants project officers often review the reports and follow up as appropriate. No material internal control weaknesses have been reported by auditors.

Evidence: CFR Section 31.41(b).FY 2004 grants guidelines.FY 2001 EPA Integrity Act report.

PART Performance Measurements

Program: Nonpoint Source Grants
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	88%	100%	40%	

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 11%

Explanation: EPA's Inspector General has conducted detailed, independent reviews of Regional and State 319 programs in Regions 7 and 8, and the Regions have made adjustments in response to those reviews. Few management deficiencies were identified by these reviews. Adjustments based on EPA Regional reviews of States are ongoing. EPA has also given feedback from on-site reviews of Regions, and Regions have adjusted to the feedback. Furthermore, EPA has made broad program policy improvements to improve the focus of the program and broad grants management changes to improve feedback capability and mechanisms.

Evidence: FY 2001 Section 319 expenditure survey Inspector General Reports on Regions 7 and 8
EPA HQ's review of Regions 1 and 7

3.BF1 Does the program have oversight practices that provide sufficient knowledge of grantee activities? Answer: YES Question Weight: 11%

Explanation: Under Section 319(h)(11), States submit to the Regions annual reports. These are required to articulate States' progress towards implementing their overall State NPS management programs. Project reports are mandated semiannually. These are in addition to numerous onsite visits (most Regions visit their States one or more times per year to discuss grantee activities). EPA uses the upgraded GRTS and WATERS to review how States are progressing with respect to achieving load reductions for nutrients and sediment, protecting shorelines, restoring streambanks, and restoring water quality.

Evidence: State NPS management programs. Project reports. FY 2004 grants guidelines. GRTS

3.BF2 Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner? Answer: YES Question Weight: 11%

Explanation: As of FY 2002, States report load reduction estimates (for nutrients and sediment) as well as additional outputs. EPA will be able to link Section 319 projects to actual water quality improvements by tagging Section 319 projects to WATERS. WATERS is already publicly accessible, and a replica of GRTS will be accessible to the public by 2005.

Evidence: 'ModifiZZcations to Nonpoint SourceReporting Requirements for Section 319 Grants'WATERS

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: SMALL EXTENT Question Weight: 20%

Explanation: Consistent with the EPA Strategic Plan, progress on the NPS program's long-term goal will first become available in September 2005 and then be reported in the first PART after that date.

Evidence: See Measures tab.

PART Performance Measurements

Program: Nonpoint Source Grants
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	88%	100%	40%	

4.2	**Does the program (including program partners) achieve its annual performance goals?**	Answer:	SMALL EXTENT	Question Weight 20%

Explanation: Partial results for the three annual performance measures show progress toward meeting these goals. The results represent a two-year composite, reflecting an initial lag in data collection.

Evidence: See Measures tab.

4.3	**Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?**	Answer:	SMALL EXTENT	Question Weight 20%

Explanation: The program installed a new server to reduce the administrative burden on States. It also has consistently targeted its funds to impaired waters.

Evidence: Server upgrade procurement request319 program grant guidelines

4.4	**Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**	Answer:	YES	Question Weight 20%

Explanation: EPA's NPS program can better demonstrate performance and results than similar programs at USDA.

Evidence: FY 2004 Budget Common Measures exercise

4.5	**Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**	Answer:	NO	Question Weight 20%

Explanation: Although evaluations have been performed, they do not meet the criteria for independence, scope and quality.

Evidence:

PART Performance Measurements

Program: Nonpoint Source Grants
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	88%	100%	40%	

Measure: Number of waterbodies identified by States (on the 2000 303(d) list) as being primarily NPS-impaired partially or fully attaining designated uses.

Additional Information: The 2000 Baseline of primarily NPS-impaired waters is estimated to be 5,967 waterbodies. •Partially attain• means that the waterbody will cease to be impaired by a particular pollutant that has caused a 303(d) listing with respect to a particular identified use. •

Year	Target	Actual	**Measure Term:** Long-term
2008	250		
2012	700		

Measure: Reduction in phosphorus loadings (millions of pounds)

Additional Information: This measure tracks the amount of phosphorus loading reduced through CWA section 319 funded projects. (FY 2002 baseline is 0, FY 2003 actual results are a partial two-year composite, reflecting an initial lag in data collection).

Year	Target	Actual	**Measure Term:** Annual
2003		14.7	
2004	4.5		
2005	4.5		
2006	4.5		

Measure: Additional pounds (in millions) of reduction to total nitrogen loadings

Additional Information: This measure tracks the amount of nitrogen loading reduced through CWA section 319 funded projects. (FY 2002 baseline is 0, FY 2003 actual results are a partial two-year composite, reflecting an initial lag in data collection).

Year	Target	Actual	**Measure Term:** Annual
2003		12.5	
2004	8.5		
2005	8.5		
2006	8.5		

PART Performance Measurements

Program: Nonpoint Source Grants
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	88%	100%	40%	

Measure: Additional tons of reduction to total sediment loadings.

Additional Information: This measure tracks the amount of sediment loading reduced through CWA section 319 funded projects. (FY 2002 baseline is 0, FY 2003 actual results are a partial two-year composite, reflecting an initial lag in data collection).

Year	Target	Actual	**Measure Term:** Annual
2003		2,800,000	
2004	700,000		
2005	700,000		
2006	700,000		

Measure: Section 319 funds ($million) expended per partially or fully restored waterbody.

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term
2008	$4.7		

PART Performance Measurements

Program: Particulate Matter Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
100%	56%	82%	33%	Demonstrated

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of EPA's PM Research Program is to support the Agency's mandated responsibilities under the Clean Air Act to review and set national air quality standards and to issue to States and appropriate air pollution control agencies information on air pollution control techniques, including cost of installation and operation, energy requirements, emissions reductions benefits, and environmental impact of the emission control technology. The program is designed specifically to provide (1) advances in scientific understanding of the adverse health effects of, and patterns of exposure to, particulate matter (PM) needed to review and revise (if necessary) the National Ambient Air Quality Standards (NAAQS) for PM every five years; and (2) the tools and data to predict, measure, and reduce emissions and ambient air levels of PM, to achieve the NAAQS as a means to improve public and ecological health.

Evidence: Presidential memo (7/16/1997). Clean Air Act (http://www.epa.gov/oar/caa/contents.html). NRC report (2001, p. 1) (Note: the references to "NRC report" are to one of three National Research Council reports titled Research Priorities for Airborne Particulate Matter, published in 1998, 1999, and 2001. References to the three reports are distinguished by year of publication.) (http://books.nap.edu/catalog/6131.html?onpi_newsdoc033198) (http://www.nap.edu/catalog/10065.html?se_side). Program MultiYear Plan (pp. 1, 2). Section 108(a)-(b) of the Clean Air Act, as amended (42 USC 7408)

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: The program addresses the highest priority gaps in scientific knowledge that need to be investigated to prepare and complete the next mandated NAAQS assessment of PM health effects and exposure and provides improvements to tools and databases that will enable EPA's regulatory offices, states, and tribes to develop more efficient and effective plans to implement the existing daily and annual PM NAAQS.

Evidence: Presidential memo (7/16/1997). Clean Air Act Sect. 103, 108. NRC report (2001, p. 146). MultiYear Plan (p. 2).

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: No other Agency has the mandate, combination of in-house facilities and staff and focused extramural budget, or resources to support a research program that comprehensively addresses the questions of how PM causes adverse health effects, who is most susceptible to these effects, the level at which people are exposed to ambient PM, how PM levels in the ambient air can be predicted, or how to measure the important attributes of PM and precursor emissions to the extent needed to achieve the Agency's desired outcomes. EPA works with other Agencies and state, local, and private groups where possible to leverage resources and to increase capabilities. Periodic meetings of the Committee on Environment and Natural Resources (CENR) and other groups ensure communication across Agencies, and EPA's leadership role in NARSTO (a partnership with public and private organizations to address PM research) ensures that EPA's program is cognizant of, and focuses on, gaps in research not being addressed elsewhere.

Evidence: Presidential memo (7/16/1997). Research Strategy (p. 11). MultiYear Plan (p. 7). CENR Strategic Research Plan for Particulate Matter (pp. 18-25) (http://www.al.noaa.gov/AQRS/reports/SRPPM.htm). Clean Air Act Sect. 103, 108. The NRC's charge was to develop priorities for and review the progress of a "national PM research program". The three NRC reports acknowledge the work being conducted by others at the Federal, state, and local levels, and by private and foreign organizations, but address nearly all comments toward the EPA program, highlighting that the bulk of the effort is conducted or funded by EPA and that there is little duplication with other work.

PART Performance Measurements

Program: Particulate Matter Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
100%	56%	82%	33%	Demonstrated

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: The program's design has been reviewed from both a technical and a managerial perspective by outside experts to help ensure that it addresses the most critical scientific questions and that it manages those efforts so that the most effective use is made of limited resources. Specific technical management structures have been developed to ensure the program maintains priority directions and communicates results to end users. The program seeks to be as efficient as possible by taking advantage of the different capabilities of internal and external researchers by use of external grants and interagency agreements that support work by the most capable organization's) in a particular area. Work in other Federal Agencies is used to leverage the program's resources where appropriate.

Evidence: Research Strategy (p. 16). MultiYear Plan (p. 1). NRC Report (2001, p. 2)

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: The program is designed to address problems identified as high priority by the scientific, regulated, and regulatory communities to maximize the program's effectiveness. These priorities target key science questions to provide information that is of most use to the Agency's efforts to establish national primary and secondary ambient air quality standards that reduce health risks associated with exposure to ambient PM.

Evidence: NRC Report (2001, p. 2). MultiYear Plan (pp. 3, 10). NAS review, 'The Measure of STAR,' April, 2003 (http://www4.nationalacademies.org/new.nsf/isbn/0309089387?opendocument)

PART Performance Measurements

Program: Particulate Matter Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
100%	56%	82%	33%	Demonstrated

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: NO Question Weight:11%

Explanation: All of the current goals and measures are "outputs" and thus do not meet the PART requirements. The five long term goals reflect the purpose of the PM research program to provide scientific understanding needed by OAR, the states, and tribes to set and implement PM standards that will improve public and environmental health. Annual performance goals are the measurable goals toward which the diverse range of research activities work, and are developed to achieve the program's long-range goals and the Agency's intermediate- and long-range outcomes, as illustrated in the logic diagram of the MultiYear Plan. As envisioned in 1997, EPA would reduce uncertainties enough by July 2002 to focus PM regulations on the particles that cause deleterious health effects. The NRC stated several concerns in its latest report: "the pattern of findings is still based on a small number of studies and replication of the results will be needed from current or recently completed studies in other cities before firm conclusions can be drawn [about outdoor measures versus actual human exposures]" (p. 4), "because the research needed to determine PM toxicants is still in progress, the committee expects that research activities related to priority 2 (exposures of susceptible subpopulations) will not begin for a few years." (p.5), and "[c]omprehensive source-oriented models for PM are still under development. However, before such models are ready for regulatory applications, they require more-certain emission inventories and improved knowledge of the chemical and physical processes that determine the size distributon and chemical compostion of ambient particles."

Evidence: MultiYear Plan (p. 12, Figure 1) The purpose of the scientific review was to "update the pertinent scientific and technical information and to determine whether it is appropriate to revise the [PM] standards in order to protect the public health with an adequate margin of safety or to protect the public welfare." (POTUS memo 7/16/97) The purpose of the research was to reduce the uncertainties along the National Academy of Sciences research plan with 10 areas of concentration. According to the NAS, there are still significant knowledge gaps (e.g., actual human exposures, exposures of susceptible subpopulations, particle size and composition by source, valid source/receptor models, whether specific properties or all particulate matter creates a biological response, dosimetry modeling and validation, and copollutant and chronic exposures). (pages 4 - 13, Research Priorities for Airborne Particulate Matter III, Early Research Progress, 2001, National Research Council, National Academy Press.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight:11%

Explanation: The ultimate targets of the PM research program should unambiguously identify those particles having attributes leading to adverse health effects, the people most likely to be exposed to those particles and to suffer those effects, the sources of those particles, and the means to control them, as guided by the NRC's reports on PM research priorities. The timeframes for completing this work are tied partially to the Agency's regulatory deadlines. The programs long-term goals need to be revised. To have merit: the first is elimination of uncertainty (or ambiguity). The second measure would include the concept of "earned value." This output assessment compares cost and schedule to planned cost and schedule.

Evidence: The NRC's first report (1998) noted their portfolio was "designed for the difficult goal of reconciling research and regulatory timetables to emphasize both early and longer-term research results" in key areas. In addition, the NRC expanded its recommended research portfolio in its 1999 report as additional information became available (p. 39). They noted at that time the portfolio would be revised as research results were obtained. In their 2001 report, they expressed satisfaction that the program had "shown promise" (p. 146). They did not see a need to revise the portfolio further. However, the program should compare the original workplans to revised workplan schedules with annual milestones and highlight changes. There was no evidence provided to assess what outcomes/outputs/elements represent a minimally effective program versus a fully successful program. MultiYear Plan (p. 14, Figs. 4-7)

PART Performance Measurements

Program: Particulate Matter Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
100%	56%	82%	33%	Demonstrated

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight:11%

Explanation: The annual performance goals are designed to both demonstrate progress and to guide the program's directions, and are based upon the scientific directions determined in the PM Research Strategy. The critical path flow charts in the MYP clearly demonstrate the relationship between the APGs and the LTGs. The logic diagram in the MYP illustrates how the APGs and the LTGs are linked to the Agency's desired intermediate and long term outputs.

Evidence: MultiYear Plan (p. 17, Figs. 4-7)

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: NO Question Weight:11%

Explanation: While EPA may have developed baselines represented by the state of science at the initiation of research in the individual areas of concern. And, EPA may have developed a series of annual measures that provide the ability to evaluate the progress toward meeting the program's annual and longer term goals, however there are no efficiency measures and the program does not have defined outcomes yet.

Evidence: NRC (1998, 1999, 2001). MultiYear Plan (Appendix 2, Figs. 1, 4-7).

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight:11%

Explanation: All work conducted by partners is developed in accordance with the program's annual and long term goals. Work conducted under contracts is specifically designed to meet well-defined program needs for achieving the appropriate goals. Solicitations for grant proposals are developed jointly by ORD and the program offices to ensure funded research supports long term Agency goals. Grants are selected for funding based on responsiveness to the solicitation, including commitment to address program priorities.

Evidence: Revision of PM Center directions (http://es.epa.gov/ncer/centers/airpm/sab/report.html). RFA development process to align external work with MYP (Appendix 2).

PART Performance Measurements

Program: Particulate Matter Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
100%	56%	82%	33%	Demonstrated

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight:11%

Explanation: In the first five years of the program, the National Research Council has published three reports on the program's design and progress. The program's management has also been reviewed by the Board of Scientific Counselors. In addition, the Clean Air Science Advisory Committee has reviewed the program's directions, directly through review of the PM Research Strategy and indirectly through its review of the PM AQCD. EPA has adjusted the program in response to recommendations from each of these bodies. Science in each of the Laboratories and Centers is also periodically reviewed by external expert panels.ORD is in the initial phase of exploring options for holding regular independent external reviews of its research programs to assess quality, relevance, and progress towards achieving long-term goals as identified in the MYPs. ORD will use feedback from these reviews to improve its program design, measurement and management. Under this proposal, programs will be assessed every three to four years on a rotating basis using criteria agreed upon by OMB, the Agency, and ORD.In addition, in the spring of 2003, ORD commissioned an independent external evaluation of its multi-year plans. This review focused on the extent to which the MYPs explain how ORD research helps achieve EPA goals, describe clear outcomes, and include clear and measurable performance indicators. The reviewers also provided suggestions for improving the quality and consistency of the MYPs.

Evidence: NRC Reports (1998, 1999, 2001, final review in July 2003) See for instance p. 2 (2001) - "EPA has given strong support to the recommendations presented in the committee's first two reports." BOSC Report (1998). MultiYear Plan (to be reviewed by CASAC in 03). PM Research Strategy (reviewed by CASAC in 2000).

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: NO Question Weight:11%

Explanation: The Agency estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy and legislative changes. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification. Performance data are considered at every step in EPA's planning and budgeting process (i.e. developing the OMB submission, Congressional Justification, and annual Operating Plan and reporting our results in the Annual Report). EPA managers use up-to-date financial, policy, and regulatory information to make decisions on program management and performance. It does not appear that the financial information is in such detail to be able to discern fully all resources going to this program (by the 2005 budget, hopefully there will be). For instance, how much is being spent on section 103 grants? How much of the section 103 grants are devoted to monitoring super stations (to be able to understand speciation and source-specific issues)?

Evidence: Annual Congressional Justification, Budget Automation System (BAS) reports [EPA was selected as a government-wide finalist for the 2002 President's Quality Award in the area of budget and performance integration]. Use of MYP in planning process alignment of budget with NRC priorities and Agency goals participation of OAR and Regions in planning process.

PART Performance Measurements

Program: Particulate Matter Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
100%	56%	82%	33%	Demonstrated

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight: 11%

Explanation: The program recently completed its third revision of its MultiYear Plan in as many years to ensure a strategic vision of the program's direction is current and outcome-oriented. The MYP is being used to guide funding decisions and evaluate near and long-term programmatic impacts. The program has also been very responsive to external expert guidance from the NRC. In their first report, the NRC recommended additional resources for Topics 1 and 5 (then 4% and 3% of the PM research budget).

Evidence: Alignment of research priorities with NRC, NARSTO (NRC 2001, pp. 2, 26, 32, 143); revision of MYP to incorporate Agency goal structure. As an example, in their first report (1998), the NRC recommended additional resources for Topics 1 and 5 (4% and 3% of the 1997 PM research budget, respectively). In 1999, these topics accounted for over 14% each of the total PM research investment in response to the NRC concerns. An Implementation Steering Committee was formed in response to NRC concerns (NRC 2001, pp. 146-7): see Oct 10, 2001 memo from Foley, Oppelt, Reiter, Seitz.

2.RD1 If applicable, does the program assess and compare the potential benefits of efforts within the program to other efforts that have similar goals? Answer: NA Question Weight: 0%

Explanation: There are no other programs having similar goals, in terms of total scope and mission, as EPA's PM research program. As noted above in Section I, EPA has the legislated responsibility for conducting this research and putting it into practice. Even so, part of that responsibility is to compare the potential benefits of programs in other agencies and organizations that address specific topics associated with PM health effects, exposure, atmospheric sciences or source characterization to ensure that work is not duplicated and to fill research gaps. Comparison of potential benefits is conducted from a scientific perspective in an effort to conduct work that maximizes the impact of the program. Similar comparisons are conducted at all programmatic levels.

Evidence: In their first report, the NRC (1998) developed "a conceptual framework for an integrated national program of particulate-matter research'" and considered the capabilities of other programs, both public and private, to fulfill their recommended research priorities. Neither their first report nor their subsequent reports make any recommendations for shifting work to other public or private programs, outside of the extramural efforts supported by EPA. This is a recognition by the NRC that the mix of research efforts by the different organizations now involved represents an efficient approach to achieving the desired research goals.As recommended by the NRC (1998), EPA has provided funding through its grants programs to other organizations to ensure that the greatest expertise available is brought to bear on a particular problem, thereby increasing the program's effectiveness.

2.RD2 Does the program use a prioritization process to guide budget requests and funding decisions? Answer: YES Question Weight: 11%

Explanation: The PM program is priority driven, from the broad research priorities outlined by the NRC to the project level, where specific project areas are prioritized to determine what specific work should be conducted. Priorities are determined by evaluating the short term needs of clients (particularly OAR) and the longer term directions (such as those recommended by the NRC), described in the MYP. Decisions are based upon a judgement of what work will be most effective in meeting these needs, after comparing the expected impacts of funding or not funding competing projects. Extra consideration is given to research that addresses multiple questions, that addresses time-sensitive needs, or leverages resources from other agencies or organizations. The annual program planning activities focus on identifying and funding priority areas across the PM program, followed by a comparison to research needs in other programs.

Evidence: MYP (Focusing ORD's Research, p. 10)

PART Performance Measurements

Program: Particulate Matter Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
100%	56%	82%	33%	Demonstrated

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?
Answer: NO Question Weight: 9%

Explanation: The establishment and review of annual performance goals and measures is an integral part of the PM program's annual planning and budgeting process. Progress towards achieving the APGs/APMs is reported quarterly within ORD. This information is used to inform the annual planning process as well as to update the MYP. Contractors and holders of cooperative agreements are monitored on a regular basis to ensure their progress is compatible with the overall aims of the MYP. STAR grantees are required to report annual progress and final results, including publications and significant accomplishments that are posted on a public web site. They are also required to participate in periodic program review workshops with other grantees and EPA staff to review progress and findings. Because EPA knows the TEN RESEARCH PRIORITIES, OMB suggests an "earned value management system" review of the PM research program. The reasons are manifold: the NRC laid out a schedule and developed cost estimates in 1998 for TEN SPECIFIC PRIORITIES. EPA revised and NRC reviewed the schedule and scope in 1999. Periodically, EPA changes cost and schedule, but OMB has not seen evidence that these are reviewed systematically. Cost and schedule variance analysis is extremely useful in determining how well the program is performing.

Evidence: EPA FY 2002 Annual Report (http://www.epa.gov/ocfo/finstatement/2002ar/2002ar.htm)STAR Web Site (http://es.epa.gov/ncer/)

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?
Answer: YES Question Weight: 9%

Explanation: The program incorporates program performance into personnel performance evaluation criteria. Management is accountable for specific performance standards relating to program goals. The program also monitors progress against GPRA targets, including mid-year reviews with the Deputy Administrator. For contracts and grantees, statement of work, deliverables, costs, and schedules are written into award terms. All ORD Project Officers (POs) are responsible for seeing that the agreement is awarded and managed according to government regulations in a way that gives value to the government and public.

Evidence: SES Performance standards. Project Officer Training (http://epawww.epa.gov/oamintra/training/index.htm).

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?
Answer: YES Question Weight: 9%

Explanation: Prior to the beginning of the fiscal year, the program develops an operating plan which reflects how it plans on spending its budget (as requested in the President's Budget). Resources are allocated by goal, objective, subobjective, program and object class. Programs then adjust the operating plan to reflect appropriated levels. EPA's budget and annual Operating Plan are aligned with the Agency's Strategic Plan and approved by OMB and Congressional Appropriations Committees. Obligations and expenditures are tracked in the Agency's Integrated Financial Management System (IFMS) against the Operating Plan. Fund transfers between program objectives in excess of Congressionally established limits require Congressional notification and/or approval. EPA prepares an Operating Plan that OMB and Appropriations Committees approve. Program offices track spending against this plan, which is aligned with the EPA strategic plan.

Evidence: EPA's annual Operating Plan and Congressional Justification, EPA's Strategic Plan, Budget Automation. System (BAS) data, EPA's Annual Report and Financial Statements. End of year obligation reports.

PART Performance Measurements

Program: Particulate Matter Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
100%	56%	82%	33%	Demonstrated

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: NO Question Weight: 9%

Explanation: ORD is undertaking efforts related to this issue. For example, ORD currently monitors the average length of time it takes to make grant awards. In a recent review of the Science to Achieve Results (STAR) program, the NAS examined this topic, and ORD is in the process of responding to the NAS recommendations. In addition, ORD is developing IT business cases that document how particular projects improve efficiency.

Evidence: National Academy of Sciences (NAS) Review of STAR grants program (page 103) (The Measure of STAR - http://www4.nationalacademies.org/news.nsf/isbn/0309089387?OpenDocument)

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: YES Question Weight: 9%

Explanation: The program works through CENR, NARSTO and other venues to ensure that it has identified and is taking advantage of opportunities for collaboration and coordination. Grant solicitations are developed in consultation with other Federal Agencies and joint research solicitations are developed where appropriate.

Evidence: CENR Strategy. NARSTO Assessment (http://www.cgenv.com/Narsto/). MultiYear Plan (page 8). PM Research Strategy. TVA IAG (IAG DW64959501). Sponsorship of workshops including other programs. Development of joint research solicitations

3.6 **Does the program use strong financial management practices?**

Answer: YES Question Weight: 9%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives. EPA received an unqualified audit opinion on its FY02 financial statements and had no material weaknesses associated with the audit. EPA is taking steps to meet the new accelerated due dates for financial statements. The PM program has no material weaknesses as reported by the IG and has procedures in place to minimize erroneous payments. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives.

Evidence: Annual Congressional Justification. Budget Automation System (BAS) reports. Unqualified audit opinion on EPA FY02 financial statements. Fiscal Year 2002 Advice of Allowance Letter. 2002 Integrity Act Report. Resource policies at: http://intrasearch.epa.gov/ocfo/policies. IG's list of material weaknesses.

PART Performance Measurements

Program: Particulate Matter Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
100%	56%	82%	33%	Demonstrated

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 9%

Explanation: EPA took a number of actions to address some deficiencies in the PM monitoring network to address concerns raised by the National Academy in March 1998. For example, EPA reduced the number of planned mass-only monitoring sites and increased the number of complex monitoring sites that identify the components of fine particulate matter. EPA's mass-only monitors encountered operating problems and failed to meet data quality requirements.

Evidence: IG's list of material weaknesses. A General Accounting Office (GAO) study released August 30, 1999, cited a multitude of mechanical problems with EPA's particulate matter monitors. Some of the worst problems included monitors freezing, fans drawing in dust giving inaccurate readings, and nearly one-third of the monitors having problems resulting in lost data. GAO suggested that EPA rigorously test future monitors before they are allowed in the field. (GAO/RCED-99-215.)

3.CO1 Are grants awarded based on a clear competitive process that includes a qualified assessment of merit? Answer: YES Question Weight: 9%

Explanation: 100% of the PM research grants are awarded through ORD's competitive STAR grants program, using external scientific peer reviewers to rate applications based on scientific merit. Only applications rated as 'excellent' or 'very good' (usually 10-20% of proposals) are then considered for funding based on relevance to EPA programmatic priorities. To attract new investigators, research solicitations are announced in the Federal Register, posted on the NCER website for at least 90 days, emailed to institutions and individuals that have indicated an interest in receiving them, distributed at scientific conferences, and disseminated to researchers by other federal agencies.

Evidence: EPA National Center for Environmental Research website: RFA announcements (http://es.epa.gov/ncer/)Over 85% of PM grant awards in 2000 and 2001 went to researchers who had not previously received individual STAR grants. NAS review, 'The Measure of STAR,' April, 2003 (http://www4.nationalacademies.org/news.nsf/isbn/0309089387?OpenDocument)

3.CO2 Does the program have oversight practices that provide sufficient knowledge of grantee activities? Answer: YES Question Weight: 9%

Explanation: Grant project officers monitor grantee performance, including submission of annual progress reports and compliance with federal requirements. The five PM Research Centers hold annual reviews conducted by external scientific advisory committees; the project officer conducts a site visit in conjunction with this review. The EPA Science Advisory Board conducted a review of the PM Research Centers program at its midpoint.

Evidence: EPA Order 5700.6 Policy on Compliance Review and Monitoring. Project officer site visits conducted on a minimum on 10% of active grantees. Project officers attempt to visit all research centers and institutions that receive large individual grants to check research progress (NAS review, 'The Measure of STAR,' April, 2003). Grant specialists conduct site visits for administrative and financial evaluations on a minimum of 10% of active grants annually. 'Interim review of the PM research centers of the USEPA: An EPA Science Advisory Board Report' A Review by the PM Research Centers Interim Review Panel of the Executive Committee of the US EPA Science Advisory Board (http://www.epa.gov/science1/pdf/ec02008.pdf).

PART Performance Measurements

Program: Particulate Matter Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
100%	56%	82%	33%	Demonstrated

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 9%

Explanation: An annual progress report is submitted by each grantee and posted on the EPA National Center for Environmental Research website. Reports from the PM centers and individual grantees are distributed to EPA staff to disseminate to interested parties. These reports include summaries of progress in relation to project objectives as well as publications of research results. Grantees also present results at the multitude of PM-related scientific conferences held annually. The PM Centers have organized several workshops on various PM topics that include participants from outside EPA and the Centers. Progress is further disseminated through members of the PM Centers external scientific advisory committees and external reviewers of NCER's PM programs. Summaries of PM research accomplishments are posted on the website. Several hundred publications resulting from PM grants are further evidence of grantee performance.

Evidence: EPA National Center for Environmental Research website: progress reports and publications lists (http://es.epa.gov/ncer/). NAS review, 'The Measure of STAR,' April, 2003. 'Interim review of the PM research centers of the USEPA: An EPA Science Advisory Board Report' A Review by the PM Research Centers Interim Review Panel of the Executive Committee of the US EPA Science Advisory Board.

3.RD1 **For R&D programs other than competitive grants programs, does the program allocate funds and use management processes that maintain program quality?** Answer: YES Question Weight: 9%

Explanation: Internal funding for research projects is allocated based on internal competition within each Laboratory, although the specific method varies across the Laboratories. Internal competition evaluates both potential for advancing scientific understanding as well as programmatic relevance, with such relevance tied to both NRC priorities and program office (client) information needs. Funds are allocated to high priority project areas as determined by these internal programmatic reviews. Data quality is maintained through a comprehensive quality assurance program. Periodic review of the program by NRC and others provides the external incentive to ensure program quality.

Evidence: Multiyear Plan (p. 8). NCER guidance (es.epa.gov/ncer/rfa/forms/standinstr.html). ORD FY 2005-2006 Contingency Plan Development Process (pp. 1, 7)

PART Performance Measurements

Program: Particulate Matter Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
100%	56%	82%	33%	Demonstrated

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: NO Question Weight 25%

Explanation: The PM research program has made significant progress toward achieving the long term goals of the program as measured by the increases in understanding of the sources, behavior, exposures, and effects of ambient PM in both the general and susceptible populations. Of the ten priority research areas identified by the NRC, the committee anticipated completion of only 3 (identification of biologically important constituents, mechanisms of toxicity, and the relationships of personal exposure levels to ambient concentrations) by 2002 (NRC 1998, p. 7). One of these (exposure) has been completed, the other two have proven more complex than originally anticipated by the NRC. In addition, EPA has conducted work in areas not initially evaluated by the NRC, and has made substantial progress in several of the other priority topics.

Evidence: The NRC noted in 2001 that 'there is as yet insufficient evidence for the committee to predict the program's ultimate effectiveness' (p. 146). Even so, the program has demonstrated biological plausibility of PM effects; the ability of central monitors to be used as surrogates for personal PM2.5 mass exposure for both the general population and susceptible subpopulations; differences in particle deposition patterns in people with pulmonary diseases; mechanisms of damage from PM constituents including quinones and transition metals; verification of epidemiological results associated with chronic exposure; new methods for measuring ammonia from area sources; performance of dispersion models to predict PM levels; improvements in receptor modeling capabilities; and the need to focus on effects of specific sources rather than attributes as a means to link effects to specific particle types. The underlined results in particular have significantly reduced uncertainties in the science behind the current NAAQS. The italicized results represent findings that have the potential to change our understanding of the source-transformation-exposure-effects linkages and the regulatory approaches to improving public health.

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: SMALL EXTENT Question Weight 25%

Explanation: All annual performance goals have been completed by the projected date. The APGs are directly tied to the program MultiYear Plan and the Agency's desired short-, intermediate- and long-term outcomes through the plan's use of the logic model as the basis for its development. This ensures that the information provided under GPRA reflects the program's progress toward achieving its annual goals, its long-term goals, and ultimately, the desired Agency outcomes.

Evidence: EPA FY 2002 Annual Report (http://www.epa.gov/ocfo/finstatement/2002ar/2002ar.htm). MultiYear Plan (Appendix 2; Figs. 1, 4-7).

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: NO Question Weight 25%

Explanation: It is noteworthy that OMB's R&D Investment Criteria, to which the R&D PART is explicitly linked, do not address the need for these types of measures. However, ORD is undertaking efforts related to this issue. For example, ORD currently monitors the average length of time it takes to make grant awards. In a recent review of the Science to Achieve Results (STAR) program, the NAS examined this topic, and ORD is in the process of responding to the NAS recommendations. In addition, ORD is developing IT business cases that document how particular projects improve efficiency.

Evidence: National Academy of Sciences (NAS) Review of STAR grants program (page 103) (The Measure of STAR - http://www4.nationalacademies.org/news.nsf/isbn/0309089387?OpenDocument)

PART Performance Measurements

Program: Particulate Matter Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
100%	56%	82%	33%	Demonstrated

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: NA Question Weight: 0%

Explanation: There are no other programs with similar purpose and goals. EPA's goal of this research program is to develop a regulation that will protect public health from harmful particulate matter. As such it is not comparable to other research efforts in the U.S., or with other agencies programs. Independent private efforts to perform similar research are undertaken to influence EPA's regulatory decisions. The only comparable research that could potentially apply would be in other countries (WHO or European Union).

Evidence: Nearly 2/3 of the post-1998 publications on dosimetry and toxicology (focus areas for EPA's research) in the 2001 External Review Draft of the Air Quality Criteria Document are from internal EPA research or EPA-funded external research. Overall, over a quarter of all the post-1998 references in the AQCD are from the EPA research program. The EPA portions are compared to results from overseas, industry, states, and all other Federal agencies. (http://cfpub.epa.gov/ncea/cfm/recordisplay.cfm?deid=29503)

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results? Answer: YES Question Weight25%

Explanation: The program is evaluated by an NRC Committee on an on-going basis. Additional evaluations of the program's products are conducted by CASAC and BOSC. In each case, the committees have agreed that the program is fundamentally sound and is providing the necessary information to achieve strategic goals.ORD is in the initial phase of exploring options for holding regular independent external reviews of its research programs to assess quality, relevance, and progress towards achieving long-term goals as identified in the MYPs. ORD will use feedback from these reviews to improve its program design, measurement and management. Under this proposal, programs will be assessed every three to four years on a rotating basis using criteria agreed upon by OMB, the Agency, and ORD.

Evidence: NRC Report (2001). CASAC approval of AQCD (http://www.epa.gov/science1/pdf/casacl02003.pdf). BOSC report.

PART Performance Measurements

Program: Particulate Matter Research
Agency: Environmental Protection Agency
Bureau: Office of Research and Development
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
100%	56%	82%	33%	Demonstrated

Measure: Measure Under Development
Additional Information:

Year	Target	Actual

Measure Term: Long-term

Measure: Measure Under Development
Additional Information:

Year	Target	Actual

Measure Term: Annual

Measure: Measure Under Development
Additional Information:

Year	Target	Actual

Measure Term: Long-term (Efficiency Measure)

PART Performance Measurements

Program: Pesticide Enforcement Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assistance
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	63%	89%	8%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The primary purpose of the pesticide enforcement grant program is to fund inspections and related activities (e.g., laboratory analyses, enforcement actions and inspector training). The most significiant purpose of FIFRA is to protect human health and the environment through the regulation of pesticides. The FIFRA statute authorizes EPA to give grants (via cooperative agreements) to states (including territories) and tribes to support their FIFRA pesticide enforcement and compliance programs. States are the primary implementers of FIFRA. Even where states do not have primacy for implementing a specific aspect of FIFRA, they are relied upon to conduct the inspections.

Evidence: FIFRA Section 23, Consolidated Cooperative Agreement Guidance, Catalog of Federal Domestic Assistance

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Pesticides are poisons that can threaten human health and the environment; the need for the regulation of pesticides under FIFRA continues. For example, over 100,000 people in 2001 were sufficiently concerned about their actual exposure to pesticides to call their local poison control; a significant number of these callers developed symptoms, some life threatening. Many pesticides are toxic to a variety of fish, insect, and plant species. Use and misuse of pesticides can cause significant loss of non-target species. Eliminating or limiting those exposures can have a beneficial effect and are the goals of FIFRA and its compliance implementation at the state level through the support of the pesticide grant. State funding is insufficient to cover all costs of implementing FIFRA. This cooperative enforcement agreement program is designed to maximize compliance with federal and state pesticide laws and their implementing regulations, and to address national and local priorities. Both federal and state laws control the sale, distribution, and use of pesticides in the United States, with the goal of ensuring Americans that publichealth and the environment are protected from illegal or adulterated products and the misuse of pesticides. A vigorous, comprehensive compliance monitoring and enforcement program that serves both local and national needs is essential to accomplish this goal. EPA is the only federal entity providing this type of funding to states and tribes.

Evidence: FIFRA. EPA Draft Report on the Environment 2003 (see section 3-8). AAPCO letter to Administrator Whitman. AAPCO Funding Survey

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: Through the grants, EPA is able to work with the states annually to identify priorities and program objectives. EPA grant funding allows states to operate FIFRA programs. All states and territories with primary enforcement authority also receive grant support. More than 95% of the monitoring to determine compliance with pesticide laws is currently provided by states, tribes, and territories that are cooperating with EPA under this program. Because of states' overwhelming activity in this area, the grant also allows EPA not to have a substantial inspection program of its own where EPA does have retained inspection authority. There is no other program that provides funding to support a cooperative enforcement effort with state, territorial, and tribal pesticide regulatory agencies. There is a pesticide program grant administered by the Office of Pesticides Programs, but that grant does not fund compliance and enforcement activities.

Evidence: Catalog of Federal Domestic Assistance

PART Performance Measurements

Program: Pesticide Enforcement Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assistance
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	63%	89%	8%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: The program design is free of major flaws. Congress annually appropriates specific funds for this program, which EPA distributes according to a formula. Regions are delegated responsibility for awarding the grants. Regional and state agreements specify responsibilities and outputs under individual grant agreements tracked by the regions. States argue that federal funds have not kept up with changes in FIFRA, its regulations and registration decisions. States have concluded from surveys and analyses that reduction or elimination of the funding that supports this cooperative enforcement program would lead to a significant diminution or elimination of the this already resource-constrained program.

Evidence: AAPCO letter to Adminsitrator Whitman. AAPCO funding survey

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: Pesticide enforcement grant funding is directed to state, territorial, and tribal pesticide regulatory agencies that have been designated by the governor or other appropriate official as the lead agency for compliance and enforcement activities. This grant funding is allocated by a combination of base funding for each state [currently $107,100] and formula funding. The formula is based upon several weighted factors that address the scope of a comprehensive pesticide compliance and enforcement program: the state's population, the numbers of pesticide-producing establishments and certified private and commercial applicators, and the number of farms and their acreage. This base plus formula funding allocation was developed with the input and support of the state pesticide regulatory agencies, and is based upon a work plan which will take into account more specific factors, such as regional and local priorities. Each work plan is negotiated between the Regional Office and state, tribe, or territory, who determine a balance between program goals, respective priorities, and proposed deliverables in the form of program commitments. Program funds reach nearly every state [except Wyoming, which does not have FIFRA enforcement primacy], six territories, and a number of tribes. Since the grants are intended to go directly to states and tribes for their use, they do reach the intended beneficiaries. The formula, which is rerun biannually, also ensures that the funds are allocated based on the universe regulated and protected by FIFRA. Regional and state negotiations assure coordination toward common goals.

Evidence: FIFRA Enforcement and Compliance Funding Allocation Formula. 40 CFR §§35.230-235

PART Performance Measurements

Program: Pesticide Enforcement Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assistance
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	63%	89%	8%	

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight:13%

Explanation: The pesticide grant program has received initial agreement with its grantee partners to pursue development and implementation of two outcome measurements: percentage decrease in subsequent pesticide violations by previous violators (primarily misuse cases) and percentage increase in complying actions taken resulting from inspections or enforcement.On January 14, 2004, EPA issued interim grant policy applicable to all grant programs, including the FIFRA pesticides grants, requiring all future funding packages to document how the assistance agreement furthers the Agency's strategic goals. All grants will describe how the program work plan will support the goals of the Agency strategic plan. An agency workgroup is developing final guidance on the incorporation of performance measures and environmental outcomes. In the meantime, grant policy only encourages grants to link to the Agency's specific strategic plan architecture and to have output or outcome goals and annual performance goals the grant will help implement. EPA sets strategic goals - a combination of core program and priority activities - tri-annual 'Consolidated Pesticide Cooperative Agreement Guidance,' which are then negotiated with grantees who bring to the negotiations their 'Priority Setting Plan.' As an assistance agreement, the final grant is not a contract, but is to support the grantee carrying out a public purpose authorized by statute. The state priorities are stated in terms of numbers and types of inspections, which are the measures for the program that meaningfully reflect the grant program purpose. In addition, in the Guidance we define the criteria and minimum components of what can be counted as an inspection. These measures are renegotiated yearly, as is required by statute and regulations.

Evidence: Consolidated Pesticide Cooperative Agreement Guidance. EPA Order 5700.1. FIFRA Project Officers Manual. EPA Strategic Plan. EPA Grants Policy Issuance 04-02

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight:13%

Explanation: Working with the States, , EPA is developing measures, targets and baselines. .

Evidence: Consolidated Pesticide Cooperative Agreement Guidance. FIFRA Project Officers Manual. (Example workplans negotiated by EPA regions and states are also available if requested. EPA Form 5700-33H.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:13%

Explanation: Working with the States, EPA is developing more appropriate measures. The data received on EPA Form 5700-33H, resulting from annual regional/state negotiation demonstrate year-to-year progress on meeting overall inspection targets. Nevertheless, EPA is working towards a better set of annual measures, including an efficiency measure that is the ratio of effective inspections per dollar. This is a block/formula based program that supports a wide range of purposes and allows grantees generally to set their own program priorities. In the annual evaluation process (described elsewhere), grantees prepare a self-evaluation of their performance which is considered and used in EPA's evaluation.

Evidence: Consolidated Pesticide Cooperative Agreement Guidance. FIFRA Project Officers Manual. (Example workplans negotiated by EPA regions and states are also available if requested. EPA Form 5700-33H

PART Performance Measurements

Program: Pesticide Enforcement Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assistance
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	63%	89%	8%	

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight:13%

Explanation: Targets , baselines, and measures are under development with the State partners. Currently, the cost baselines for measure comparisons are based upon experience from prior years. Similarly, the year-to-year data reported on Form 5700-33H provide baselines for next year negotiations of new measures and performance. Regional project officers are responsible for negotiating reasonable but ambitious outputs for grant dollars given to grantees.

Evidence: Consolidated Pesticide Cooperative Agreement Guidance. FIFRA Project Officers Manual. (Example workplans negotiated by EPA regions and states are also available if requested. EPA Form 5700-33H

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight:13%

Explanation: The partners are the state and tribal grantees and through the cooperative agreements and workplans commit to and (because the grantees under this formula-based grant ultimately set their priorities) generate the program goals. The grants and workplans tie performance to goals. EPA guidance includes procedures used to get partners to commit to, measure and report on performance related to goals, to the degree allowed by the grant restrictions. The partners and all pertinent Agency offices (OECA/OC and ORE, and OPPTS/OPP) collaborate in a variety of ways to monitor national grant program implementation, resolve issues, and ensure progress on grant program goals. In addition to regular conference calls, all participate in meetings of AAPCO and in doing committee work addressing particular issues. This office participates in SFIREG, which was organized to focus on and resolve specific issues. Underpinning these formal collaborative structures are numerous staff and/or management level workgroups.

Evidence: Consolidated Pesticide Cooperative Agreement Guidance. FIFRA Project Officers Manual. (Example workplans negotiated by EPA regions and states are also available if requested. EPA Form 5700-33H. See http://AAPCO.ceris.purdue.edu.

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: NO Question Weight:13%

Explanation: There has been nor evaluation of sufficient scope and quality to justify a yes answer, although the pesticide worker protection program, a significant component of the pesticide enforcement grant program, has been evaluated by the General Accounting Office. The program deficiencies identified by GAO have been corrected though a collaborative process involving all of the pertinent Agency offices in addition to state pesticide regulators. To further address GAO's comments, EPA internally reviewed regional offices program management. That review, in turn, ultimately identified specific additional actions to tighten management and address weaknesses. EPA has taken those actions (e.g. Project Officer training, updating of the worker protection inspection guidance). Additionally, grantees are subject to continuous evaluation based upon commitments they make in grant work plans. (See Program Management section).

Evidence: GAO Report, National WPS Inspection Guidance Workgroup Accomplishments and Summary of Revisions. U.S. EPA Worker Protection Standard Agricultural Inspection Guidance.

PART Performance Measurements

Program: Pesticide Enforcement Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assistance
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	63%	89%	8%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight:13%

Explanation: EPA budgets for this program by reviewing previous annual amounts and accomplishments, taking into consideration any changes in performance, policy and legislative changes. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification and are fully transparent. Performance data are considered at every step in EPA's planning and budgeting process (i.e. developing the OMB submission, Congressional Justification, and annual Operating Plan and reporting our results in the Annual Report). EPA managers use up-to-date financial, policy, and regulatory information to make decisions on program management and performance. The Agency's financial information is integrated with performance and other program data to support day-to day decision making of managers and executives. EPA shares requested and final budget numbers with our partners.

Evidence: Annual Congressional Justification, Budget Automation System (BAS) reports. [EPA was selected as a government-wide finalist for the 2002 President's Quality Award in the area of budget and performance integration].

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:13%

Explanation: See response to question 2.1 relating to new grant policy. We already have alerted our Regional Offices and partners that we intend to develop measures that will allow more effective achievement of long term and annual goals/targets.

Evidence: EPA Grants Policy Issuance 04-02. Consolidated Pesticide Cooperative Agreement Guidance.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight:11%

Explanation: The pesticide enforcement grant program is a compliance monitoring and enforcement program. EPA works with grantees to develop work plans which include compliance monitoring and enforcement activities, which they commit to achieve during the period of the grant. Grants typically run for a one year period because the funds for this program are provided by Congress on a year-to-year basis. Pursuant to OECA grant program guidance, the Agency receives data on the number and type of inspections and resulting enforcement actions on a quarterly basis. Regions also conducts program evaluations two yearly. In addition there are weekly, if not daily contacts with grantees regarding pesticide compliance issues. Each program evaluation reviews grantees' progress in meeting work plan commitments. Should there not be adequate progress in meeting commitments, EPA will work with the grantee on a corrective action plan to improve performance. Should there continue to be poor performance, EPA may determine that it is in the best interest of the program to discontinue the cooperative agreement and no longer fund an entity's grant. In recent years this has happened with two tribal grant programs. As a part of the grant program, and within the framework outlined by program guidance pursuant to FIFRA and Strategic goals, EPA asks grantees to develop individual priority-setting plans. These plans are designed to focus compliance monitoring and enforcement efforts on those activities and problems that are of the highest priority to the state, territory, or tribe. This process is supplemented by periodic collective data review by the Agency and grantees together of the national picture provided by individual grantees. In this way, all program partners ensure that focus is being directed to high risk, high priority activities and concerns to most effectively advance program goals.

Evidence: Pesticide Program Cooperative Agreement Guidance, FIFRA Project Officers Manual

PART Performance Measurements

Program: Pesticide Enforcement Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assistance
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	63%	89%	8%	

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight:11%

Explanation: Everyone involved with the pesticide enforcement grant program is held accountable for their part of the program. Federal managers, both program administrators and grant managers, must ensure that funds are distributed in a timely manner and for the purpose of the program, and that an individual grantee's performance meets work plan expectations. Federal project officers are subject to these requirements by virtue of their annual performance agreements. Grantees likewise must ensure that funds are spent only for approved purposes and during the grant period. Grant agreements include conditions that specify performance requirements and mandate performance and progress reporting. Grantees are also responsible for achieving the results negotiated in the grant work plan. Regional offices review results with States in mid-and end-of-year meetings. Corrective action plans are used to improve performance.

Evidence: FIFRA Project Officers Manual. Project officer standards in performance agreements. Grant agreements with conditions. Results reports. (Latter three available upon request.)

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight:11%

Explanation: Prior to the beginning of the fiscal year, the program develops an operating plan which reflects how it plans on spending its budget (as requested in the President's Budget). Resources are allocated by goal, objective, subobjective, program and object class. Programs then adjust the operating plan to reflect appropriated levels. EPA's budget and annual Operating Plan are aligned with the Agency's Strategic Plan and approved by OMB and Congressional Appropriations Committees. EPA works with grantees to ensure that their work plans reflect the Agency's Strategic Plan and Operating Plan and that recipient spending is consistent with the approved work plan. Each program office and grants management office conducts post-award monitoring of assistance agreements, including monitoring the draw-down of funds against grantee progress on work plan tasks and deliverables. This monitoring ensures that recipients are spending the funds designated to each program area for the intended purpose. All grantees are required to submit annual or more frequent financial status reports. EPA obligates the funding for this program as soon as it has an approved budget and an approvable work plan from the grantee.

Evidence: EPA's annual Operating Plan and Congressional Justification, EPA's Strategic Plan, Budget Automation System (BAS) data, EPA's Annual Report and Financial Statemetns, FIFRA Project Officers Mannual

PART Performance Measurements

Program: Pesticide Enforcement Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assistance
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	63%	89%	8%	

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: NO Question Weight: 11%

Explanation: The program collects data on inspection targeting efficiency (ratio of number of inspections resulting in some enforcement action to total number of inspections). The costs associated with a compliance monitoring and enforcement program can vary from state to state and among territories and tribes. It simply costs more to hire staff and run a program in a more urban setting than in a largely rural setting because of factors like cost of living. Additionally, different types of inspections incur different costs depending on complexity and time to complete. Competitive sourcing is not used because for the most part only one agency within state, territorial or tribal governments has the authority to regulate and enforce pesticide activities. That agency usually is the agency designated by the governor or other appropriate official as the lead for compliance and enforcement activities.

Evidence: FY 1999-FY 2003 FIFRA/TSCA Tracking System, Enforcement Actions Resulting from Inspections, Reporting Method: State & Cooperative Activity, Totals for National Activity.

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES Question Weight: 11%

Explanation: The Office of Enforcement and Compliance Assurance (both the Office of Compliance and the Office of Regulatory Enforcement) collaborates and coordinates with the Office of Pesticide Programs to ensure that priorities for the compliance/enforcement and program sides of the program are shared. The results of this coordination is demonstrated in the joint Consolidated Pesticide Cooperative Agreement Guidance issued by OECA and OPP which serves as guidance for both federal grant programs (i.e., the pesticide enforcement grant program and the pesticide program grant). This joint guidance provides the grantees with an opportunity to see the priorities for the entire national pesticide program and how they mesh together, and results in a more cohesive grant work plan.

Evidence: Consolidated Pesticide Cooperative Agreement Guidance

3.6 Does the program use strong financial management practices?

Answer: YES Question Weight: 11%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives. EPA received an unqualified audit opinion on its FY02 financial statements and had no material weaknesses associated with the audit. No control weaknesses have been reported to OECA as a result of an audit conducted on a pesticide enforcement grant. EPA's grants administration program and the regional pesticide offices have procedures in place to ensure that grant funds are utilized for their intended purpose. Evaluations of the grants are conducted frequently by the regional offices to ascertain that work plan commitments are being met and where necessary, corrective action plans are put in place.

Evidence: Annual Congressional Justification, Budget Automation System (BAS) reports, FIFRA Project Officers Manual

PART Performance Measurements

Program: Pesticide Enforcement Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assistance
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	63%	89%	8%	

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 11%

Explanation: We conducted an internal Agency review of our Regional Offices' program management of the worker protection component of the pesticide enforcement grant program. That review ultimately identified specific additional actions needed to be done by both Agency Headquarters offices and Regional offices to tighten management. We have taken those actions (eg. Project Officer training, updating of the inspection guidance). Project officer training is continuing and after data is received under the new guidance, we will evaluate the need for additional changes.

Evidence: Project Officer Manual. U.S. EPA Worker Protection Standard Agricultural Inspection Guidance

3.BF1 Does the program have oversight practices that provide sufficient knowledge of grantee activities? Answer: YES Question Weight: 11%

Explanation: As previously explained, the program has a variety of oversight practices that give the Agency detailed knowledge of grantee activities. There are mid and end-of-year evaluations, frequently conducted on the grantee's site. Such evaluations report on grantee's accomplishments vis-a-vis the work plan commitments. EPA staff accompany grantee inspectors and conduct oversight inspections. Grantees have been asked to develop priority setting plans, enforcement response policies, and other tools of a successful compliance and enforcement program. These have been shared with EPA and provide good insight. Finally, EPA has had a cooperative enforcement partnership with many of the state regulatory programs for more than 25 years, and, as a result, is in a position to have a thorough understanding of existing programs and genuine progress.

Evidence: FIFRA Project Officers Manual

3.BF2 Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner? Answer: YES Question Weight: 11%

Explanation: The program collects data on inspections and associated enforcement actions from grantees. This data is compiled in a data base and disseminated back to grantees in an aggregated and disaggregated manner. Specific data concerning the high priority worker protection compliance program is being compiled and placed on Agency web pages. All data collected from grantees is available to the public.

Evidence: WPS Inspection and Enforcement Accomplishment Report. FIFRA Inspection and Enforcement Accomplishment Report.

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: SMALL EXTENT Question Weight: 25%

Explanation: An overall goal of the pesticide enforcement cooperative agreement program is to achieve compliance with pesticide laws and regulations. The Agency and its regulatory partners used the funding provided by this grant program to further that purpose. Measuring progress in meeting the overall goal of compliance is a very difficult task. National and local priorities change, and the regulated community is vast. There are literally millions of pesticide users every year, all with the potential to misuse a pesticide. Even when the program focuses on high risk activities, such as the pesticide worker protection compliance program does, the complexity of the regulations and the size of the regulated community makes meaningful measurement difficult. Nevertheless, EPA and its pesticide regulatory partners are in their third year of collecting WPS specific inspection and enforcement data that is aimed at measuring progress in achieving compliance. Increases in compliance should lead to improved human health benefits through reduced exposure to pesticides.

Evidence: WPS Inspection and Enforcement Data and Analyses. NCDB/FTTS inspection and enforcement reports.

PART Performance Measurements

Program: Pesticide Enforcement Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assistance
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	63%	89%	8%	

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: NO Question Weight 25%

Explanation: Without baselines and targets, which are under development, progress can not be assessed.

Evidence: NCDB/FTTS inspection and enforcement reports

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: NO Question Weight 25%

Explanation: Linkage between 3.4 and 4.3 drive this to "no". Program efficiencies are achieved through better coordination between EPA and its partners, and between OECA and OPP, clearer program direction and focus, and similar methods. The program has an inspection targeting efficiency measure (ratio of number of inspections resulting in some enforcement action to total number of inspections/dollar). The greater effectiveness and efficiency in inspection targeting should yield greater efficiency in the use of grant funds.

Evidence: FY 1999-FY 2003 FIFRA/TSCA Tracking System, Enforcement Actions Resulting from Inspections, Reporting Method: State & Cooperative Activity, Totals for National Activity.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: NA Question Weight: 0%

Explanation: This grant program is unique in the variety of compliance monitoring and enforcement activities that take place under this program, driven by national and local priorities and conditions, coupled with the extremely large regulated community [millions of pesticide users, hundreds of thousands using highly toxic restricted use pesticides alone; hundreds of thousands of sale and distribution transactions each year]. The level of funding available for this program is small [less than $20 million] compared to EPA's other media program grants, yet the scope of monitoring achieved is significant, between 70,000-80,000 inspections per year. There are no other programs, federal or state, that regulate pesticide activities.

Evidence:

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results? Answer: NO Question Weight 25%

Explanation: Although each grantee's compliance program undergoes yearly evaluations to ensure that work plan commitments are met and the overall direction of the compliance program is in sync with the grantee's priority setting plan., these evaluations are not independent nor of sufficient overall scope to justify a "yes" answer.

Evidence: FIFRA Project Officers Manual

PART Performance Measurements

Program: Pesticide Enforcement Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Enforcement and Compliance Assistance
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Ineffective
100%	63%	89%	8%	

Measure: Percent of violators committing subsequent violations (Baseline and targets under development.)

Additional Information:

Year	Target	Actual	**Measure Term:** Annual

Measure: Percent of violators committing subsequent violations (Baseline and targets under development.)

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term

Measure: Percent of compliance actions taken as a result of inspection/enforcement.

Additional Information:

Year	Target	Actual	**Measure Term:** Annual

Measure: Percent of compliance actions taken as a result of inspection/enforcement.

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term

Measure: Number of enforcement actions taken (Federal + State) per million dollars of costs (Federal + State). (Baseline and targets under development.)

Additional Information:

Year	Target	Actual	**Measure Term:** Efficiency

PART Performance Measurements

Program: Pesticide Field Programs
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Results Not
80%	13%	44%	13%	Demonstrated

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: EPA's Pesticide Field Programs comprises three major program areas: Endangered Species (ES), Worker Protection/Certification & Training (WP/CT), Water Quality (WQ). The first two of these three have very clear purposes which can be directly tied to statutory requirements. The ES program directly supports the needs of EPA's pesticide Registration and Reregistration needs by implementing Endangered Species Act consultation requirements. The purpose of the WP/CT programs is to train and certify applicators to protect human health and the environment. The mission of the WQ program is vague - to protect America's water resources from pesticide use - can not be as readily tied to pesticide-related statutory authority. Grants are provided to states for efforts related to each of these programs but clear statutory authority for issuing grants in all areas is not apparent (ES, WQ in particular).

Evidence: The Endangered Species Act (ESA) (16 USC 1531) §7(a)(2) requires agencies to ensure that their actions (e.g., pesticide registration) are not likely to jeopardize the continued existence of any endangered or threatened species. Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), 7 USC §136i and §136u authorize certification and training of pesticide applicators. FIFRA §136w provides authority to issue worker protection standards (40 CFR 170). The Office of Prevention, Pesticides and Toxic Substances (OPPTS) 2005-07 National Program Guidance from Principal Deputy Assistant Administrator of OPPTS to OPPTS Regional Division Directors, April 21, 2004. The Pesticide Environmental Stewardship Program (PESP) and the Strategic Agricultural Initiative (SAI) (also part of Field Programs) were developed in part to support the requirements in Food Quality Protection Act (FQPA) of 1996 (Public Law 104-170). Grant authority: FIFRA §136r and §136u.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: The Field Programs address specific and ongoing risks posed by the use of registered pesticides in the field. The use of registered pesticides according to their labels can still result in residues in both ground and surface water. The ES program brings EPA into compliance with the Endangered Species Act by protecting listed threatened or endangered species from registered pesticides. The WP/CT program ensures that pesticides are applied safely and worker health is protected. Both the PESP and the SAI encourage pesticide users to move toward safer pest management strategies voluntarily.

Evidence: Endangered Species Act (ESA) (16 USC 1531) §7(a)(2). Final joint counterpart regulations by the U.S. Fish and Wildlife Service (FWS) and the National Marine Fisheries Service of the National Oceanic and Atmospheric Administration (NOAA): 8/5/04 Federal Register Vol 69, No 150, pg 47732 (50 CFR 402). Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), 7 USC §136i and §136u. Food Quality Protection Act (FQPA) of 1996 (Public Law 104-170).

PART Performance Measurements

Program: Pesticide Field Programs
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Results Not
80%	13%	44%	13%	Demonstrated

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: NO Question Weight 20%

Explanation: For some elements of the pesticide Field Programs, redundancy is a concern. The ES and WP/CT Field Programs are not redundant of other efforts. It is not evident that the purpose of WQ program is sufficiently independent and not duplicative of EPA's Office of Water (OW). Though the WQ program does work with OW, it is not clear that the WQ program efforts are adequately distinct from OW's activities. Insufficient evidence was provided to prove that the PESP and SAI programs are not redundant or duplicative of other Federal efforts.

Evidence: EPA works closely with public and private sector partners in some areas to ensure that activities which could promote common objectives are designed and carried out effectively and not unnecessarily duplicative: US Dept. of Agriculture (USDA) Cooperative State Research, Education, and Extension Service on Certification and Training Programs; Fish and Wildlife Service (FWS) and the National Marine Fisheries Service on ES program design, operations, and decisions.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: There is no strong evidence that a different approach or mechanism would be more efficient of effective. The programs are generally able respond to changes in the field because their design requires stakeholder involvement. Where problems have been identified, solutions are being implemented. To address design and operational deficiencies identified through litigation, the ES program is implementing comprehensive reforms. No major design flaws have been identified in the WQ or WP/CT programs, other than the potential duplication of the WQ efforts and the efforts of EPA's Office of Water.

Evidence: Industrial Economics, May 2002: Results of Primary Evaluation of the Endangered Species Protection Program's County Bulletin Program. Pacific Northwest Agricultural Safety & Health Center at the University of Washington, April 2004: Evaluation of the Worker Protection Standard, Train-the-Trainer Model Curriculum. GAO report, March 2000: Improvements Needed to Ensure the Safety of Farmworkers and Their Children.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: Grant resources are equitably targeted but it is not clear that definitive authority exists in the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) for all the grants issued (water quality and endangered species-related grants in particular). It is also not clear that the pesticide-related water quality issues would or could not be addressed through other EPA grant programs. In general, grants to states and/or regions include base funding and additional funds based on formulas which consider the scope of issues in each state and/or region.

Evidence: EPA's pesticides grant funding formulas and spending. Outline of allocation amounts to state lead agencies. Cooperative agreements and end of year reports.

PART Performance Measurements

Program: Pesticide Field Programs
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Results Not
80%	13%	44%	13%	Demonstrated

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: NO Question Weight:13%

Explanation: The program has proposed an adequate long-term outcome measure for the WP/CT program which focuses on greater protection of agricultural workers. Long term measures for the ES and WQ programs were also proposed but are not satisfactory. Some of the goals proposed for the other programs are on the right track and the Field Programs have agreed to work on developing better measures. Measures Development and Implementation Plans have been submitted.

Evidence:

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: NO Question Weight:13%

Explanation: Because a No was given for 2.1, PART guidance requires a No for this question. Further development of targets and timeframes will be included in the programs' measures development work. A baseline and outyear targets are under development of the new WP/CT long-term measure.

Evidence:

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: NO Question Weight:13%

Explanation: No adequate annual performance measures have been proposed for any of the Field Programs. Work will be needed to establish meaningful annual goals that show how Field Programs' activities directly contribute to proposed long term measures. The programs have committed to developing efficiency measures. One efficiency measure is required for each major program evaluated in this PART.

Evidence:

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: NO Question Weight:13%

Explanation: Because a No was given for 2.3, PART guidance requires a No for this question. Further development of targets and timeframes will be included in the programs' measures development work.

Evidence:

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: NO Question Weight:13%

Explanation: Since the programs do not have adequate long-term and annual goals and thus received a No for 2.1 and 2.3, PART guidance requires that the programs receive a No for this question. The programs do establish cooperative and other grant agreements with their state/regional partners. Certain individual expectations (some of which align with overarching agency Strategic Plan elements) are set forth in these documents and Year End Reviews are completed which summarize overall progress. This will be a useful mechanism for ensuring grant recipient partners commit to program goals once adequate goals are established. It is not clear how the programs will ensure that other partners, such as USDA's Cooperative State Research, Education, and Extension Service, commit to and work toward the same or substantially similar goals.

Evidence:

PART Performance Measurements

Program: Pesticide Field Programs
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Results Not
80%	13%	44%	13%	Demonstrated

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight:13%

Explanation: While EPA and others have conducted some external and internal program reviews to assess the operation and effectiveness certain elements of some Field Programs, no independent evaluations that meet PART guidance requirements are conducted on a regular basis.

Evidence: In 2004, the Environmental Stewardship program was formally evaluated by an outside source; the results of that evaluation should help improve the program.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight:13%

Explanation: The budgets of the Field Programs taken independently can not tie to program-specific goals because no adequate program-specific goals have been established. The total budget for the Field Programs is tied to the Office of Pesticide Programs (OPP's) goals outlined in the agency's Strategic Plan. This can be seen in OPP's Rainbow Table which is used for budget tracking. Inadequate evidence was provided to explain how the Field Programs manage their budget internally and how they link funding to specific activities.

Evidence:

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:13%

Explanation: The Field Programs have taken actions to address strategic deficiencies and does do planning on a multi-year schedule. The programs do provide input to the Office of Pesticide Programs (OPP) strategic planning process which is feeds into the agency-wide process. Also, the Field Programs are participating in the OPP-wide effort to improve performance measurement and develop better metrics. It is not clear that deficiencies in the Field Programs are caught and/or addressed early or quickly. Strategic decisions do not seem to be preventative in nature and some were clearly made after issues were brought to the programs' attention by external forces.

Evidence: Field Programs strategic priorities are laid out in the National Program Manager Guidance to Regions which is distributed every 2-3 years. Examples of steps taken to correct strategic deficiencies: As a result of significant losses in court cases, the ES program identified an over-reliance on a voluntary approach for achieving endangered species requirements. EPA and its ES partner agencies have established counterpart regulations that overhaul the EPA's ES review process for pesticides. The WQ program is in transition from a rule-making approach to a more flexible operational approach building on state and tribal experience.

PART Performance Measurements

Program: Pesticide Field Programs
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Results Not
80%	13%	44%	13%	Demonstrated

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: NO Question Weight:11%

Explanation: Data on state and regional Field Program-related activities is collected on an annual basis through End-of-Year grant agreement reviews. Some state's reviews tie back to recommendations made in prior year's or mid-year assessments. Assessments at the regional level are also completed. But, these reports focus on state-specific outputs and other recommendations, many of which don't have quantifiable targets or baselines and most do not tie to outcomes. The reports are not consistent in their content or structure and adequate performance measures are not used across all (or even a majority of) states, tribes, and regions. It is not clear how data from these reports is complied and put in a useful format for making program management or strategic decisions. The reporting structure is well established though and once the Field Programs implement adequate performance goals, they will need to be somehow incorporated into the state's agreements.

Evidence:

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight:11%

Explanation: EPA management performance standards include links to high-level pesticide-related objectives in the current strategic plan. These performance standards are included in each manager's Annual Performance Agreement which serves as the basis for both the mid-year and end-of-year performance evaluation. States discuss program/grant results with regional offices in mid- and end-of-year grant report meetings. When adequate Field Program-specific performance measures are established, these will need to be reflected in the performance standards specifying performance requirements and mandate performance and progress reporting.

Evidence: EPA Managers Annual Performance Agreements. Annual Grant Guidance. Specific language in grants.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: NO Question Weight:11%

Explanation: Inadequate evidence was provided regarding the Field Programs' obligation tracking and methodolgy for ensuring obligations are consistent with the overall program plan.

Evidence:

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: NO Question Weight:11%

Explanation: The program does not have procedures in place to measure and achieve efficiencies. It has, on occasion, done things to improve program efficiencies. An example is the IT improvement work done in collaboration with the US Geological Survey (USGS) to more efficiently create products (e.g., maps) necessary to implement the endangered species program.

Evidence:

PART Performance Measurements

Program: Pesticide Field Programs
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Results Not
80%	13%	44%	13%	Demonstrated

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight:11%

Explanation: The programs work closely with other programs that have related responsibilities. The water quality field program participates in a cross-program work group with EPA's Office of Water that is overseen by a senior management council that holds quarterly meetings. The reports from this group show significant overlap in responsibilities between the two programs. The workgroup attempts to minimize the duplication of effort. Timely and effective registration and deregistration of pesticides requires that the ES program work closely with the Registration and Reregistration programs as well as consultation with Fish and Wildlife and National Marine Fisheries Services, and the USGS on geospatial data. On worker safety issues, EPA works closely with the USDA to coordinate the worker protection and certification and training programs.

Evidence: Though the Office of Water (OW) and the WQ program overlap in their purpose, mission, and activities, the WQ program is receiving credit in the question for making an effort to coordinate efforts with OW: Summary of meetings of the OW/Office of Pesticides Program Coordination Group (Priority Activities Matrix). ES program's joint Advanced Notice of Proposed Rulemaking (ANPR) (Federal Register, Volume 68, No. 16. January 24, 2003, p 3786) announcing the intention of the Fish and Wildlife Service (FWS), and the National Marine Fisheries Service (NMFS) in cooperation with EPA to promulgate "counterpart regulations" under the Endangered Species Act. For the WP/CT program: Interagency Agreements between EPA and the US Dept. of Agriculture to carry out the certification and training programs.

3.6 Does the program use strong financial management practices? Answer: YES Question Weight:11%

Explanation: The programs are free of material weaknesses. EPA's contract and grant management policies and procedures require stringent financial management practices. All grantees have been subject to grants office and program audits. The Field Programs use the agency-wide Integrated Financial Management System (IFMS).

Evidence: EPA contract and grant policies. Pesticide program's cooperative agreement guidance. Agency Financial Statements and audit results. Agency-wide Integrated Financial Management System (IFMS) reports.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: NO Question Weight:11%

Explanation: Some management deficiencies have been identified and addressed but it is not evident that the various Field Programs have a systematic approach to evaluate the effectiveness of their management of these programs and then to address any deficiencies identified in those reviews. For example, in 2003 EPA and the USDA identified a significant backlog in the processing and commitment of training funds. This undercut the timely delivery of training to pesticide users. EPA worked aggressively with the USDA to successfully eliminate this problem. The program took significant actions against a noncompliant grantee by withholding funds and signaling potential debarment. These actions resulted in the grantee fulfilling his grant obligations and commitments.

Evidence:

PART Performance Measurements

Program: Pesticide Field Programs
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Results Not
80%	13%	44%	13%	Demonstrated

3.BF1 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight: 11%

Explanation: The Field Programs use a thorough End-of-Year reporting process to document grantee activities and accomplishments. No evidence was provided of Field Programs tracking grantee's actual expenditures and the majority of these annual reports do not tie grant dollars to specific actions. EPA regional offices do conduct mid- and end-of-year reviews with grantees. Grantee WQ efforts are reviewed during the annual reporting process and through monthly calls and quarterly stakeholder meetings. EPA regional offices review the ES performance of each grantee at the end of the year and provide that report to EPA headquarters. WP/CT program activity is conducted through cooperative agreements with special conditions requiring regular interaction and reports between the recipient and the EPA program project officer.

Evidence: State Pesticide End of Year Reports - summary of site visit by EPA regional staff to state offices to partially fulfill EPA's responsibilities to provide oversight and review of the EPA Cooperative Agreement with each state. End-of-Year Evaluations of each state program performed by EPA regional offices.

3.BF2 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: NO Question Weight: 11%

Explanation: The Field Programs do collect general grantee performance data through annual review process and will make it available to the public upon request. This information is not compiled and disseminated in an easily accessible manner and no evidence was provided to show that the data is aggregated in any way.

Evidence:

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: NO Question Weight: 20%

Explanation: The program did propose several new long-term measures but only one met the adequacy threshold. The acceptable measure applied to the WP/CT program only. The programs are working to develop adequate long-term performance measures that focus on outcomes. The Field Programs do not currently utilize performance measures that adequately reflect progress for each individual program and therefore there are no consistent data available to measure historical performance.

Evidence:

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: NO Question Weight: 20%

Explanation: A No in response to Question 2.3 requires that the Field Programs receive a No answer for this question. Some existing output annual performance measures have been achieved.

Evidence:

PART Performance Measurements

Program: Pesticide Field Programs
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Results Not
80%	13%	44%	13%	Demonstrated

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: SMALL EXTENT

Question Weight 20%

Explanation: No quantified efficiency or cost-effectiveness improvements were provided. Actions have been taken in some Field Programs that are expected to improve efficiency or cost-effectiveness: Agreements with the Fish and Wildlife Service and the National Marine Fisheries Service to implement the proposed Counterpart regulation established timelines for consultation should improve the ES program. The WP/CT program has worked with USDA to address the grant processing backlog thus providing funding for additional training programs.

Evidence: Advanced Notice of Proposed Rulemaking (Federal Register, Vol 68, No. 16 page 3786) announcing the intent of the FWS, the NMFS ' in cooperation with the EPA to promulgate "counterpart regulations" under the Endangered Species Act. Interagency Agreements (IAGs) between EPA and the USDA.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: SMALL EXTENT

Question Weight 20%

Explanation: No documented thorough comparisons of the Field Programs to other similar programs have been done. Based on the information reviewed in this PART and the level of collaboration between the Field Programs and similar programs, some aspects of the Field Programs do compare favorably.

Evidence: The Field Programs are similar in nature to other programs and thus opportunities exist for comparison but it not clear that it would cost effective to undertake thorough or complete comparisons given the size of these programs.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: NO

Question Weight 20%

Explanation: While many external and internal evaluations (discussed in Question 2.6) have provided data on progam progress and effectiveness, and while some of these evaluations have resulted in changes in the design and operations of the programs, these evaluations were not independent and of sufficient scope and quality and conducted on a regular basis.

Evidence: EPA should consider contracting with an independent third party to do evaluations of sufficient scope and quality on a regular basis.

PART Performance Measurements

Program: Pesticide Field Programs
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Results Not
80%	13%	44%	13%	Demonstrated

Measure: Cumulative reduction in the number of occupational poisoning incidents associated with exposure from pesticides. (Baseline and targets under development)

Additional Information: This measure applies to the Worker Protection/Certification and Training activities covered by this PART. Additional measures are under development for the other programs reviewed in this evaluation.

Year	Target	Actual	**Measure Term:** Long-term
2005	Baseline		
2006	TBD		
2007	TBD		
2008	TBD		

Measure: Measures Under Development

Additional Information:

Year	Target	Actual	**Measure Term:** Annual

Measure: Measures Under Development

Additional Information:

Year	Target	Actual	**Measure Term:** Annual

PART Performance Measurements

Program: Pesticide Registration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	25%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: Statute authorizes the registration of pesticides to prevent unreasonable risks to human health and the environment, to consider pesticide efficacy where appropriate, to promote availability, and to expedite reduced risk pesticides. Thus, the program has a succinct, defensible purpose: To ensure safe and effective pest control options are available.

Evidence: The Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) Sections 3(a), 3(c)(5), 3(c)(10)(B).

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Pesticides and herbicides are essential tools for controlling insects, weeds, bacteria, and other pests in agriculture, hospitals, homes and gardens. Though essential, pesticides by nature are designed to be harmful to certain organisms. The registration of pesticides ensures they meet certain science-based safety and efficacy standards before they can be sold. The program also considers the current pesticide needs and the range of available pesticides that meet the needs where appropriate in addressing certain aspects of registration decisions. Pesticide registration is an ongoing need because develop resistance to existing pesticides and new pest problems arise over time. Also because manufacturers continuously develop new technologies and new methodologies to address these issues and to provide more effective or less costly pest control options.

Evidence: EPA typically receives 10-15 petitions for new pesticide active ingredients and an average of 250 new use requests each year. These represent only a subset of the total registration actions the program must complete. According to a USDA report, farmers receive $1-3 return for every dollar spent on pesticides and without just one class of pesticides, carrot production would drop by 48%, tomatoes by 36%, strawberries by 30% and cotton by 27%. (USDA publication Production Practices for Major Crops in U.S. Agriculture, 1990-1997). Based on an EPA analysis, without a certain subset of Section 18 pesticides (emergency exemptions), the U.S. could have experienced approximately $1.2 billion in crop losses. (Sect 18 using IR-4 data, 88-01)

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: This program is the sole nationwide pesticide registration authority and thus, it is the only program addressing this specific purpose and specific need. It is essential that registration occur on the national level because of the lack of resources at the State level and the need to ensure national consistency in worker and human health protection. Some States do have registration programs but they are not consistent and none supplant EPA's registration.

Evidence: FIFRA Section 3(a), 3(c)(5), 3(c)(10)(B).

PART Performance Measurements

Program: Pesticide Registration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	25%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: The program is free from major flaws that limit effectiveness or efficiency. The program targets reduced risk pesticides for quicker review action, creating incentives for industry to design safer pesticides. The program is able to request additional data when needed from industry. Food Quality Protection Act requirements provide a good balance of specific risk reviews and implementation flexibility to meet national and changing needs. Program is oriented to improving efficiency, witness section 18 process, other improvements. Without the program, significantly more toxic pesticides would be in use. No evidence is available which shows that a better mechanism exists. Though no major flaws have been identified, backlogs do exist in some areas.

Evidence: FIFRA data call-in authorities; FQPA science policies; reduced risk pesticides guidelines; homeland security decontamination needs implemented through this program.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: The registration program uses a priority system to ensure that the program is effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the programs purpose directly. The registration priority system places high priority on registering pesticides that are safer than pesticides currently on the market, pesticides with public health benefits, and pesticides that are of particular economic importance to producers. The program has the authority to charge fees to cover part of the cost of the program but has be blocked from doing so by Congressional action through the appropriations process. Collection of these fees would put the responsibility for paying for part of this program on the registrants who receive the direct benefits of registering pesticides.

Evidence: Pesticide registration notices 97-2 and 98-7, available online at http://www.epa.gov/pr_notices/

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 12%

Explanation: The program has included two long-term indicator goals that focus on outcomes related to the program activities. They are overarching goals measuring health and environmental conditions which are impacted by all OPP activities as well as activities that are beyond the control of the program or the agency. The exact level of contribution from specific program actions can not be determined but it is reasonable to assume that progress on OPP activities will contribute positively to these indicators. OPP has agreed to develop, over the course of the next year, long-term risk-based goals to quantify reduced exposure to toxic pesticides which will more specifically and directly and measure the human health and environmental benefits of the program actions. The program will also work on a long-term outcome efficiency measure commensurate with their risk-based goals OMB is accepting the wildlife mortality incidence long-term goal as a low-level outcome but expects the agency to work to make this goal more directly reflect risk.

Evidence: EPA's FY 2003 Strategic Plan, Goal 4, objective 1. OPP has established an internal effort to review and improve their existing goals and has agreed to developing risk-based goals through this work. To support OPP's efforts to improve goals, EPA initiated a project to identify and evaluate new outcome results measures. The CAPRM project (Chemical and Pesticides Results Measures) project with Florida State University is currently in its second phase. Preliminary results from this effort were cited in the FY03 President's Budget.

PART Performance Measurements

Program: Pesticide Registration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	25%	

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight:12%

Explanation: OPP began monitoring progress on both of these long-term measures in FY 2003. Preliminary baselines and targets have been established for these long-term indicator goals but EPA indicated that revisions may be needed.

Evidence: EPA's FY 2003 Strategic Plan, Goal 4, objective 1. FY 2003 EPA Annual Report.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:12%

Explanation: The Registration program has several annual measures that directly reflect program performance and are useful for program and resource management. These are output measures but are acceptable because it is a licensing program that results in "products" (registrations) - by completing registration actions, the program is directly addressing the needs established in Section I, Question 2: safety, effectiveness, availability. The program has also developed useful programmatic output efficiency measures that encourage increased productivity. OPP overall does need to work further on developing outcome efficiency measures that relate to the long-term measures of the program. And, risk-based annual goals may be needed commensurate with the long-term risk-based goals under development.

Evidence: FY 2003 EPA Annual Plan and Report (and prior years). Agency FY 2005 budget submission

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight:12%

Explanation: Outyear targets have not been provided for the registration program annual goals beyond 2005. EPA is working to further develop baselines and ambitious targets for its annual measures for the registration program. OPP is in the process of annualizing the draft baselines for submission of the Congressional Justification for FY 2005.

Evidence:

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight:12%

Explanation: Performance measures are written into the Statement of Work established as part of every contract and grant. These measures are tied directly to annual performance goals of the program. Deliverables, costs, and schedules are written Task Orders that outline expectations on a monthly basis. Monthly Surveillance Reports are submitted to the EPA and are reviewed by the Work Assignment Mgr who documents whether the performance is satisfactory.

Evidence: Statement of Work for each contract/grant, Monthly Surveillance Reports, Work Assignment Mgr reports (internal review documents).

PART Performance Measurements

Program: Pesticide Registration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	25%	

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?

Answer: NO Question Weight:12%

Explanation: No "independent" reviews have been done on the program as a whole regularly or otherwise. There are no structured, comprehensive reviews of the program performance. The program participates on many committees that provide input and guidance on both performance and process, but committees generally consist of potentially biased parties and the input is not always structured or managed within the agency. The Science Advisory Panel provides routine external peer feedback on the science analysis for many program decisions. OPP has started Mutual Accountability Assessments (MAAs) with its regional and state pesticide program partners to focus attention on the strengths and weaknesses of both regional and headquarters pesticide programs. MAAs are done jointly with our Office of Enforcement and Compliance Assistance and Office of General Counsel partners.

Evidence: OPP has contracted to complete study to determine what market share each of the conventional 'reduced-risk' pesticides has gained in their respective crops/sites. Reports for Mutual Accountability are produced per assessment, the latest of which is for Region 7, April 10, 2003. Contract Statement of work for Evaluation of Reduced Risk Pesticide Program. SAP website.

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?

Answer: YES Question Weight:12%

Explanation: EPA has had their budget structure aligned with their GPRA goals for some time. For the registration program, funding changes can be translated directly into a change in the number of pesticide registration applications reviewed. The program completes and annual planning process through which they determine how many reviews they intend to complete the following fiscal year. The process includes a prioritization system for the petitions to be reviewed and involves balancing resource constraints and the program takes into account the full cost of operations.

Evidence: Annual budget submission to OMB and Congressional Justification show links between goals, appropriations and key programs. Office of Pesticides Programs (OPP) maintains a very useful, clear, detailed budget model that breaks the budget down further by linking all activities to the existing GPRA goal structure. Funding for the Registration program is one of several programs/activities within this model. OPP internal annual planning process involves balancing program work requirements and resource constraints.

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies?

Answer: YES Question Weight:12%

Explanation: The Office of Prevention, Pesticides and Toxic Substances (OPPTS) and the Office of Pesticides Programs (OPP) (which is an office within OPPTS) participates in the agency-wide process for reviewing and updating the agency strategic plan and develops or adjusts its goals and measures as part of this process. Strategic planning is done at the office rather than program level because OPP/OPPTS programs are in competition for resources and because a many programs are not totally independent of one another. OPP has made a commitment to further improve its long-term measures and has made progress in developing output efficiency measures for the Registration Program. Though internally-measured outputs are tracked and reviewed by management, OPPTS/OPP lacks a comprehensive system for tracking and retrieving information on planning decisions and does not have a thorough, defined process that centralizes external feedback on emerging issues and performance.

Evidence: EPA's FY 2003 Agency Strategic Plan, Goal 4, Objective 1. CAPRM reports; CARAT website; SAP website. Agency-wide Strategic Plan update every 5 years - coordinated by Office of the CFO.

PART Performance Measurements

Program: Pesticide Registration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	25%	

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight:14%

Explanation: The Program uses the new consolidated Office of Pesticides Programs Information Network (OPPIN) database system, which went on-line in 2003, to track information on the progress of registration activities and reports on the progress of activities are provided to Program management on a weekly and monthly basis. Division meetings to discuss work plan and performance and flag issues are held bi-weekly/monthly and quarterly. Resource reallocation (in terms of personnel effort) is done real-time. Branch level meetings occur weekly. Regular reviews of contractor performance are also performed. Additional information on process and performance is collected from stakeholders but this information is not reported on internally in a formal way. The program does not survey stakeholders to collect overall performance information from stakeholders. USDA, FDA and external commercial data are often used for performance measures and trend analysis.

Evidence: Office of Pesticide Programs Information Network (OPPIN) database used to track activity on products - stores history - easily retrievable. New Chemical and Use database for tracking actions on registration petitions over time. Examples of external sources of performance/process input: Pesticide Program Dialogue Committee (PPDC) and State FIFRA Issues Research and Evaluation Group (SFIREG). CAPRM report; USDA and FDA websites.

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: YES Question Weight:14%

Explanation: All SES managers have program long-term and annual performance goals built into their personal performance plans and reviews. Contractors are held accountable for cost, schedule and performance through regular reviews.

Evidence: SES Performance Management System. Multiple options for ensuring contract accountability - delinquency notices, liquidated damages, warranties written into the contract.

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight:14%

Explanation: All funds are obligated in a timely manner and are aligned with statutory authorities and GPRA goals. The Assistant Administrator responsible for the registration program conducts program reviews twice a year and reviews obligations monthly. Grants/contracts plans are prepared in line with the program GPRA structure and the program follows agency grant and contracting policies and are updated as funds are executed. At the agency level (Chief Financial Officer), obligations and expenditures are tracked in the agency's Integrated Financial Management System and compared to the approved annual operating plan.

Evidence: Spreadsheet provided showing carryover 1999-2001. Periodic spending reports, Financial Status Reports, Grants & Contracts Status reports, Budget Accounting System (BAS) data, financial management directives.

PART Performance Measurements

Program: Pesticide Registration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	25%	

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES Question Weight:14%

Explanation: The program has now drafted several output efficiency measures that target reducing decision times for registration actions but the program must work to develop outcome measures that relate to the long-term outcome measures of the program. In 2003, OPP reached its Target Architecture for information systems by deploying the new Office of Pesticide Programs Information Network (OPPIN). This new system combines 19 independent data storage and tracking systems, reduces the time to locate documents and allows queries and analyses that were not possible before. It also helps improve quality control, and allows the risk manager to assemble information for review and/or develop regulatory documents more efficiently. OPP is participating in a competitive sourcing/cost comparison exercise under OMB's streamlined competitive sourcing guidelines.

Evidence: Draft Competitive sourcing document for Pesticide Programs. The program has already outsourced much of the base scientific review functions required for registration applications. IT initiatives are underway to streamline the registration label review process. Projections of cost savings associated with the use of OPPIN include hours of time saved from ability to analyze across data groups electronically and tracking data for registrations.

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES Question Weight:14%

Explanation: The Registration program, under the auspices of the Office of Pesticides Programs at EPA, collaborates and coordinates with multiple Federal agencies, States, foreign governments, and private sector entities on a variety of issue specific and more general topics. These include a work share program with Canada which focuses on reviewing data for pesticide registrations to improve efficiency, partnerships with the CDC on responding to the West Nile virus and with many agencies on homeland security-related tasks.

Evidence: Technical Assistance Document for Anthrax response for the National Response Team. National Food Security System Strategy document with FDA (President's Council on Food Safety). Pesticide Data Program at USDA.

3.6 Does the program use strong financial management practices?

Answer: YES Question Weight:14%

Explanation: The program follows EPA's guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review. EPA received an unqualified audit opinion on its FY02 financial statements and had no material weaknesses associated with the audit. EPA is working to meet the new accelerated due dates for financial statements. Agency level contracts & grants office conducts audits to ensure proper procedures are followed. Office of Pesticide Programs (OPP) maintains central database to track grant and contract funding status and systems are tracking FTE and contract expenditures. OPP participated in pilot of Agency financial tracking/reporting system.

Evidence: FY 2001 Agency Annual Financial Statement. IG audits that report on material weaknesses. IG annual fee audit.

PART Performance Measurements

Program: Pesticide Registration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	25%	

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 14%

Explanation: OPP has made progress in addressing management deficiencies, most notably through the implementation of improved IT systems. OPP does have a clear annual work plan development process focused on meeting annual goals (which do not currently include any sort of productivity/cost effectiveness/efficiency targets but will in the near future). In FY 2003, the program implemented programmatic efficiency measures and begun tracking results, but has no data yet to evaluate their usefulness. Though monthly and semi-annual review meetings are conducted at multiple levels and many management issues are identified and addressed through this process, there is no evidence of a defined system within the program that tracking the identification and correction of management deficiencies.

Evidence: New efficiency goals. Office of Pesticides Programs Information Network (OPPIN). Management review meeting results.

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: SMALL EXTENT Question Weight: 25%

Explanation: The current long-term outcome indicator goals were established in FY 2002 and tracking began in FY 2003 so it is not possible to make an assessment of historical progress at this point. Reviews of initial data indicate that positive progress is being made. In addition, the program has agreed to develop risk-based long term outcome goals that will better and more directly reflect the specific program activities.

Evidence: EPA FY 2003 Annual Report.

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: SMALL EXTENT Question Weight: 25%

Explanation: The program received a Yes for Question 2.3 and a No for question 2.4 so according to the PART guidance, the program can receive no higher than a Small Extent rating for this question. Annual output goals are essential for measuring performance of program. Program has met existing annual performance goals evaluated in Section 2, Q2 for FY99, FY00 and partially in FY01. Given the existence of backlogs and feedback from customers, work needs to be done to evaluate the appropriateness and level of challenge associated with existing annual goals. New/revised annual goals may be needed to support the risk-based long term goals under development.

Evidence: Additional data on 1988-2001 accomplishments was provided by the agency. No concrete comparison can be made for years prior to 1999 because targets were not established and/or published prior to the implementation of their GPRA goal-based budget. Estimating targets for the existing annual performance goals for the Registration Program is complicated by the variability in what registration petitions are submitted.

PART Performance Measurements

Program: Pesticide Registration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	25%	

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: SMALL EXTENT

Question Weight 25%

Explanation: Historically the program has not used efficiency measures. In FY 2003, the program did develop output efficiency measures for certain aspects of the program. Data from these measures will be helpful for future assessments. Backlogs still exist for several types of registration actions and it is not clear that significant progress has been made year to year in reducing their size. The program has taken other steps to improve the efficiency of certain processes (see evidence).

Evidence: Most of the program's primary data review activities are done by contractors (more than 22 FTE for the registration program), resulting in a savings of FTE for work on higher level science review, analysis and risk assessment, more effectively and efficiently utilizing resources. Implemented an electronic labeling program under which registrants can submit labels electronically (via PDF file) and reviewers in the registration program, using Adobe Acrobat, can very quickly identify changes from the previously approved label(s). Established a formal process by which registrants can submit studies (including sensitive data) supporting registrations electronically. Electronic submissions help to expedite review of studies. Implementing internal procedural changes for section 18 activities to shorten the time it takes to grant an emergency exemption.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: NA

Question Weight: 0%

Explanation: There are no other programs that have a similar enough purpose and have the same or substantially similar goal structure to compare performance against. There are other programs that perform similar activities (though for different purposes). It could be beneficial to evaluate the operation of those programs to see if any of the successful aspects can be replicated in the Registration Program or more broadly in the Office of Pesticide Programs.

Evidence:

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: NO

Question Weight 25%

Explanation: Program needs to have independent evaluation(s). Certain stakeholders have indicated concern about the level of efficiency of the program but have also expressed support the program's purpose.

Evidence: During the FY04 PART process, OMB informally collected feedback from some stakeholders (i.e. pesticide manufactures and other federal agencies) on Registration program performance and design.

PART Performance Measurements

Program: Pesticide Registration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	100%	25%	

Measure: Percent reduction in terrestial and aquatic wildlife mortality incidents involving pesticides

Additional Information: The baseline is 80 reported bird incidents involving 1150 mortalities and 65 reported fish incidents involving 632,000 mortalities averaged for the period 1994-1996. The data is available annually from Ecological Incident Information System (EIIS).

Year	Target	Actual	**Measure Term:** Long-term
2008	-30%		

Measure: Percentage of agricultural acres treated with reduced-risk pesticides

Additional Information: Indirectly measures the increase in registration of pesticides that are lower risk than conventional pesticides by measuring the use, availibility, and effectiveness (demand) for them.

Year	Target	Actual	**Measure Term:** Annual
2002	1%	7.5%	
2003	8.1%		
2004	8.5%		
2005	8.7%		

Measure: Percent reduction in review time for registration of conventional pesticides.

Additional Information: Measures reduction in decision-making time for new active ingredient registration actions. From 2002 baseline.

Year	Target	Actual	**Measure Term:** Long-term (Efficiency Measure)
2008	-10%		

PART Performance Measurements

Program: Pesticide Reregistration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	86%	33%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of the Reregistration program is to ensure that all pesticides used in the US, not just newly registered ones, are safe for humans and the environment based on current science standards which include toxicity, exposure, and population considerations. Several statutes authorize the review and reregistration of pesticides and tolerances. The authorities and actions required to accomplish these tasks are outlined clearly in the statutes.

Evidence: Authority to reregister pre-1984 pesticides: Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), 7 USC §136a-1. Authority to reassess pesticide tolerances: Federal Food, Drug, and Cosmetic Act (FFDCA), 21 USC §346a (b)(2)(B)(v). The Food Quality Protection Act (FQPA), P.L. 104-170 (which amended FIFRA and FFDCA).

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Pesticides and herbicides are essential tools for controlling insects, weeds, bacteria, and other pests in agriculture, hospitals, homes and gardens. Though essential, pesticides by nature are designed to be harmful to certain organisms and therefore controls are needed to ensure safety and proper use. Over time, more is learned about the effects chemicals have on human health and ecosystems and thus it is necessary to review registered pesticides periodically to determine if additional or lesser controls are needed. Statute authorizes specific review programs for tolerance reassessment and the reregistration of pesticides registered before 1984. Statute also requires the implementation of a long term registration review program with a 15 year review cycle.

Evidence: Requirement to reregister pre-1984 pesticdes has not been completed yet-Authority: FIFRA, 7 USC §136a-1. Once complete, requirement to review all registered pesticides every 15 years kicks in (Registration Review program)-Authority: FIFRA. 7 USC §136a(g). Ongoing requirement to review tolerances: FFDCA, 21 USC §346a (b)(2)(B)(v)

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: The program is the sole national-level pesticide reregistration program and thus the only national-level program addressing the identified purpose and need. It is essential that reregistration occurs at the national level to ensure equal and consistent human health protection across all states. California does have a similar but smaller-scale, state-specific program for reviewing pesticides. The Reregistration program works with California to harmonize schedules and share data when possible.

Evidence: FIFRA, 7 USC §136a-1(a); FFDCA 21 USC §346a (b)(2)(B)(v) gives authority to Administrator. State authority: FIFRA, 7 USC §136v, FFDCA §346a (4)(n).

PART Performance Measurements

Program: Pesticide Reregistration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	86%	33%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: There is no evidence to indicate that a different program design would be more effective or efficient than what is currently used. Because of the high costs (public and private) associated with reregistering a pesticide and the need to ensure national consistency, delegation to individual states is not a viable option. The 1996 FQPA changes added clarity to the science reviews and introduced higher visibility deadlines, which forced increased effectiveness.

Evidence: Specificity in statutory mandates establishing program indicates Congressional support for this approach. External National Advisory Committee (called CARAT) in place to help guide reregistration and tolerance reassessment.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: To help ensure the program is effectively targeted, statutes establish criteria for prioritizing reregistration activities and sets specific deadlines and timelines for completion. The agency created a category system for tolerances to ensure that the highest risk pesticides received appropriate attention. Proper prioritization supports maximizing benefits to the general public. Reregistrations, like registrations, are generally registrant-specific licenses to legally produce and sell particular products for predetermined uses. The registrants receive direct benefits from the reregistration. In addition, the program leverages private funding by design - statute requires registrants to supply the data (i.e fund testing) necessary to complete a reregistration and to pay fees to EPA for the reregistration activities the agency must undertake.

Evidence: Prioritization of reregistration: FIFRA, 7 USC 136a-1(c)(1). Registration (Maintenance) fees: FIFRA, 7 USC 136a-1(i). Registrant data responsibility: FIFRA, 7 USC 136a-1(d)(3).

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 13%

Explanation: The program contributes to Office of Pesticide Programs long-term goals and has proposed additional outcome goals. The program is committed to continual improvement of its outcome measures and is currently evaluating data that may augment or replace existing measures within the next 12 months. For example, efforts are underway to estimate dietary risks avoided which has the potential to refine or replace our current measure of reduced residues in foods commonly consumed by children. In addition, the program is evaluating the viability of using data on concentration levels in humans as a measure for general population risk reduction.

Evidence: EPA Annual Performance Reports and Plans, Congressional justifications (2002-2004). Memo from Deputy Director of the Office of Pesticide Programs regarding office commitment to develop better outcome measures.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight 13%

Explanation: The program has made strides in the development and implementation of long-term outcome goals. The three measures proposed are good. One has targets but the baseline is still under development. One has a baseline but no outyear targets. The third has both a baseline and targets and is currently in use.

Evidence:

PART Performance Measurements

Program: Pesticide Reregistration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	86%	33%	

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:13%

Explanation: The Reregistration program has several annual measures that directly reflect program performance and are useful for program and resource management. The annual goals are output measures but are acceptable because it is a process-oriented licensing program that results in "products" (reregistrations). By completing reregistration actions, the program is directly addressing the purpose and needs identified in Section I and contributes to the achievement of the long-term outcome goals. The program has also proposed two useful programmatic output efficiency measures that encourage increased productivity - reduction in the cost per reregistration decision and the reduction in elapsed time between the initiation of the public participation process and the reregistration decision. In addition, the Office of Pesticides Programs has undertaken a broad effort to identify and develop better outcome goals and indicator data.

Evidence: EPA Annual Performance Reports and Plans, Congressional justifications (2002-2004). Required reporting of statutorily-defined annual output goals: FIFRA, 7 USC §136a-1(l) - Federal Register, Vol 69, No. 87 May 5, 2004 "Pesticide Reregistration Performance Measures and Goals", p 25084.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight:13%

Explanation: The program has statutorily-required completion dates for certain actions. The annual output goals reflect the activity required to meet those dates. The program did have difficulty meeting annual targets in the past, leading to changes in the statutorily-required dates. The targets and baselines for the output measures are adequate and the program has developed two programmatic efficiency measures, justifying a yes answer for this question. The program has proposed some annual targets for the long-term outcome measures evaluated under Section 2, Question 1 but the baselines for those are under development. In addition, a new program is under development which will replace the Reregistration program in the 2008 timeframe and measures may need to change to accomodate this new program.

Evidence: FIFRA, 7 USC §136a-1(g)(2)(A)(ii): complete all reregistration assessments by 2008. FFDCA, 21 USC §346a(q)(1)(C): complete all tolerance reassessments by 2006. These dates have changed over time because of backlog issues at the agency, consent decree agreements, and changing statutory requirements, particularly the enactment of the Food Quality Protection Act (FQPA) in 1996.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight:13%

Explanation: Performance measures are written into the Statement of Work for every contract and grant that support this program. These measures are tied directly to annual performance goals of the program. Work Assignments have specific deliverables, costs, and schedules. Monthly Surveillance Reports are submitted to the EPA and are reviewed by the Work Assignment Manager who documents whether the performance is satisfactory.

Evidence: Statement of Work for each contract/grant. Monthly Surveillance Reports. Work Assignment Manager reports (internal review documents).

PART Performance Measurements

Program: Pesticide Reregistration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	86%	33%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight:13%

Explanation: A Yes answer to this question would require regularly scheduled, objective, high quality independent evaluations that examine how well the program is accomplishing its mission and meeting its long term goals. While some of the evaluations presented by EPA meet some of the criteria, none meet all of the criteria in the PART guidance.

Evidence:

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight:13%

Explanation: EPA has had its budget structure aligned with its GPRA goals for some time. For the reregistration program, funding changes can be translated into changes in review time or the number of reregistration reviews completed. The Office of Pesticide Programs tracks division budgets and can present funding easily at the program level. In addition, the program developed a marginal cost analysis on the reregistration program which looks at the impact of resource allocations (dollars and FTEs) on completing the required reassessments.

Evidence: Annual budget submission to OMB and Congressional Justification show links between goals, appropriations and key programs. Office of Pesticides Programs (OPP) maintains a very useful, clear, detailed budget spreasheet ("Rainbow" table) that breaks the OPP budget down further by linking all programs and activities to the existing GPRA goal structure. Funding for the Reregistration program is one of programs in this model. OPP internal annual planning process involves balancing program work requirements and resource constraints.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:13%

Explanation: The Reregistration program contributes to the agency-wide strategic plan revision process. The Office of PRevention, Pesticides, and Toxic Substances (OPPTS) -which includes the Reregistration program- does have and internal strategic planning process that involves a management retreat. The Office of Pesticides Programs has initiated an indicators project to develop better outcome goals that cover all the pesticides programs as well as to evaluate and promote the collection of better data to measure progress. In addition, the Reregistration program is using long-term planning as it assists in the development of its successor program, the Registration Review program. Though no central tracking system (such as a database or spreadsheet) exists currently for storing planning decisions, the OPPTS budget office is currently developing one.

Evidence: Registration Review program authority: FIFRA, 7 USC §136a(g). Indicators project includes review of data sources to support better outcome goals including UDSA's Pesticide Data Program and the Poison Control Center. The program also has a project underway that is examining the correlation between reported adverse effects as required under FIFRA §136d(a)(2) with the implementation of reregistration regulatory decisions. Priorities Matrix developed for each program through annual planning meetings - matrix includes long- and short-term planning issues.

PART Performance Measurements

Program: Pesticide Reregistration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	86%	33%	

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight:14%

Explanation: The program uses multiple electronic methods to track information on the progress of reregistration actions and reports on the progress of activities are provided to program management weekly. A tracking report (Outputs Report) is produced regularly which includes all major reregistration milestones for all remaining chemicals subject to reregistration. These reports are a major planning tool for all divisions and branches contributing to the reregistration process. Senior management in the Office of Pesticide Programs meets monthly to discuss progress and make changes necessary to keep on schedule and resource reallocation (in terms of personnel effort) is done real-time to achieve highest priorities.

Evidence: Office of Pesticides Programs Information Network (OPPIN) is a central database used to track activity - stores history - easily retrievable. Reregistration Outputs Report provides summary of status, milestones, and deadlines. No database exists to track activity while the reregistrations are under review in the science divisions.

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: YES Question Weight:14%

Explanation: All SES managers have the program's long-term and annual performance goals built into their personal performance plans and reviews. Contractors are held accountable for cost, schedule and performance through regular reviews.

Evidence: SES Performance Management System. Multiple options for ensuring contract accountability - delinquency notices, liquidated damages, warranties written into the contract.

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight:14%

Explanation: All funds are obligated in a timely manner and are aligned with statutory authorities and GPRA goals. The Office of Pesticide Programs (OPP) develops an Operating Plan based on the agency's Annual Performance Plan. OPP tracks contract and grant requests for obligation of resources to the resource allocation plan to ensure that the request has been approved or that changes have been documented and approved. Resources are allocated by goal, objective and program code specific to each program. The Assistant Administrator responsible for the Reregistration reviews obligations monthly. Obligations and expenditures are also tracked in the Agency's Integrated Financial Management System (IFMS) against the Operating Plan.

Evidence: Agency accounting systems and Financial management directives. Annual Performance Plan and Congressional Justification. OPP contracts and grants database, resource allocation plan, and status reports. In FY 2002 93.3% of the EPM and 94% of S&T was obligated by the end of the fiscal year for re-registration.

Program: Pesticide Reregistration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	86%	33%	

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight:14%

Explanation: The program has proposed two efficiency measures, one dealing with reducing the time to complete reregistration decisions and a second on reducing reregistration costs. OPP was one of the first offices in the Agency to participate in a competitive sourcing/cost comparison exercise under OMB's streamlined competitive sourcing guidelines. The Reregistration program participated in the development of and contributes to the Office of Pesticide Progams Information Network (OPPIN), which combines several independent databases to allow the risk manager to assemble information for review and/or development of regulatory documents more efficiently.

Evidence: Capital Planning and Investment Control submission for OPPIN. Analysis for FAIR act competitive sourcing.

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight:14%

Explanation: The program does collaborates with related programs and stakeholders as needed to complete its statuory obligations. For example, the program works with California in planning reviews, sharing data, and where appropriate, sharing work. The program also works with USDA's Office of Pest Management Practices (OPMS) when developing risk assessments and risk mitigation decisions because OPMS provides critical information on grower community needs and agricultural production practices. Task forces have also been established to share information, develop data, and share costs.

Evidence: Current effort to review fumigant pesticides with the state of California. Potentially impacted stakeholders are included in reregistration eligibility discussions and provide comment on reregistration eligibility decisions. EPA organized industry-wide task forces (such as Agricultural Reentry Tasl Force): FIFRA, §136a(c)(2)(B)(ii).

3.6 Does the program use strong financial management practices? Answer: YES Question Weight:14%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. EPA received an unqualified audit opinion on its FY02 financial statements and had no material weaknesses associated with the audit. Agency level contracts & grants office conducts audits to ensure proper procedures are followed. EPA's OIG annually audits the reregistration program to ensure that financial statements are fairly presented and conform to generally accepted accounting principles, that internal controls for financial reporting are in place, and that the program is in compliance with regulations.

Evidence: OIG Audit Reports for the Reregistration program and for pesticide fees. Agency financial statements. Internal "Rainbow" spreadsheet that tracks funding and is used for managing certain financial information. Agency-wide clean audit opinions and no identified material weaknesses.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: NO Question Weight:14%

Explanation: Insufficient evidence of a process for or examples of how the program identifies and corrects management deficiencies was provided.

Evidence:

PART Performance Measurements

Program: Pesticide Reregistration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	86%	33%	

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight 25%

Explanation: According to the guidance, if the program received a Yes for question 2.1 and a No for question 2.2, the highest possible score for this question is a Small Extent. This program contributes to some long-term measures that are used across the Office of Pesticide Programs and progress has been adequate on those measures.

Evidence: New measures have been proposed and targets are under development. Given the recent progress on the Reregistration annual measures, the program has adequately contributed to the established OPP long-term measures.

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: LARGE EXTENT Question Weight 25%

Explanation: Currently the program is largely on track to achieve many of its annual output goals but this has not historically been the case. The program had difficulty achieving annual targets to such a degree that the statutorily-set completion year for the program had to be extented. The enactment of FQPA in 1996 also caused a slow down in progress becasue the new statute included substantial new risk assessment requirements which required the program to develop new policies and procedures to implement. In the recent past progress has steadied but the program may have trouble again in the 2006 timeframe because of the difficult pesticide reregistrations remaining.

Evidence: The program is required by statute (FIFRA §136a-1(l)) to publish in the Federal Register its progress on annual output goals: FR Vol 69, No. 87, May 5, 2004 "Pesticide Reregistration Perfomance Measures and Goals". Reregistration Outputs Report (report on reregistration status and milestones used by management). Agency and Office of Pesticides Annual Reports.

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: SMALL EXTENT Question Weight 25%

Explanation: The program has developed two efficiency measures but has not yet collected enough data to establish efficiency trends. Other actions have been taken to improve efficiencies such as

Evidence: EPA 2003 Strategic Plan shows refined performance measures. Efficiency measures proposed and data is already being collected to support them.

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation: There are no other programs that have a similar enough purpose and scope and have the same or substantially similar goal structure to compare performance against. There is only one state-level program that performs some of same activities from a state-specific perspective and it comparison in this context would not yield useful results.

Evidence:

PART Performance Measurements

Program: Pesticide Reregistration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	86%	33%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: NO Question Weight 25%

Explanation: As mentioned in the response to Question 2.6, some evaluations have been performed, but none satisfy all four criteria of regularity, independence, quality, and scope.

Evidence:

PART Performance Measurements

Program: Pesticide Reregistration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	86%	33%	

Measure: Cumulative percentage of Tolerance Reassessments completed.

Additional Information: Measure tracks statutorily-required reviews of pesticide tolerances to ensure that they meet the most current safety standards to adequately protect human health and the environment. Tolerances are maximum pesticide residue limits allowed in or on food.

Year	Target	Actual	**Measure Term:** Annual
2004	78%		
2005	87.7%		
2006	100%		

Measure: Cumulative percent of Reregistration Eligibility Decisions Completed.

Additional Information: Measure tracks progress toward 2008 deadline for completing all reregistration eligibility decisions (REDs). REDs help ensure existing pesticides already in use are safe based on current science.

Year	Target	Actual	**Measure Term:** Annual
2004	81.7%		
2005	88.2%		
2006	92.7%		
2007	97.6%		
2008	100%		

Measure: Cumulative percentage of tolerance reassessments completed for top 20 foods eaten by children.

Additional Information: Measures helps track progress toward statutorily-required deadline to complete all tolerance reassessments by 2006. Measure focuses on high priority pesticides - ones that are used on foods commonly eaten by children.

Year	Target	Actual	**Measure Term:** Annual
2004	83%		
2005	93%		

Program: Pesticide Reregistration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	86%	33%	

2006	100%

Measure: Cumulative reduction in the number of systemic poisoning incidents associated with exposure from organophosphate pesticides as reported to Poison Control Centers. (Baseline Under Development)

Additional Information: EPA has purchased incident data from the Poison Control Centers which maintains records of all poisoning cases reported. Preliminary analysis shows significant reduction in poisoning associated with organophosphate exposures.

Year	Target	Actual	**Measure Term:** Long-term
2008	60%		

Measure: Percent reduction in terrestrial and aquatic wildlife incidents and mortalities caused by certain high-risk pesticides. (Baseline Under Development)

Additional Information: Measure provides information on the effect of EPA•s regulatory actions on the well being of fish and wildlife. Pesticides tracked for this measure will be top 15 that cause such incidents: carbofuran, diazinon, azinphos-methyl, chlorpyrifos, endosulfan, terbufos, fenthion, brodifacoum, parathion, methyl parathion, atrazine, profenofos, famphur, 2,4-D, and permethrin.

Year	Target	Actual	**Measure Term:** Long-term
2003	Baseline		
2005	27%		
2006	28%		
2007	29%		
2008	30%		

Measure: Reduction in time required to issue Reregistration Eligibility Decisions

Additional Information: Measure tracks reductions in the time it takes to issue Reregistration Eligibility Decisions (REDs). Timeline is measured from the initiation of public participation to the signed RED.

Year	Target	Actual	**Measure Term:** Annual
2002	Baseline	30 months	
2005	10%		
2006	15%		

PART Performance Measurements

Program: Pesticide Reregistration
Agency: Environmental Protection Agency
Bureau: Office of Pesticide Programs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	86%	33%	

2007	20%

Measure: Reduction in cost per Reregistration Eligibility Decision. (Baseline Under Development)

Additional Information: Measure tracks average cost of Reregistration Eligibility Decisions (REDs). Calculation is based on actual Full Time Equivalent (FTE) expended to produce a reregistration decision. The baseline year for this measure will be the actual average cost for FY 01-03.

Year	Target	Actual
2008		

Measure Term: Long-term

PART Performance Measurements

Program: Pollution Prevention and New Technologies
Agency: Environmental Protection Agency
Bureau: Office of Research and Development (ORD)
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	10%	73%	7%	Demonstrated

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of the pollution prevention and new technologies (P2NT) research program is to provide to state, local and federal governments, academia, industry (particularly small and medium-sized enterprises, known as SMEs), and citizen groups a suite of problem solving options (P2 Tools, CC&T, ETV, SBIR and SES) to more cost-effectively reduce high priority environmental risks. This program is administered by EPA's Office of Research and Development (ORD). (CC&T = clean chemistry and technology, ETV = environmental technology verification, SBIR = small business innovative research, SES = sustainable environmental systems).

Evidence: P2 Research Strategy (EPA/600/R-98/123, page 1; www.epa.gov/ORD/WebPubs/final/p2.pdf). P2NT Multi-Year Plan (MYP) page 2. Applicable authorizing legislation: 42 U.S.C.A. 13103 [PPA section 6604], 42 U.S.C.A. 7403 [CAA section 103]; 42 U.S.C.A. 1255 [FWPCA section 105]; 42 U.S.C.A. 300j-1 [PHSA section 1442]; 42 U.S.C.A. 6981 [SWDA section 8001], Small Business Reauthorization Act of 2000 (Pub. L. No. 106-554).

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Many P2 opportunities exist for industry, as noted in a Government Accounting Office (GAO) evaluation of EPA's P2 programs. The need for technology development is especially apparent for small and medium-sized firms.

Evidence: P2NT MYP (page 3). GAO. Environmental Protection: EPA Should Strengthen Its Efforts to Measure and Encourage Pollution Prevention. (GAO/GAO-01-283, February 2001, pgs 18-19, 21 & 23; www.goa.gov/new.items/d01283.pdf). Science Advisory Board (SAB). Toward Integrated Environmental Decision-Making. (EPA-SAB-EC-00-011, August 2000, pgs 10 & 13; www.epa.gov/sab/pdf/ecirp011.pdf). Toxics Release Inventory (www.epa.gov/tri/tridata/).

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: NO Question Weight 20%

Explanation: While EPA is the only Agency within the federal government with broad authority to protect all environmental media and regulate cross-media transfers, some aspects of its P2 research program are duplicative of the private sector. For example, the Science Advisory Board's (SAB's) Environmental Engineering Committee (EEC) noted that "some of the research projects and products walk a thin line between providing a useful product or service (one that would not otherwise be available) and infringing on the domain of commercially viable products and services. This is especially true in the area of software development. " EEC further encouraged written disclosure identifying the nature and types of technology products that ORD should or shold not pursue. SAB's Research Strategies Advisory Committee (RSAC) stressed that EPA must convey how its program adds value to on-going efforts in other agencies and the private sector, including addressing factors or providing information on why EPA believes it should pursue projects instead of other parties capable of conducting the projects. In addition, there may be a possible overlap or duplication with another program within EPA: the Office of Pollution Prevention and Toxic Substances' (OPPT's) P2 program, which also aids industry by providing P2 tools to realize P2 opportunities. It is not clear if there are reductions in chemical use or emissions resulting from ORD's program, nor is it apparent that this program results in more reductions than EPA's OPPT's P2 program.

Evidence: P2 Research Strategy (EPA/600/R-98/123, pages 5-15), Small Business Reauthorization Act of 2000 (Pub. L.No.106-554). SAB (RSAC). Water Quality and Pollution Prevention Multiyear Plans: An SAB Review, EPA-SAB-RSAC-02-003, December 2001.SAB (EEC). An SAB Report: Review of ORD's Pollution Prevention Research Strategy, EPA-SAB-EEC-98-008 (www.epa.gov/science1/pdf/eec9808.pdf), July 1998.

PART Performance Measurements

Program: Pollution Prevention and New Technologies
Agency: Environmental Protection Agency
Bureau: Office of Research and Development (ORD)
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	10%	73%	7%	Demonstrated

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: NO Question Weight 20%

Explanation: The ETV program has design flaws that limit the effectiveness of the program. The program has difficulty sustaining the involvement of smaller vendors due to long verification times and costs to vendors. In addition, in one instance a vendor claimed the verification as a certification in its advertisements, which the program had to legally remedy.

Evidence: Meeting with OMB on ETV, 2002, with Dr. Paul Gilman, EPA Assistant Adminstrator (AA) for the Office of Research and Development (ORD) and Science Advisor, and Mr. Tim Oppelt, then-Director of the ETV program.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: Among the primary barriers hindering the wider use of pollution prevention are the technical challenges associatied with new and sometimes unproven techniques, such as technical uncertainties and considerable risk. Small firms face even more significant tehcnical challenges in pursuing P2 options. P2 measures tend to require a great deal of technical sophistication and resources. Such firms, as well as medium-sized firms, typically do not have the time and resources to research and evaluate their options and therefore need assistance to help them identifiy and implement various options. SBIR and CC&T are aimed at small and medium-sized businesses.

Evidence: GAO suggested that such assistance be in the form of mentors, such as experts, from larger firms. GAO , Environmental Protection: EPA Should Strengthen Its Efforts to Measure and Encourage Pollution Prevention.(GAO/GAO-01-283, February 2001; www.goa.gov/new.items/d01283.pdf)

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: NO Question Weight 10%

Explanation: The program has not established any outcome long-term goals (LTGs), nor adequate outputs that might be combined to provide a picture of what the program aims to achieve. The LTGs that were presented as "outcomes" are outputs or process activities. It is important for EPA to determine some sort of measurement that compares status before and after the pollution prevention actions were put in place (i.e., the amount of chemical reduced or not used as a result of the tools and assistance the program provides industry.) EPA should attempt to solicit from industry whether actual process changes or reductions in chemical use occurred due to the program's tools and assistance. While Cooperative Research and Development Agreements (CRADAs) are a good output indicator of the interest of / relevance to industry, it alone is not sufficient. A better indicator would include the level of cost-sharing by industry. In addition, the progam has not listed an efficieny measure, although it states one in 3.4 and 4.3 (average time to fund competitive grants). The program should consider including this efficiency measure in the Measures tab of Section 2 until it develops a better one.

Evidence: The P2NT MYP.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight 10%

Explanation: Received "No" for 2.1

Evidence:

PART Performance Measurements

Program: Pollution Prevention and New Technologies
Agency: Environmental Protection Agency
Bureau: Office of Research and Development (ORD)
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	10%	73%	7%	Demonstrated

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: NO Question Weight:10%

Explanation: While the program does not have LTGs, it has presented annual performance goals (APGs) that attempt to support the purpose of the program, which is to provide information to industry to assist in realizing pollution reduction opportunities. These are too numerous, and more problematic, are the most basic of outputs, which are unlikely to result in outcomes when transferred to customers. The program really must strive to show beyond anecdotal evidence that these tools will indeed be used by industry and contribute to outcomes (e.g., reductions in chemicals use and/or emissions, impacts to environmental quality or public health). Program must also develop an efficiency measure.

Evidence: The Measures Tab contains a subset of all the APGs presented by the program. These are the most preferred for the program from its initial list.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight:10%

Explanation: Received "No" for 2.3.

Evidence:

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: NO Question Weight:10%

Explanation: Received "No" for 2.1 and 2.3.

Evidence:

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: NO Question Weight:10%

Explanation: In the last five years, the program has not had any evaluations that examine how well the program is accomplishing its mission and meeting its long-term goals. Ideally, such evaluations would include recommendations on how to improve the program's performance. Almost all the studies cited by ORD were focussed on the program's planning process and did not evaluate performance; one review, which did not look at performance information, did note that the program must address strategic planning deficiencies regarding the lack of development of long-term outcome goals and linkages from annual performance measures to LTGs. The joint ORD/Inspector General (IG) study, while not considered independent, observed that the program focuses primarily on outputs, and that it should focus on outcomes. The most recent review of the ETV program has been on the incorporation of quality management, not on performance. While ORD has plans for future reviews of its P2 Research Strategy and its MYPs, these, again, are process reviews.

Evidence: Reviews include: joint ORD/OIG Program Evaluation Report. Design for Objective 8.4 Could Be Improved by Reorienting Focus on Outcomes, No. 2002-P-000002, November 2001.SAB (RSAC). Water Quality and Pollution Prevention Multiyear Plans: An SAB Review, EPA-SAB-RSAC-02-003, December 2001.SAB (EEC). An SAB Report: Review of ORD's Pollution Prevention Research Strategy, EPA-SAB-EEC-98-008 (www.epa.gov/science1/pdf/eec9808.pdf), July 1998. SAB (EEC). Reveiw of EPA's Environmental Technology Verification Program, EPA-SAB-EEC-00-012 (www.epa.gov/sab/pdf/eec0012.pdf), August 2000.

PART Performance Measurements

Program: Pollution Prevention and New Technologies
Agency: Environmental Protection Agency
Bureau: Office of Research and Development (ORD)
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	10%	73%	7%	Demonstrated

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight:10%

Explanation: The Agency estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy, and legislation. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification. Performance data are considered at every step in EPA's planning and budgeting process (i.e. developing the OMB submission, Congressional Justification, and annual Operating Plan and reporting our results in the Annual Report). EPA managers use up-to-date financial, policy, and regulatory information to make decisions on program management and performance. The Agency's financial information is integrated with performance and other program data to support day-to day decision making of managers and executives.

Evidence: Annual Congressional Justification, Budget Automation System (BAS) reports. [EPA was selected as a government-wide finalist for the 2002 President's Quality Award in the area of budget and performance integration.]

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: NO Question Weight:10%

Explanation: The 2001 RSAC review specifically noted that it was not apparent that EPA "had engaged in the kind of strategic thinking required for this effort" to come up with outcome definitions. RSAC specifically noted that long-term goals were open-ended, and the Committee remained concerned that annual goals could not logically lead to meeting LTGs. RSAC also found that there was an apparent missing connection between the inventory of annual targets and LTGs. The Committee stated that it was difficult to understand how the collection of outputs in the MYP would eventually combine and contribute to achieving outcomes that further APGs or LTGs. RSAC advised the program that once outcomes are formulated, the strategic thinking process "moves backward" to the present in order to formulate the series of necessary steps to achieve the forward-looking outcomes. The joint ORD/OIG evaluation also noted that the program needed to focus on outcomes and that it should "improve program design to include performance measures related to short-term outcomes." The absence of adequate LTGs indicates that the program has not corrected its strategic planning deficiencies.

Evidence: SAB (RSAC). Water Quality and Pollution Prevention Multiyear Plans: An SAB Review, EPA-SAB-RSAC-02-003, December 2001.joint ORD/OIG Program Evaluation Report. Design for Objective 8.4 Could Be Improved by Reorienting Focus on Outcomes, No. 2002-P-000002, November 2001.

2.RD1 **If applicable, does the program assess and compare the potential benefits of efforts within the program to other efforts that have similar goals?** Answer: NO Question Weight:10%

Explanation: The program has not assessed or compared what its potential benefits might be in relation to other efforts that have similar goals either within the Agency, such as OPPT's P2 program within EPA, or in other agencies and the private sector.

Evidence:

PART Performance Measurements

Program: Pollution Prevention and New Technologies
Agency: Environmental Protection Agency
Bureau: Office of Research and Development (ORD)
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	10%	73%	7%	Demonstrated

2.RD2 **Does the program use a prioritization process to guide budget requests and funding decisions?** Answer: NO Question Weight:10%

Explanation: The program cites annual reviews through ORD's research planning process to determine its relevance in addressing the needs of its respective customers. SAB reviews, however, found the prioritization criteria were not distinct enough (1998) or not addressed in the program's MYP (2001). The program finalized its MYP without remedying these findings, therefore, it is not clear how the program incorporates prioritization into its budget requests and funding decisions.

Evidence: SAB (RSAC). Water Quality and Pollution Prevention Multiyear Plans: An SAB Review, EPA-SAB-RSAC-02-003, December 2001.SAB (EEC). An SAB Report: Review of ORD's Pollution Prevention Research Strategy, EPA-SAB-EEC-98-008 (www.epa.gov/science1/pdf/eec9808.pdf), July 1998.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: NO Question Weight: 9%

Explanation: The program has not collected information that would lead it to establish meaningful long-term goals or determine whether the program meets its purpose. For example, the program has not reviewed industry cost-sharing, which can serve as a proxy measure for R&D programs. Alternatively, the program has not attempted to obtain information on the use its tools within industry. This lack of information limits the ability of the program to evaluate itself. The exception to this is the competitive grants aspect of the program, Science to Achieve Results (STAR) grants; grantees are required to report annual progress and final results, including publications and significant accomplishments that are posted on a public web site. They are also required to participate in periodic program review workshops with other grantees and EPA staff to review progress and findings. Contractors and holders of cooperative agreements are also monitored on a regular basis to ensure their progress is compatible with the overall aims of the MYP, but the MYP has shortcomings.

Evidence: STAR Web Site (http://es.epa.gov/ncer/).

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight: 9%

Explanation: The program incorporates program performance into personnel performance evaluation criteria. Management is accountable for specific performance standards relating to program goals. The program also monitors progress against GPRA targets through quarterly reporting and mid-year reviews with the Deputy Administrator. For contracts and grantees, statement of work, deliverables, costs, and schedules are written into award terms. All ORD Project Officers (POs) are responsible for seeing that the agreement is awarded and managed according to government regulations in a way that gives value to the government and public.

Evidence: SES Performance standardsProject Officer Training (http://epawww.epa.gov/oamintra/training/index.htm)

PART Performance Measurements

Program: Pollution Prevention and New Technologies
Agency: Environmental Protection Agency
Bureau: Office of Research and Development (ORD)
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	10%	73%	7%	Demonstrated

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 9%

Explanation: Prior to the beginning of the fiscal year, the program develops an operating plan which reflects how it plans on spending its budget (as requested in the President's Budget). Resources are allocated by goal, objective, subobjective, program and object class. Programs then adjust the operating plan to reflect appropriated levels. EPA's budget and annual Operating Plan are aligned with the Agency's Strategic Plan and approved by OMB and Congressional Appropriations Committees. Obligations and expenditures are tracked in the Agency's Integrated Financial Management System (IFMS) against the Operating Plan. Fund transfers between program objectives in excess of Congressionally established limits require Congressional notification and/or approval. EPA works with grantees to ensure that their work plans reflect the Agency's Strategic Plan and Operating Plan and that recipient spending is consistent with the approved workplan. Each program office and grants management office conducts post-award monitoring of assistance agreements, including monitoring the draw-down of funds against grantee progress on workplan tasks and deliverables.This monitoring ensures that recipients are spending the funds designated to each program area for the intended purpose. All grantees are required to submit annual or more frequent financial status reports.

Evidence: End of year obligation reports. EPA's annual Operating Plan and Congressional Justification, EPA's Strategic Plan, Budget Automation System (BAS) data, EPA's Annual Report and Financial Statements. EPA's Policy on Compliance, Review, and Monitoring (EPA 5700.6, Advanced post-award monitoring (i.e. on and off-site grantee review) reports, documentation of post-award monitoring in assistance agreement files, grantee financial status reports.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: NO Question Weight: 9%

Explanation: While ORD is undertaking efforts related to this issue (the average length of time it takes to make grant awards, IT business cases that discuss efficiency improvements), nothing is currently available to measure efficiency of the program.

Evidence: National Academy of Sciences (NAS) Review of STAR grants program (page 103) (The Measure of STAR - http://www4.nationalacademies.org/news.nsf/isbn/0309089387?OpenDocument)

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 9%

Explanation: P2 research involves extensive collaboration with EPA program offices (OAR, OPPTS, OW), other agencies (DOE, DOD, NIST, USDA, NASA), and other non-Federal organizations (Electric Power Research Institute, Council for Chemical Research, NATO, P2 Roundtable, UN Environmental Program, American Chemical Society, and American Institute of Chemical Engineers). EPA professionals and their verification partners work with over 800 stakeholders in 21 separate stakeholder groups to facilitate performance evaluation of innovative environmental technologies. Several agencies have entered into cooperative agreements with ETV.

Evidence: P2 Research Strategy (EPA/600/R-98/123, pages 7-9). P2NT MYP (pages 5-6, 12-19). TSE Grants and SBIR: http://es.epa.gov/ncer. ETV Program MOUs with:DOD: www.epa.gov/etv/sitedocs/memo_agreement_estcp.html,Coast Guard: www.epa.gov/etv/sitedocs/memo_agreement_uscg.htmlState of Massachusetts: www.epa.gov/etv/sitedocs/memo_agreement_ma.html

PART Performance Measurements

Program: Pollution Prevention and New Technologies
Agency: Environmental Protection Agency
Bureau: Office of Research and Development (ORD)
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	10%	73%	7%	Demonstrated

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 9%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives. EPA received an unqualified audit opinion on its FY02 financial statements and had no material weaknesses associated with the audit. EPA is taking steps to meet the new accelerated due dates for financial statements. The P2NT program has no material weaknesses as reported by the Office of the Inspector General (OIG) and has procedures in place to minimize erroneous payments.

Evidence: Annual Congressional Justification, Budget Automation System (BAS) reports, unqualified audit opinion on EPA FY02 financial statements, Fiscal Year 2002 Advice of Allowance Letter, 2002 Integrity Act Report, resource policies at: http://intrasearch.epa.gov/ocfo/policies.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 9%

Explanation: In September 2000, GAO released a report recommending a number of program management improvements for the STAR grants program. Subsequently, EPA identified the STAR grants program as one of its Major Management Challenges in Fiscal Year 2001 for its lack of performance measures. It was recommended that that program assess its outcomes and evaluate whether the grants contribute value to EPA in meeting its priorities. The program addressed the GAO findings and pursued opportunities to remedy itself as a Major Management Challenge. This included EPA charging NAS to conduct a review and make recommendations. EPA is currently reviewing NAS's recommendations.

Evidence: EPA. Fiscal Year 2001 Annual Report, p. III-7.NAS. The Measure of STAR: Review of the US Environmental Protection Agency's Science to Achieve Results (STAR) Research Grants Program (www.nap.edu/openbook/0309089387/html/R9.html), 2003.GAO. Environmental Research: STAR Grants Focus on Agency Priorities, but Management Enhancements Are Possible, RCED-00-170, September 2000.

3.CO1 Are grants awarded based on a clear competitive process that includes a qualified assessment of merit? Answer: YES Question Weight: 9%

Explanation: All P2 research grants are awarded through ORD's competitive STAR grants program, using external scientific peer reviewers to rate applications based on scientific merit. Only applications rated as 'excellent' or 'very good' (usually 10-20% of proposals) are considered for funding based on relevance to EPA programmatic priorities. To attract new investigators, research solicitations are announced in the Federal Register, posted on EPA's National Center for Environmental Research (NCER) website for at least 90 days, emailed to institutions and individuals that have indicated an interest in receiving them, distributed at scientific conferences, and disseminated to researchers by other federal agencies.

Evidence: STAR Website (RFA announcements: http://es.epa.gov/ncer). NRC review, 'The Measure of STAR,' April, 2003 (www.nap.edu/books/0309089387/html/)

PART Performance Measurements

Program: Pollution Prevention and New Technologies
Agency: Environmental Protection Agency
Bureau: Office of Research and Development (ORD)
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	10%	73%	7%	Demonstrated

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 9%

Explanation: An annual progress report is submitted by each grantee and posted on the EPA National Center for Environmental Research website. Reports grantees are distributed to EPA staff to disseminate to interested parties. These reports include summaries of progress in relation to project objectives as well as publications of research results. Grantees also present results at numerous scientific conferences held annually. Summaries of P2 research accomplishments are posted on EPA's website.

Evidence: STAR Website: (Progress reports and publications lists: http://es.epa.gov/ncer).NRC review, 'The Measure of STAR,' April, 2003 (www.nap.edu/books/0309089387/html/).

3.RD1 **For R&D programs other than competitive grants programs, does the program allocate funds and use management processes that maintain program quality?** Answer: NO Question Weight: 9%

Explanation: The program allocates funding to outside sources (not competitive grants) through Cooperative Research and Development Agreements (CRADAs), in which industry commits to providing resources or in-kind assistance. It is not clear what management process are in place to maintain program quality, particularly because the program lacks adequate collection of data to set acceptable goals.

Evidence: P2NT MYP (page 8). ORD Planning Guidance. Overview of the EPA Quality System for Environmental Data and Technology, (EPA/240/R-02/003; www.epa.gov/quality/qs-docs/overview-final.pdf).

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: NO Question Weight20%

Explanation: Received "No" for 2.1 .

Evidence:

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: NO Question Weight20%

Explanation: Received "No" for 2.3.

Evidence:

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: NO Question Weight20%

Explanation: ORD is undertaking efforts related to this issue, but cannot demonstrate results at this time. Efforts include currently monitoring the average length of time for EPA to make grant awards. In a recent review of the Science to Achieve Results (STAR) program, the National Academy of Sciences (NAS) examined the program, and ORD is in the process of responding to the NAS recommendations. In addition, ORD is developing IT business cases that document how particular projects improve efficiency.

Evidence: NAS. Review of STAR grants program (page 103) (The Measure of STAR - http://www4.nationalacademies.org/news.nsf/isbn/0309089387?OpenDocument)

PART Performance Measurements

Program: Pollution Prevention and New Technologies
Agency: Environmental Protection Agency
Bureau: Office of Research and Development (ORD)
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	10%	73%	7%	Demonstrated

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: SMALL EXTENT Question Weight 20%

Explanation: The program claims that P2 tools development is the most comprehensive among all known programs in public and private sectors (DOE, NIST, NSF, private companies selling proprietary software, and academia), however, no evaluation or documentation exist of these comparisons. The private sector has developed tools to help industry realize P2 opportunities, similar to EPA's tools. SAB's EEC review noted "that some of the research projects and products walk a thin line between providing useful product or service . . . and infringing on the domain of commercially viable products and service. This is especially true in the area of software development." The other aspects of the program, such as SES, SBIR, and CC&T, address areas that are not adequately addressed by other entities, resulting in the program receiving "Small Extent".

Evidence: CRADAs reflect the request for collaboration and cooperative research and development for small companies and academic partners. CRADAs #0157-98 (PARIS II); #0239-02 (ET&E Data Base). WAR Algorithm: www.epa.gov/ORD/NRMRL/std/sab/sim_war.htm. LCA Website: www.epa.gov/ORD/NRMRL/std/sab/LCA.htm. TRACI Website: www.epa.gov/ORD/NRMRL/std/sab/iam_traci.htm.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: NO Question Weight 20%

Explanation: Program received "No" in 2.6. A common finding from reviews is that the program does not focus on outcomes. The program has failed to develop any outcome goals to address these findings. The IG review (2001) observed that ORD focuses primarily on outputs, and that it should focus on outcomes. The report noted that "program managers agreed" to this observation. The RSAC review (2001) noted that the program must address strategic planning deficiencies regarding a lack of development of long-term outcome goals and linkages from annual performance measures to LTGs and demonstrate in its MYP how it has addressed three of its five priority setting criteria. While RSAC considers the MYPs to be an essential part of EPA's research and budget planning and strongly recommended that ORD continue its improvement efforts, it seems as if the program finalized and implemented its P2 MYP without addressing the RSAC's recommendations and/or findings. SAB's EEC (1998) noted that "some of the research projects and products walk a thin line between providing a useful product or service (one that otherwise would not be available) and infringing on the domain of commercially viable products and service. This is especially true in the area of software development."

Evidence: "Water Quality and Pollution Prevention Multi-Year Plans: An SAB Review" (EPA-SAB-RSAC-02-003 December 2001; www.epa.gov/sab/pdf/sabrsac02003.pdf).

PART Performance Measurements

Program: Pollution Prevention and New Technologies
Agency: Environmental Protection Agency
Bureau: Office of Research and Development (ORD)
Type(s): Research and Development Competitive Grant

Section Scores				Rating
1	2	3	4	Results Not
60%	10%	73%	7%	Demonstrated

Measure: Measure Under Development
Additional Information:

Year	Target	Actual

Measure Term: Long-term

Measure: Measure Under Development
Additional Information:

Year	Target	Actual

Measure Term: Annual

Measure: Measure Under Development
Additional Information:

Year	Target	Actual

Measure Term: Long-term (Efficiency Measure)

PART Performance Measurements

Program: Public Water System Supervision Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	78%	17%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The Public Water System Supervision (PWSS) Grant funds are used by States to assist them with implementation and enforcement of their State PWSS Programs. The State PWSS programs implement and enforce the National Primary Drinking Water Regulations which are intended to assure that the public is provided an adequate quality of safe drinking water.

Evidence: SDWA §1443(a) ' authorizes EPA to make grants to States to carry out their PWSS programs SDWA §1413 ' outlines the primary activities of a State program. 40CFR142 subpart B ' outlines "Primary Enforcement Responsibility."

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Compliance with drinking water standards is critical to ensure that public drinking water supplies are safe and of adequate quality. The grant program transfers resources to States that take primary responsibility for implementing and enforcing the federally-mandated standards, a responsibility that otherwise falls to the federal government. The Association of State Drinking Water Administrators (ASDWA) report highlights the value and need for both State programs and financial assistance.

Evidence: SDWA §1413 allows EPA to delegate responsibility for enforcement of those standards to States. SDWA §1443 provides for Grants to States that have been delegated enforcement responsibility.ASDWA report: "Public Health Protection Threatened by Inadequate Resources for State Drinking Water Programs."

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: While there are other private/non-profit organizations (NRWA, RCAC) that partner in providing some technical assistance to water systems, only EPA and the States oversee and enforce the drinking water regulations, and the PWSS Grant Program is the "primary" source of federal funds for the implementation of the State PWSS Programs that accomplish this mission. While the federal PWSS Grant does not provide the only source of funding for State program costs, GAO reports provide evidence that there are insufficient resources available from other public and private programs to meet the need.

Evidence: GAO Report GAO/RCED-92-184 'Drinking Water: Widening Gap Between Needs and Available Resources Threatens Vital EPA Program' dated July 1992GAO Report GAO/RCED-93-144 'Drinking Water Program: States Face Increased Difficulties in Meeting Basic Requirements' dated June 1993GAO Report GAO/RCED-00-199 'Drinking Water: Spending Constraints Could Affect States' Ability to Implement Increasing Program Requirements' dated August 2000

PART Performance Measurements

Program: Public Water System Supervision Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	78%	17%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: The authorizing statute allows States fairly wide latitude in structuring a State PWSS program. This flexibility is a more effective and efficient method of achieving compliance than imposing a rigid program structure because provision of safe drinking water is ultimately a local responsibility. However, the delegation of enforcement responsibility to States is fairly rigorous, so if States cannot or do not effectively implement the program, EPA can use its authorities to ensure compliance. There is no evidence that a purely federal program would be more effective or efficient.

Evidence: SDWA §1412SDWA §1413SDWA §1443(a)Geographic proximity to the regulated entities, variability in local needs, and experience in overseeing water systems that pre-dates the federal program suggest that state-centered programs are likely to be more efficient and effective than a centralized federal program.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: EPA uses an allotment formula that distributes the PWSS grant funds among States according to anticipated relative workload. Grant funds are annually allocated to States based on numbers of public water systems, population, and geographical area (all SDWA based). There is also a minimum amount guaranteed to each State regardless of the credit they receive through the factors and weightings. This minimum recognizes that there is a baseline funding need, to establish and maintain a PWSS program, in even the smallest State.

Evidence: SDWA §1443EPA's grant regulations 40CFR35 form the basis for the allotment of funds.Primacy requirements mandate that States implement regulations for all system types. Additionally, State enforcement discretion allows States to prioritize enforcement resources toward higher risk public health problems in accord with the program's purpose.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 13%

Explanation: The program has an outcome-based, long-term perfomance measure that supports the goals of "Water Safe to Drink" by reducing exposure to contaminants. The program implemented a new outcome efficiency measure that is included in the 2006 GPRA strategic plan. The program has committed to develop a high level outcome measure (based on GAO's Hierarchy of Indicators) to assess the reduction in waterborne disease outbreaks due to unsafe drinking water.

Evidence: The performance measure tracks the percent population served by community water systems that receives drinking water in compliance with health-based standards. The measure is listed in EPA's 2003 Strategic Plan as a strategic target to track progress on the proposed goal of "Water Safe to Drink." For the efficiency measures (see measures tab) a "Measures Implementation Plan" has been submitted to OMB.

PART Performance Measurements

Program: Public Water System Supervision Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	78%	17%	

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight:13%

Explanation: The targets and timeframes for the outcome-based performance measure and efficiency measure are ambitious given the existing external factors that limit EPA control and measurement of program progress. The measures emphasizes the importance of sustaining compliance as well as returning systems to compliance.

Evidence: The baselines and targets provided in the measures tab for the long-term outcome measure are published in EPA's Strategic Plan, and the program's more detailed Subobjective Implementation Plan.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:13%

Explanation: The long-term efficiency measures serve as an adequate measure of outcome efficiency for the program. The program has an outcome-based annual measure that tracks the rate of compliance of the nation's 53,000 community water systems with drinking water standards. If systems are in compliance, the population's exposure to contaminants is reduced. A new output measure is the percentage of community water systems where sanitary surveys are completed at least once every three years. Sanitary surveys, which are inspections of systems conducted by the States, aid in the process of evaluating a public water system's progress in complying with Federal and State regulations, and identify areas which require the improvement of the capabilities of the system to provide safe drinking water.

Evidence: The PWSS Grants program contributes to the performance measure proposed in EPA's 2003 Strategic Plan: Increase the percent of community water systems that meet Pre-2001 and Post-2001 drinking water standards.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight:13%

Explanation: The targets and timeframes for the outcome-based annual measure are ambitious given the the existing external factors that limit collection of reliable data. For example, a percentage of the systems do not submit compliance reports. In future years, EPA must reduce external factors to continue to receive a yes answer.Baselines, targets and timeframes for the new output measure have been developed and are ambitious.

Evidence: The baselines and targets provided in the measures tab for the annual outcome measure are published in EPA's Strategic Plan, and the program's more detailed Subobjective Implementation Plan.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight:13%

Explanation: Many Performance Patnership Agreements (PPAs) between EPA and Primacy States include commitments by the States to ensure that progress is achieved toward environmental goals in addition to supporting EPA's databases for tracking progress on performance goals and good stewardship of funds. The program has developed new guidance to encourage all State partners to incorporate these commitments in their PPAs. In future evaluations, the program will need to show progress in documenting commitments for all Primacy States and Tribes.

Evidence: Example PPAs from States/Tribes.

PART Performance Measurements

Program: Public Water System Supervision Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	78%	17%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight:13%

Explanation: Independent evaluations are not conducted on a regular basis and those within the last ten years have focused on program management rather than a determination of whether program implementation is achieving outcome goals. For example, GAO reports have commented on States' implementation of sanitary survey activities, but not evaluated whether these activities resulted in improved compliance rates. Additionally, audit-based approaches do not meet the quality criteria for determing the impact of the program.

Evidence:

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight:13%

Explanation: The Agency estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy and legislative changes. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification. Presentation to Congress of the Agency's budget, including resources for the PWSS Grant program, include alignment to its Strategic Plan goals.A State resource needs model to estimate program implementation costs is under development, but currently the Agency is unable to show how changes in funding relate to changes in performance.

Evidence: Annual Congressional Justification. Budget Automation System (BAS) reports.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:13%

Explanation: EPA has taken steps to strengthen its oversight of States' management and use of the PWSS grant funds. The Agency has developed national guidance for the FY2005 grants directing that recipients ensure that grant funds are targeted toward achieving the Agency's performance goals.

Evidence: FY2005 Public Water System Supervision (PWSS) State Program Grants - Guidance and Tentative Allotments, dated April 13, 2004.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: NO Question Weight:11%

Explanation: Data for outcome performance measures are compiled from the Safe Drinking Water Information System (SDWIS). EPA's Inspector General recently reported data quality problems with this reporting system and concluded that EPA is not accurately reporting its performance.No evidence is provided regarding use of these or other performance data to manage the PWSS Grant program.

Evidence: OIG, March 5, 2004. EPA Claims to Meet Drinking Water Goals Despite Persistent Data Quality Shortcomings, No. 2004-P-0008.

PART Performance Measurements

Program: Public Water System Supervision Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	78%	17%	

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight:11%

Explanation: EPA has designated PWSS program managers in all regional offices and at the national level. The PWSS staff and managers, at headquarters and in the regions, have responsibilities that are specified under performance standards through personnel performance agreement and related appraisals. Additionally, Federal regional grant project officers are held accountable for ensuring that all policies and procedures of the EPA Grants Administration Division are followed. Grantees are accountable through grant agreements with EPA for program costs. EPA Regions' annual review of state performance under the grants and audit results can be used to adjust grant conditions. State primacy can be revoked if its program does not meet the performance requirements of SDWA 1413.

Evidence: 40 CFR 35: EPA Grant RegulationsEPA Grants Management PlanPerformance Appraisal forms for Office Director, Branch Chief and Grant Officer.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight:11%

Explanation: Each Region's program office, and grant's management office, conducts post-award monitoring of assistance agreements that tracks the draw-down of funds and enables them to assess the timeliness of resource obligations and commitments. State grants are issued under Performance Partnership Grants or Performance Partnership Agreements that are subject to audit under the Single Audit Act. EPA's OIG reviews the audit findings and there are procedures in place to take administrative actions as needed.

Evidence: For FY2003, EPA reports that of the $92,674,100 PWSS grants allocated, $87,312,200 (94%) were obligated by the end of the fiscal year.Single Audit Act reports.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: NO Question Weight:11%

Explanation: Insufficient evidence that the program has efficiency measures or incentives in place that focus on process efficiencies or cost effectiveness. For example, although unobligated balances are low, the program does not appear look for ways to perform grants management with fewer resources.

Evidence:

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight:11%

Explanation: Coordination of the PWSS Grant programs in States with State Drinking Water State Revolving Fund programs, NGOs providing technical assistance to drinking water systems and federal enforcement entities is coordinated by specifying roles and responsibilities in State workplans, grant agreements with NGOs and PPAs.PWSS coordinates with related EPA programs (Drinking Water State Revolving Fund and Underground Injection Control programs) to work toward shared performance goals.

Evidence: Example PPAs from States/Tribes.EPA's 2003 Strategic Plan on the proposed goal of "Water Safe to Drink."

PART Performance Measurements

Program: Public Water System Supervision Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	78%	17%	

3.6 Does the program use strong financial management practices? Answer: YES Question Weight:11%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives. EPA received an unqualified audit opinion on its FY02 financial statements and had no material weaknesses associated with the audit. The PWSS Grant program has no material weaknesses as reported by the Office of the Inspector General (OIG) and has procedures in place to minimize erroneous payments.

Evidence: Annual Congressional Justification.Budget Automation System (BAS) reports.Unqualified audit opinion on EPA FY02 financial statements.Fiscal Year 2002 Advice of Allowance Letter.2002 Integrity Act Report.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight:11%

Explanation: EPA is developing an action plan to address data quality issues in SDWIS/FED.EPA has taken a number of steps to strengthen the management and oversight of its assistance agreements, focusing on improving competition in the awarding of grants and enhancing compliance review and monitoring of grants. To build upon these efforts, EPA has developed a Grants Management Plan, which brings ongoing planning efforts into one comprehensive document, establishing a clear and strong direction for the Agency.

Evidence: EPA, March 2004. Drinking Water Data Reliability Analysis and Action Plan (2003).Agency's Grants Management Plan http://www.epa.gov/ogd/EO/finalreport.pdf

3.BF1 Does the program have oversight practices that provide sufficient knowledge of grantee activities? Answer: YES Question Weight:11%

Explanation: The PWSS Program, under the authority of Section 1443 of SDWA and codified in 40 CFR 31.40(b) requires grantees to submit information on the various activities they have undertaken over that year. In addition, Regions collect and review annual reports and conduct annual performance reviews of primacy state programs (40 CFR 142.17).

Evidence: Example End of Year Reports and Mid-Year Status reports.

3.BF2 Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner? Answer: YES Question Weight:11%

Explanation: Compliance data that is reported to SDWIS/FED is available to the public through EPA's Envirofacts Data Warehouse that can be accessed through the internet. EPA also posts the most recently completed National Compliance Report (which provides summary data on compliance results on a State-by-State basis) on its own website.

Evidence: Envirofacts website:http://www.epa.gov/enviro/html/sdwis/sdwis_ov.htmlEPA website on drinking water data and databases:http://www.epa.gov/OGWDW/databases.htmlEPA FY2003 "Annual Report": http://www.epa.gov/ocfopage/finstatement/2003ar/2003ar.htmEPA FY2002 'Annual Report': http://www.epa.gov/ocfopage/finstatement/2002ar/2002ar.htm

PART Performance Measurements

Program: Public Water System Supervision Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	78%	17%	

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight 25%

Explanation: The program is implementing a long-term outcome efficiency measure and is committed to a strategy and workplan. The DWSRF is progressing toward its long-term performance target although data quality issues suggest the numbers may under-report actual performance. It also met targets that measure relevant outputs that link to the long-term goal

Evidence: Summarized in measures tab.

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight 25%

Explanation: The PWSS Grant program appears to have met its annual performance targets although data quality issues suggest the numbers may under-report actual performance. There are no data yet for the new annual output measures.

Evidence: Summarized in measures tab.

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: NO Question Weight 25%

Explanation: Compliance rates have improved slightly during the recent period when grant funds have been effectively level, even while State program demands have increased. However, there is no evidence to link this observation to improved program efficiencies. The program does not appear to have incentives and measures for cost efficiency or effectiveness.

Evidence:

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation: There are no other federal agencies or nongovernmental programs engaged in implementation and enforcement of drinking water regulations. The State programs are supported in part from the grants issued by this program, so a comparison of State and federal programs would not be meaningful.

Evidence:

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: NO Question Weight 25%

Explanation: No evidence that the program has been comprehensively assessed by an independent entity using methodology that meets the criteria for quality.

Evidence:

PART Performance Measurements

Program: Public Water System Supervision Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	78%	17%	

Measure: Percent population served by community water systems in compliance with health-based drinking water standards.

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term
2003	Baseline	91%	
2008	95%		

Measure: Percent community water systems in compliance with drinking water standards.

Additional Information: This measure tracks the compliance rate of the nation's 53,000 community water systems with drinking water standards. If systems are in compliance, the population's exposure to contaminants is reduced.

Year	Target	Actual	**Measure Term:** Annual
2003	Baseline	92%	
2004	92.5%		
2005	93%		
2006	93.5%		

Measure: People receiving drinking water in compliance with health-based drinking water standards per million dollars.

Additional Information: Dollars include all federal and state funding for safe drinking water programs.

Year	Target	Actual	**Measure Term:** Long-term
2003	Baseline	202,840	
2008	233,645		

PART Performance Measurements

Program: Public Water System Supervision Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	78%	17%	

Measure: Community water systems in compliance with health-based drinking water standards per million dollars.

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term
2003	Baseline	24,606	
2008	24,342		

Measure: Percent of States conducting sanitary surveys at community water systems once every three years

Additional Information: Each year, all States are must be in compliance with the requirement to conduct sanitary surveys at community water systems once every three years, as documented by file audits of a random selection of water systems.

Year	Target	Actual	**Measure Term:** Annual
2004	Baseline	80%	
2005	94%		
2006	98%		

PART Performance Measurements

Program: RCRA Base Program, Permits and Grants
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	56%	85%	47%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The RCRA program's goals are clearly and succinctly set forth in the enabling statute. The RCRA base program has two primary purposes: waste management and waste minimization. The statute authorized EPA to establish a viable Federal-State partnership to manage hazardous waste. Congress intended that the states would assume the primary responsibility for implementing the hazardous waste regulations and provided EPA with grant authority to fund authorized state program activities such as permitting. The purpose of the permitting program is to ensure that facilities managing hazardous waste have the appropriate controls in place to properly treat, store, transport, and dispose of hazardous waste. States are primarily responsible for issuing the permits as EPA oversees the state programs. The purpose of the hazadous waste financial assistance (grants) program is to provide states with additional funding to implement the RCRA hazardous waste program in lieu of EPA. Such state actions include ensuring that hazardous waste facilities have the approved controls in place for safe management of the wastes. This is accomplished through permits.For waste recycling and recovery, the purpose is to reduce the amount of waste generated and recover valuable resources through recycling that would have otherwise been lost in the waste stream. EPA develops guidance, provides technical assistance, and develops partnerships to address these needs.

Evidence: Solid Waste Disposal Act, as amended (42 U.S.C. 6902) - Section 1003 - Section 3011 - Authorization of assistance to states - Section 3005 - Permits for treatment storage and disposal of hazardous waste - Section 3006 - Authorization of state programs

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: RCRA Subtitle C addresses improper handling and disposal of hazardous waste, and the need to conserve valuable resources through waste recycling and recovery. To address threats to human health and the environment, the program establishes a comprehensive, protective management system that addresses risks, both acute and chronic, posed during transportation, management, treatment, and disposal of solid and hazardous wastes. Primary emphasis is placed on ensuring sufficient controls via permitting to avoid future corrective action. Hazardous waste financial assistance grants assist states as they verify that controls are in place to minimize the risk of release of hazardous substances.The municipal solid waste program seeks to combat the increasing amount of waste through source reduction and recycling programs to recover valuable materials at all point of a product's life.

Evidence: Solid Waste Disposal Act, as amended (42 U.S.C. 6902)25 Years of RCRA; RCC Annual ReportBeyond RCRA: Prospects for Waste & Materials Management in the Year 20202001 National Biennial Report

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: Section 1006 (a) and (b) of the statute specifically addresses redundancy and prohibits regulation of substances or activities which are subject to other statutes including the Federal Water Pollution Control Act, the Safe Drinking Water Act and the Atomic Energy Act. Section 3006 also requires that EPA strongly encourage states to become authorized to implement the RCRA program. Structures further avoid redundancy by allowing for site-specific responsibilities to be implemented by the EPA region, state or local officials, or the owner or operator of a particular waste management facility. By delegating hazardous and solid waste programs to the states, the program ensures there is no overlap between federal, state, and local efforts.

Evidence: Solid Waste Disposal ActSection 1006, 2002, and Section 3006Office of Solid Waste Strategic Plan 2003-2008 RCRA State Grant Work Plans

PART Performance Measurements

Program: RCRA Base Program, Permits and Grants
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	56%	85%	47%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: NO Question Weight 20%

Explanation: Maximization of net-benefits is not a requirement under the RCRA statute. Many of RCRA's initial RIAs and cost-benefit analyses sought to maximize net-benefits (or minimize net-costs) but failed to go far enough. While the RCRA program office continues to identify opportunities to reduce or minimize compliance burdens when possible, it is felt that the program did not initially seek to maximize net benefits. Regulatory programs are to receive a no on this question if the statute is not designed to maximize net benefits.The evolving nature of the RCRA program since its inception in 1976 helps to resolve any flaws that are identified. Since states are the primary implementers, the program can adjust to accommodate local issues while continuing to meet national goals. No more efficient mechanism is obvious. The RCRA municipal solid waste program's voluntary partnerships place the onus on EPA to foster many partnerships in order to reach the program goals. This does not appear to limit the program's effectiveness or efficiency. EPA Regional oversight of state programs ensure that the grants are distributed to those states with the greatest need and are used for the intended purposes. Oversight of state programs occurs in the form of beginning, mid-year, and end-of-year reviews of state permitting accomplishments when compared to grant commitments.

Evidence: SBFRA for MSWLF CriteriaMunicipals Solid Waste Characterization Report;Economic Background Document;RCRA Burden Reduction InitiativeMoving RCRA Vision Forward: Waste Generation in the United States Modificationof the Hazardous Waste Manifest System;

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: Grants to states and territories for implementation of the RCRA hazardous waste program are negotiated and awarded by the EPA regional offices based on state needs and prior performance. States then use the money to permit facilities thereby implementing hazardous waste programs. The deliverables by the states are tracked by regional managers to ensure adequate progress is being made toward achieving both annual and long-term goals.A large majority of the waste minimization programs within the RCRA program are voluntary. Resources for their oversight are adequately monitored by EPA.

Evidence: EPA Strategic Plan Land Preserving and Restoration 2003-2008National Program Guidance for 2005 FY 2005 OSWER National Program Guidance FY2005 Regional PlansState Annual Grant Workplans - CT, MA

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 11%

Explanation: The program has six acceptable measures in the form of: three long-term outcome measures, two long-term output measures for permitting, and one long-term outcome measure for a program that is awaiting the final clearance of a regulation before implemented. EPA tracks the number of permits issued and renewed as a surrogate measure to record progress toward ensuring that emissions are controlled to safe levels and the risk of releases at facilities are minimized. A proper outcome measure would track the reduction in releases from permitted facilities; however, the program has not historically collected this information, therefore baselines cannot be developed. Since the data for appropriate outcome measures does not exist, tracking permits issued and renewed are acceptable long-term output measures.

Evidence: 2003-2008 Strategic Plan, Goal ThreeRegulatory requirements for Permits - 40 CFR 264 and 270.32 for permits;RCRA Section 3005(c)(3)40 CFR Part 262 - Regulations for large quantity generators and small quantity generators Q and A on RCRA Role in Regulating Hazardous Waste Combustors

PART Performance Measurements

Program: RCRA Base Program, Permits and Grants
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	56%	85%	47%	

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight:11%

Explanation: The long-term measures are ambitious. The RCRA program has a variety of venues that provide feedback from stakeholders, and the program relies on Agency processes such as the annual budget process, the Annual Performance Report, the mid-year Goal Team reviews and internally, mid-year program reviews with regions to ensure that targets remain ambitious.

Evidence: 2003 EPA Strategic Plan. GPRA Goals for Permitting Challenges one-pagerNational Partnership for Environmental priorities;NPEP Priority Chemicals Trends Report (see page 6 and exhibits)

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:11%

Explanation: EPA has developed corresponding annual targets which place the program on a track to meet the long-term goals. The municipal waste source reduction and recycling goals rely upon biennial measurements, because the source of the information is published by a private party on that schedule. More frequent data could require the Agency to establish a separate data collection effort and is unlikely to be cost effective. The program does not yet have annual targets for its dioxin and furans measure. The program is awaiting final promulgation of the rulemaking before it can require industry compliance. Annual measures will be developed after final promulgation of the rulemaking

Evidence: FY 2003-2008 Strategic Plan, pages 59-63Franklin Report

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight:11%

Explanation: The program has established baselines and continues to improve them. Since the long-term targets are ambitious, the annual measures noted in 2.3 that lead to their completion are similarly ambitious.

Evidence: FY '04 MPA; Example Beginning of Year Plan - Region 5, 2003; and, FY 2003-2008 Strategic Plan.

PART Performance Measurements

Program: RCRA Base Program, Permits and Grants
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	56%	85%	47%	

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: NO Question Weight:11%

Explanation: Due to the voluntary nature of EPA's waste reduction partnerships, agreements focus on achieving goals that are beneficial to companies and/or private parties. Individual waste reduction goals are mutually beneficial for EPA as well. EPA identifies the waste streams where the greatest gains can be made so as to be able to meet EPA's national municipal solid waste and recycling goals. Partners commit to reaching individual goals and have sufficient incentives to reach individual goals. However, program partners are not committed to working towards EPA goals and it is EPA's responsibility to engage in enough partnerships to reach its national goals.EPA provides annual guidance on the hazardous waste and permitting goals for the upcoming year and how those goals contribute to the achievement of the long-term goals. States submit performance agreements to the Regions. Regions submit Performance Plans to headquarters and the grants are distributed based upon the agreed performance levels in these plans. States then submit annual results to the Regions at mid- and end-of-year. The goals and incentives are mutually acceptable to both states and EPA since both hold a stake in reducing the risk of hazardous releases to the environment.

Evidence: Beginning of Year Plans for Region Five in FY2003, Mutual Performance Agreements and Strategic Plan for State of Connecticut Performance Partnership Agreement, FY 2002 (see section 1.5); Massachusetts Performance Partnership Agreement FY 2002 (see section 1.5); National Waste Minimization Partnership; Wastewise

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight:11%

Explanation: The General Accounting and Inspector General Offices have evaluated components of the RCRA program; however, there is no structure in place for regular independent evaluations.

Evidence: Hazardous Waste Generator Initiative Program Evaluation' Review of EPA's Response to Petition Seeking Withdraw of Authorization for Idaho's Hazardous Waste Program: IG Report 2/5/2004' Pollution Prevention: Effectiveness of EPA's Efforts to Encourage Purchase of Recycled Goods Has Not Been Effective: IG Report F269/22/2003' RCRA Financial Assurance for Closure and Post Closure (2002-P-007) IG Report 3/30/2001' EPA Controls Over RCRA Permit Renewals (9100115) IG Report 3/30/1999' Biennial Hazardous Waste Data: Opportunity for Improvement (7100114) IG Report 3/29/1997

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight:11%

Explanation: Since the RCRA program is primarily delegated to the states, most of the RCRA appropriation is for administrative costs and oversight of the state programs. As a result, the effect that increases or decreases in the appropriation would have on goals of the program is unclear.

Evidence: Agency Strategic Plan, Annual Plan and Annual Performance Report.

PART Performance Measurements

Program: RCRA Base Program, Permits and Grants
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	56%	85%	47%	

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: NO Question Weight:11%

Explanation: EPA IG reported that implementation of EPA's pollution prevention program to promote procurement of recycled goods was severely hindered by the program's lack of accountability and management tools - namely, the program's lack of a strategic plan, goals, performance measures and milestones - for implementing the RCRA Section 6002 requirements.EPA has been historically deficient in its oversight of the permitting program. A lack of data collection has lead to the program's inability to clearly articulate environmental outcomes such as reductions of hazardous waste releases. A more concerted approach to its strategic planning and developing goals and performance measures would resolve this issue. Development of outcome permitting goals at this time would provide an inaccurate measure of the program's performance since a large majority of facilities are already permitted.While the RCRA program has demonstrated through the RCRA 2020 document that it is continously looking to the future, this document is not a strategic planning document. EPA has generally improved its strategic planning; however, specific program areas within RCRA have not kept pace.

Evidence: Pollution Prevention: Effectiveness of EPA's Efforts to Encourage Purchase of Recycled Goods Has Not Been Effective: IG Report F269/22/20032003-2008 Strategic PlanFY04 Mutual Performance AgreementRCRA Waste Materials Management in the Year 2020

2.RG1 Are all regulations issued by the program/agency necessary to meet the stated goals of the program, and do all regulations clearly indicate how the rules contribute to achievement of the goals? Answer: YES Question Weight:11%

Explanation: The design of the program is to issue regulations only when they directly support and are needed to meet stated program goals. The RCRA regulations contained in 40 CFR 256-268 and 270-272 provide an effective cradle to grave management system that uses tracking and permitting to monitor and control waste. They define solid and hazardous waste, but also impose strict standards on anyone who generates, recycles, transports, treats, stores or disposes of hazardous wastes. EPA has looked for ways to reduce overregulation and correct regulatory gaps through the proposed cathode ray tubes rule, proposed rags and wipes rule, mainfest proposed rule and the final fertilizer rule.

Evidence: Federal Register: January 17, 2002 (Volume 67, Number 12)[Pages 2517-2544 at 2533. The preamble to the National Emission Standards for Hazardous Air Pollutants: Proposed Standards for Hazardous Air Pollutants for Hazardous Waste Combustors (Phase I Final Replacement Standards and Phase II) published April 20, 2004 in Volume 69, Number 76 at page 21198.Proposed cathode ray tubes rule, proposed rags and wipes rule, proposed manifest rule, final fertilizer rule.

PART Performance Measurements

Program: RCRA Base Program, Permits and Grants
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	56%	85%	47%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 8%

Explanation: EPA collects hazardous waste data continuously via the RCRAInfo database from regions and States that reflect performance and progress toward reaching long-term as well as annual performance measures. As part of the grant program, EPA Regions analyze state permitting performance at the beginning, middle and end of each fiscal year. If a state is failing to meet its goals, EPA Region managers evaluate the state program looking for managerial weaknesses. EPA regions promote "fiscal accountability" and "program integrity".The municipal waste source reduction and recycling programs rely upon biennial measurements via a private party. More frequent data collection would require that the Agency establish a separate data collection effort and is unlikely to be cost effective.

Evidence: Data collected as part of the RCRA Info database; http://www.epa.gov/enviro/html/rcris/ Municipal Waste in the United States: 2001 Final Report to assess trends and determine where problems could arise. http://www.epa.gov/epaoswer/non-hw/muncpl/msw99.htm Kentucky Annual Hazardous Waste Performance Review Report, pp. 12-18. Georgia Annual Hazardous Waste Performance Review Report. Vermont Hazardous Waste Program Goals; State End of Year Reports.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight: 8%

Explanation: EPA requires that both SES and non-SES manager's performance standards are linked directly to Agency strategic goals and objectives. Federal managers are also held accountable through the agency wide planning process with quarterly progress reviews. States and tribes are evaluated during the grant workplan negotiation process and monitored during the course of the grants. Regions can adjust distribution of funds among their states based on performance and need. As part of the grant program, EPA Regions analyze state permitting performance at the beginning, middle and end of each fiscal year. If a state is failing to meet its goals, EPA Region managers evaluate the state program looking for managerial weaknesses.The municipal waste source reduction and recycling partnerships are developed based on cost-effective agreements that are advantageous for the private partners. Targets are set based upon what is determined to be best for the voluntary partner. Failure to attain those levels may ultimately result in unrealized cost-efficiencies for the partner therefore partners have an incentive to maximize levels of recycling and source reduction. Partners are held accountable within their industry as a form a peer pressure, and face the possibility of EPA revoking its partnership if the partner repeatedly fails to reach its goals.

Evidence: Evidence for Federal Managers: February 18, 2004 Morris Winn Memo, paragraphs 2 & 3. March 17, 2004 memorandum Linking Performance Standards for Managers and Supervisors to EPA's Strategic Goals and Mission; OARM guidance for managers and supervisors dated 3/4/04; 'RCRA/C 3011 Grant and Program Guidance for the State of California' Rhode Island, Massachusetts State Grant Agreements and MOAs. Region 6 Weekly Activity Report for April 19-23, first item. CALIFORNIA RCRA/C 3011 FY01/02 END OF YEAR REPORT Kentucky Annual Hazardous Waste Performance Review Report, particularly pp. 12-18. Georgia Annual Hazardous Waste Performance Review Report, particularly pp. 1&2 Vermont Hazardous Waste Program Goals, "Grants Administration Manual" for the solicitation for tribal grants

PART Performance Measurements

Program: RCRA Base Program, Permits and Grants
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	56%	85%	47%	

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 8%

Explanation: Prior to the beginning of the fiscal year, the program develops an operating plan which reflects how it plans on spending its budget. EPA's budget and annual Operating Plan are aligned with the Agency's Strategic Plan and approved by OMB and Congressional Appropriations Committees. Obligations and expenditures are tracked in the Agency's Integrated Financial Management System (IFMS) against the Operating Plan. Monitoring ensures that recipients are spending the funds designated to each program area for the intended purpose. All grantees are required to at minimum submit annual financial status reports. There is nothing to suggest that funding is not allocated in a timely manner.

Evidence: EPA's annual Operating Plan EPA's Data: Strategic Plan, Budget Automation System (BAS) data; EPA's Annual Report and Financial Statements; EPA's Policy on Compliance, Review, and Monitoring (EPA 5700.6); Advanced post-award monitoring reports (on Hawaii), Region 9 post-award monitoring plan, grantee financial status reports. Region 1 Information for RCRA Base Program Part Exercise, MR, April 30, 2004Region 10 Grant WriteupRegion 6 Weekly Activity Report for April 19-23

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight: 8%

Explanation: As part of ongoing program review, EPA regularly generates initiatives and rulemakings which open to public comment aspects of the program that could be made more efficient. EPA's Standardized Permit Rule, e-permitting to replace the current paper intensive system of issuing permits, and standards relating to hazardous waste generators to determine how to make the program less burdensome and more efficient are examples of initiatives that EPA is examining to further reduce costs and increase efficiency. Past efforts have included a self examination of the Land Disposal Restrictions program that reduced the burden by 1 million hours annually. The program is developing two efficiency measures and is in the process of identifying a third.

Evidence: Standardized Permit Rule Proposal October 12, 2001, 66 Federal Register 52192 Burden Reduction Rule, Federal Register: January 17, 2002 (Volume 67, Number 12)] Pages 2517-2544Managing Information Collection, Information Collection Budget of the United States Government, Fiscal Year 2004, Office of Management and Budget, Office of Information and Regulatory Affairs, April 20, 2004. Available at http://www.whitehouse.gov/omb/inforeg/2004_icb_final.pdf.

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: NO Question Weight: 8%

Explanation: RCRA programs were designed to promote collaboration and cooperation between EPA HQ, Regions, states and facility owner/operators. Collaborating with the state programs for hazardous waste and permitting as well as for MSW disposal is necessary since these programs are delegated to the states to run in lieu of EPA's program. Federal facilities, like other regulated facilities, must comply with environmental laws and regulations. Part of the program's mission is to work with Federal facilities, including Department of Energy and Department of Defense, to comply with all environmental regulations and to assist their sites in complying with these requirements.

Evidence: National Program Guidance for FY 2005Hazardous Waste Combustion MACT rule Federal Facility Compliance Center http://www.epa.gov/fedsite

PART Performance Measurements

Program: RCRA Base Program, Permits and Grants
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	56%	85%	47%	

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 8%

Explanation: Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed EPA received an unqualified audit opinion on its FY02 financial statements and had no material weaknesses associated with the audit. EPA is taking steps to meet the new accelerated due dates for financial statements. The Office of the Inspector General reported that the program has no material weaknesses and has procedures in place to minimize erroneous payments.

Evidence: Budget Automation System Reports; Unqualified Audit Opinion on EPA, FY 02 Financial statements; Agency-wide documented resource management procedures. EPA Regulations 40 CFR Parts 31 and 35, OMB Circulars A-102, A-87 and A-128. Program Reviews: Grantee Compliance Assurance Initiative, reviewed recently by GAO.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 8%

Explanation: EPA conducts an annual review process with the Regional Offices to identify management and other deficiencies and potential solutions. Regional Offices review state performance and management deficiencies during mid-year and end-of-year reviews. In addition, an annual 'Management Integrity Review' of Headquarters Program Office management is conducted. Every three years to four years, the Quality Staff of the Office of Environmental Information performs a program audit of OSW's Quality Assurance and Quality Control program. The Quality Assurance Quality Control Reviews have identified two weaknesses: no approval form for QA/QC review with individual work plans for contract work, and no approved Quality Management Plan in place for the Office of Solid Waste. Corrective action was taken for both findings.The program has taken steps to address the management concerns that the EPA IG raised when reviewing the permit renewals program.

Evidence: Annual Regional Strategic Overview Process; Regional mid-year and end-of-year reviews of state programs (see response to 3.2, reviews of Vermont, Georgia, California, Kentucky)OSW 2003 Annual Assurance Letter (part of the Management Integrity Review Process)' EPA Controls Over RCRA Permit Renewals (9100115) IG Report 3/30/1999Quality Staff Draft Findings ReportOSW Response to Draft Findings ReportMemo's from Matt Hale about Quality Assurance Review Form including Guidance for QARF and QCRF (QA/QC reports)Measurement Implementation Plan on Efficiency Measures

3.BF1 Does the program have oversight practices that provide sufficient knowledge of grantee activities? Answer: YES Question Weight: 8%

Explanation: The financial aspect of the grant funding is tracked by OCFO. The Agency also has a system in place to track and report on grant funding (IFMS, Financial Data Warehouse). Grants are structured to emphasize agency program goals. EPA regions conduct mid-year and end-of -year reviews of the states to evaluate progress. In cases where a state has already met its targets, the regions and the state establish more demanding targets. File reviews for permits and other matters are a routine part of mid and end of year reviews. Regions contribute to tracking states' progress with regard to both GPRA and program goals as well as provide technical and contractual assistance to the states. The program has taken steps to address the management concerns that the EPA IG raised about the program's oversight of the permit renewal program.

Evidence: Midyear and end of year review reports by regions (see response to 3.2, reviews of Vermont, Georgia, California, Kentucky) . Agendas of Regional review visits to states; Sample of agenda of HQ program visits to regions (states often invited to participate). NEPPS Agreement Maryland. (hazardous waste section) 40 CFR 35.115

PART Performance Measurements

Program: RCRA Base Program, Permits and Grants
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	56%	85%	47%	

3.BF2 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 8%

Explanation: Performance data is reported by the states on a regular basis through RCRAInfo. Spending data is reported by the states on an annual basis. The public has access to GPRA data and RCRAInfo through the EPA Envirofacts Data Warehouse and Enviromapper so the information is easily accessible and transparent. In addition, OSW supports an internet site that shows information on the GPRA facilities from facility-specific detailed information to state and regional status.

Evidence: RCRAInfo data; on publicly available Envirofacts Data Warehouse"FSRs" (Financial Status Reports) are the reporting mechanism used by states to report their spending data. Enviromapper http://www.epa.gov/enviro/html/em/wizard.htmlThe GPRA internet reports: http://www.epa.gov/epaoswer/hazwaste/permit/pgprarpt.htm

3.RG1 **Did the program seek and take into account the views of all affected parties (e.g., consumers; large and small businesses; State, local and tribal governments; beneficiaries; and the general public) when developing significant regulations?** Answer: YES Question Weight: 8%

Explanation: Regulations for the program have all been developed in compliance with the Administrative Procedures Act, which includes opportunities to provide input on draft regulations. Additionally, we routinely seek public input on significant guidance documents. EPA views states as regulatory partners and as such provides opportunities for states to participate on rulemaking workgroups. EPA publishes planned regulatory actions in the Regulatory Agenda so that interested parties can learn about these actions.

Evidence: RCRA Burden Reduction Proposed Rule FR Notice Rule makings: Industrial Wipes Proposal; Zinc Fertilizer Final Rule Public Meeting Notice; manifest rule/public meeting notice on electronic manifests; CRT proposal and public noticeNotification of Public Meeting on Definition of Solid Waste and Hazardous Waste Recycling 180 Day Accumulation Time for Wastewater Treatment Sludge from the Metal Finishing Industry Hazardous Waste Generator Initiative Program Evaluation

3.RG2 **Did the program prepare adequate regulatory impact analyses if required by Executive Order 12866, regulatory flexibility analyses if required by the Regulatory Flexibility Act and SBREFA, and cost-benefit analyses if required under the Unfunded Mandates R** Answer: YES Question Weight: 8%

Explanation: While most agencies fail to meet OMB guidelines for RIAs - EPA included - the RCRA program has historically done a better job than most agencies at developing RIAs according to OMB guidelines. Economic analyses in the form of RIAs and cost benefit analyses have been conducted under all major components of the RCRA Program involving; hazardous and municipal solid waste management and treatment, land disposal, and hazardous waste combustion, identification, and delisting rules, as well as permitting and postclosure requirements. In addition, cost-benefit analyses are also commonly conducted, even though cost-benefit is not required as a criterion for rulemaking under the RCRA statute.

Evidence: "Support Table for Questions 3.RG2, 3.RG4, & 4.RG1"

PART Performance Measurements

Program: RCRA Base Program, Permits and Grants
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	56%	85%	47%	

3.RG3 **Does the program systematically review its current regulations to ensure consistency among all regulations in accomplishing program goals?** Answer: YES Question Weight: 8%

Explanation: EPA regularly employs surveys, audits, stakeholder input and other tools to determine regulatory program consistency in achieving program goals. The RCRA Burden Reduction Initiative has reviewed all of the hazardous waste recordkeeping and notification regulations and proposed changes to provide consistency among the requirements. The proposed burden reduction rule specifically focused on recordkeeping requirements for treatment storage and disposal facilities. In the standardized permit rulemaking, EPA reviewed all of the hazardous waste permitting requirements to ensure that there were no overlapping or duplicative requirements. In the waste minimization and pollution prevention area, the programlargely operates without regulations, but instead relies upon education to provide incentives for pollution reduction.

Evidence: Preamble - Hazardous Waste Management System: Modification of the Hazardous Waste Manifest System (see data/evidence 3RG1) RCRA Burden Reduction Proposed Rule FR Notice Site ID Form and Hazardous Waste ReportGenerator rule ANPRMMunicipal Solid Waste Landfill Review

3.RG4 **Are the regulations designed to achieve program goals, to the extent practicable, by maximizing the net benefits of its regulatory activity?** Answer: NO Question Weight: 8%

Explanation: Maximization of net-benefits is not a requirement under the RCRA statute. Many of RCRA's initial RIAs and cost-benefit analyses sought to maximize net-benefits (or minimize net-costs) but failed to go far enough. This is most evident by the program's need to engage in deregulatory actions to relieve excessive burden from RCRA's initial statutory requirements. While the RCRA program office continues to identify opportunities to reduce or minimize compliance burdens when possible, it is felt that the program did not initially seek to maximize net benefits.

Evidence: Support Table for Questions 3.RG2, 3.RG4, & 4.RG1" and "OSW Summary Analysis of RIAs from 1995 to 2002

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight 20%

Explanation: The program can demonstrate progress toward meeting the long-term goals for 3 of 4 current measures. There is a two-year data lag for the generation of MSW, but the program has maintained a constant rate of MSW generation nationwide. The program exceeded its 2005 permitting goal and is on track to meet its 2008 goal. The TRI goal for 2005 had been met and the program readjusted its targets and is on track to meet the 2008 goal. The program is not on track to meet its long-term goal for increasing the recycling rate to 35% by 2008.The program cannot show progress toward long-term goals for (1) the dioxin and furans measure because promulgation of the final MACT rule must occur before the program can require industry compliance; (2) the permit renewal measure because data collection starts for this new program function in 2006.

Evidence: FY 2003 Annual Report, Goal 3

PART Performance Measurements

Program: RCRA Base Program, Permits and Grants
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	56%	85%	47%	

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: LARGE EXTENT Question Weight 20%

Explanation: The program has regularly met annual goals for 3 of 4 current measures: permitting (facilities under control), MSW generation rate, and recycling. The TRI goal for 2005 has already been met. The program readjusted its targets and is on track to meet the 2008 goal. Permit renewals is a new function for the RCRA program. Data collection will start in 2006, therefore the program does not have information on permit renewals. The program cannot show progress toward meeting annual goals for the dioxin and furans measure because promulgation of the final MACT rule must occur before the program can require industry compliance.

Evidence: FY 2003 Annual Report, Goal 3; RCRAInfo data, Inspection Coverage** RCRA Regulated Facilities: EPA and State FY 2000 ' FY2002

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: LARGE EXTENT Question Weight 20%

Explanation: The program has two measures of efficiency under development, and is in the process of identifying a third. The program actively seeks to reduce the cost of industry compliance with regulations through the RCRA Burden Reduction Initiative. The hazardous waste regulatory program has promulgated deregulatory actions in recent years focused on maintaining waste management safety while allowing increased flexibility and alternative technologies and have sought to decrease societal costs. The municipal solid waste program relies largely on voluntary programs to achieve program goals. There is no reason to believe that this is not a cost-effective way to achieve these goals, but also no way to make a definitive statement.

Evidence: Refer to list of rules cited in 3.RG1. RCRA Standardized Permit Proposed Rule (October 12, 2001).

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: NA Question Weight: 0%

Explanation: Comparison to other programs can be difficult. No other program has the same authorities as RCRA. For example, the Nuclear Regulatory Commission regulates materials that are not covered by RCRA. The RCRA program is a multi-media national program across a broad range of materials; i.e., it addresses releases to air, soil, groundwater, and surface water, as compared to air and water permits, which address air emissions and releases to water, respectively. There are some operational areas where the program could be compared with other programs. The program has been (a) a leader in reducing reporting and paperwork burden with proposals to reduce reporting burden by 47%, (b) at the forefront in integrating its RCRAInfo permitting data into the Agency's central data exchange, and (c) strongly supported the Agency's performance track to advance innovative approaches to improving environmental protection. However, comparison of RCRA program with other programs would be difficult due to the program's broad scope.

Evidence: Examples of "State Authorization Information" maintained on Authorization web site.Performance Track document

PART Performance Measurements

Program: RCRA Base Program, Permits and Grants
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	56%	85%	47%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: NO Question Weight 20%

Explanation: The General Accounting and Inspector General Offices have evaluated components of the RCRA program; however, there is no structure in place for regular independent evaluations.

Evidence: ' Pollution Prevention: Effectiveness of EPA's Efforts to Encourage Purchase of Recycled Goods Has Not Been Effective: IG Report 9/22/2003' RCRA Financial Assurance for Closure and Post Closure (2002-P-007) IG Report 3/30/2001' EPA Controls Over RCRA Permit Renewals (9100115) IG Report 3/30/1999' Biennial Hazardous Waste Data: Opportunity for Improvement (7100114) IG Report 3/29/1997

4.RG1 **Were programmatic goals (and benefits) achieved at the least incremental societal cost and did the program maximize net benefits?** Answer: SMALL EXTENT Question Weight 20%

Explanation: The program did not go far enough in maximizing net benefits for its inital regulations and recognized the need for targeted regulatory reform. Deregulatory actions promulgated in recent years have focused on maintaining waste management safety while allowing increased flexibility and alternative technologies and have sought to decrease societal costs. One could argue that the excessive cost of implementation of the intial regulations caused facilities to exit the market, thereby decreasing the likelihood of future releases and the risk to human health, thus increasing the benefit to society. However this argument does not embody the spirit of this question which is to achieve programmatic goals at the lowest incremental societal cost.

Evidence: Support Table for Questions 3.RG2, 3.RG4, & 4.RG1" and "OSW Summary Analysis of RIAs from 1995 to 2002".Recent rulemakings: fertilizer, CRT, standardized permit, rags and wipesmanifest, and changes in the Municipal Solid Waste Landfill rules due to the 1998 legislation, and universal waste

PART Performance Measurements

Program: RCRA Base Program, Permits and Grants
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	56%	85%	47%	

Measure: Annual increase in the percentage of facilities with permits or other approved controls.

Additional Information: The targets are the percentage of the baseline that need to get done in order to meet the 2008 cumulative goal of 95%. This measure is applicable for the permitting program.

Year	Target	Actual	**Measure Term:** Annual
2004	2.4%		
2005	2.8%		
2006	2.5%		
2007	2.1%		
2008	2.0%		

Measure: Update controls for preventing releases at the facilities due for permit renewal.

Additional Information: Permit renewals is a new function for the permitting program therefore there is no baseline.

Year	Target	Actual	**Measure Term:** Long-term
2008	150		

Measure: Reduce hazardous waste combustion facility emissions of dioxins and furans.

Additional Information: Awaiting promulgation of a final rule in 2005 before the program can begin working toward these goals. No annual targets. This measure is applicable for the RCRA base hazardous waste program.

Year	Target	Actual	**Measure Term:** Long-term

Measure: Maintain the national average municipal solid waste generation rate at no more than 4.5 pounds per person per day.

Additional Information: This measure is applicable for the RCRA base municipal solid waste program.

Year	Target	Actual	**Measure Term:** Annual
2006	4.5		

Program: RCRA Base Program, Permits and Grants
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	56%	85%	47%	

2007	4.5
2008	4.5

Measure: Increase recycling of the total annual municipal solid waste produced.

Additional Information: This measure is applicable for the RCRA base municipal solid waste program.

Year	Target	Actual
2004	34%	
2005	35%	
2006	33.4%	
2007		
2008		

Measure Term: Long-term

Measure: Reduce priority list chemicals in hazardous waste streams reported by businesses to the Toxic Release Inventory.

Additional Information: OSW is making final decisions and expects to have final annual measures this summer. This measure is applicable for the RCRA base hazardous waste program.

Year	Target	Actual
2008	10%	

Measure Term: Long-term

Measure: Facilities Under Control (permitted) per total Permitting Costs

Additional Information: This measure is applicable only for the RCRA hazardous waste permitting program.

Year	Target	Actual
2006	Baseline	

Measure Term: Annual

PART Performance Measurements

Program: RCRA Base Program, Permits and Grants
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
80%	56%	85%	47%	

Measure: Priority Chemicals Reduced per federal and private dollars

Additional Information: This measure is applicable only for the RCRA priority chemicals program.

Year	Target	Actual

Measure Term: Annual

PROGRAM ID: 10002288

PART Performance Measurements

Program: RCRA Corrective Action
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
100%	67%	55%	33%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of the RCRA Corrective Action (CA) Program is to require and ensure that owners or operators of Treatment, Storage, and Disposal (TSD) facilities subject to the Corrective Action provisions in Subtitle C of the Resource Conservation and Recovery Act (RCRA) investigate and cleanup releases as necessary to protect human health and the environment, regardless of when the releases occurred.

Evidence: RCRA Sections 1002(b), 1003(a), 3004(u & v), 3005(c)(3), 3008(h), 7003.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Releases of hazardous wastes at TSD facilities pose a threat to human health and the environment and discourage beneficial reuse of property. Remediation poses unique challenges because of ongoing activities and materials handled at the facilities. No other Federal program addresses the risks from this type of facility. Over 5,000 facilities subject to RCRA Corrective Action; 1,714 "high priority" sites make up RCRA cleanup baseline. Facilities are ranked based on the National Corrective Action Prioritization System - takes into account factors including contamination and potential exposures.

Evidence: RCRA Sections 1002(b), 1003(a). EPA report "Study of the Implementation of the RCRA Corrective Action Program" 2002. "Hazardous Waste - EPA Has Removed Some Barriers to Cleanups" (GAO/RCED-00-224). "Hazardous Waste - Corrective Action Cleanups Will Take Years to Complete" (GAO/RCED-99-48). "Hazardous Waste - Much Work Remains to Accelerate Facility Cleanups" (GAO/RCED-93-15). "Hazardous Waste - Progress Under the Corrective Action Program is Limited, but New Initiatives May Accelerate Cleanups" (GAO/RCED-98-3).

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: Structures are in place to prevent overlap and minimize redundancy between clean-up programs. Statutory design requires that EPA strongly encourage states to become authorized to implement the Corrective Action (CA) requirements in lieu of EPA. 38 states and one territory are currently authorized. Design makes state officials the primary decision-makers to eliminate redundancy. Statutory definitions minimize overlap with Superfund: CA program limited to operating facilities that were either seeking or received permits to treated, store, or dispose of hazardous wastes.

Evidence: State authorization agreements. RCRA/CERCLA deferral and coordination policies (e.g., 54 FR 41004, and "Coordination between RCRA Corrective Action and Closure and CERCLA Site Activities." Agency "One Cleanup Program Initiative" designed to improve coordination between and among cleanup programs. (Initiative not intended to restructure the RCRA CA program or create a single federal cleanup program) (http://www.epa.gov/swerrims/onecleanupprogram/index.htm).

PART Performance Measurements

Program: RCRA Corrective Action
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
100%	67%	55%	33%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: There is no strong evidence that a different approach or mechanism would be more efficient or effective for implementing the RCRA CA requirements. The Program's current site stabilization strategy has been supported by external reviewers and industry. EPA established the "One Cleanup Program Initiative" to improve cleanup programs' efficiency through improved coordination (within EPA and between EPA and states) and to encourage uniform adoption of better technologies, information, and measures of success. Owners/operators pay for cleanup in the CA program which reduces future cleanup liabilities of agencies and leverages substantial private sector resources to maximize efficiency.

Evidence: Program stabilization strategy is consistent with the recommendations from the 1990 RCRA Implementation Study and was previously recognized by the GAO in their 1993 report (GAO/RCRED-93-15) titled, "Hazardous Waste - Much Work Remains to Accelerate Facility Cleanups." More recent emphasis on final cleanups is consistent with recommendations in a more recent Inspector General report (2000-P-0028) titled, "RCRA Corrective Action Focus on Interim Priorities - Better Integration with Final Goals Needed."

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: Program is designed to put decision-making responsibility as close to actual clean-up activity as possible while ensuring protection of human health and the environment occurs. Wherever possible, states have largest role, with EPA regional offices next, and headquarters at the top to provide uniform guidance and ensure uniform implementation. This design encourages overall effective targeting of resources. In terms of funding, program budget planning and execution are discussed throughout the year with the regional offices, at the biannual Senior Policy Advisors (SPA) meetings and during monthly calls to ensure funds are being used for their intended purpose in support of the program mission.

Evidence: RCRA 1003(a), 3006. 40 CFR 271. Budget Automation System (BAS), obligation reports, internal project database.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 11%

Explanation: Two measures are addressed in this PART: 1) The human exposure goal measures the percentage of sites at which stabilization and/or final cleanup efforts have been sufficient to ensure that people are not being exposed to unacceptable levels of contamination under current land and water use conditions. 2) The groundwater goal measures the percentage of sites at which stabilization and/or final cleanup efforts have been sufficient to ensure plumes of contaminated groundwater are not expanding above levels of concern or adversely affecting surface water bodies.

Evidence: EPA current Strategic Plan and draft 2004-2008 Strategic Plan, EPA annual plans (1998-2004). Regional Beginning of Year plans (FY1998 - FY2003) and Mutual Performance Agreements (FY 2004, FY 2005). These goals address initial protection concerns under given conditions more so than final site cleanup. EPA is in the process of developing new measures that correspond to the "final" remedies intended to ensure protection associated with both current as well as reasonably anticipated future exposure scenarios. To date, EPA and OMB have not reached agreement on targets or on additional new goals that satisfactorily meet PART requirements.

PART Performance Measurements

Program: RCRA Corrective Action
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
100%	67%	55%	33%	

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight:11%

Explanation: These two measures were originally established in 1998 with 2005 as the long-term target date for meeting the goal. The program expects to meet the 2005 targets. The program intends to continue using these goals through 2008 by adding/removing some sites in the baseline but not revising targets. The goals then become focused on maintaining a certain level and do not sufficiently challenge the program over the long term to further protect human health and the environment, even though further action can be taken within stautory authority.

Evidence:

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:11%

Explanation: The Corrective Action Program uses the same human exposure and groundwater migration goals as both long-term goals and annual performance measures. Annual targets are set to ensure the long-term goal is met.

Evidence: EPA current Strategic Plan and draft 2004-2008 Strategic Plan, EPA annual plans (1998-2004). Regional Beginning of Year plans (FY1998 - FY2003) and Mutual Performance Agreements (FY 2004, FY 2005). These goals address initial protection concerns under given conditions more so than final site cleanup. EPA is in the process of developing new measures that correspond to the "final" remedies intended to ensure protection associated with both current as well as reasonably anticipated future exposure scenarios. To date, EPA and OMB have not reached agreement on new goals and targets that satisfactorily meet PART requirements.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight:11%

Explanation: Targets set for FY 2004 and FY 2005 are ambitious. The program is proposingto leave annual targets at the 2005 level each year through 2008. Although small baseline changes may be made, indications are that they will not be sufficient enough to make this approach useful in challenging the program to improve. To date, EPA and OMB have not reached agreement on targets that satisfactorily meet PART requirements.

Evidence:

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight:11%

Explanation: A small amount of grant money (<$10M for 38 states and 1 territory) is available specifically for CA program implementation. Grants are issued via formula and are used to required authorized programs to adopt Federal goals. Program also negotiates the development of regional Mutual Performance Agreements which outline how states will contribute to the federal annual and long-term performance goals. Facility permits and corrective action orders are also used to require facilities to perform the work needed to achieve the goals on a specified schedule with penalties for non-compliance.

Evidence: Mutual Performance Agreements (FY04 and beyond. Prior to FY 2004 MPA's were called Beginning of Year Plans). Grant work plans: NOTE - grants are not managed by the CA program. They are part of the larger RCRA State Grants which are managed by the base RCRA program and will be covered in a later PART.

PART Performance Measurements

Program: RCRA Corrective Action
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
100%	67%	55%	33%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: YES Question Weight:11%

Explanation: The program does not schedule independent reviews but is frequently assessed by independent parties. Reviews do not always look specifically at progress toward GPRA goals but do focus on mission-related performance and include recommendations that the program acts upon. Examples are shown in evidence column.

Evidence: 1992 GAO (GAO/RCED-93-15) - EPA needs to capture data to identify when facilities become stabilized. EPA Mgt Response - Developed two environmental indicators to measure site-wide stabilization. 1998 GAO (GAO/RCED-98-4) - ensure that regulators have a more consistent understanding of how to apply policy and regulatory alternatives for managing remediation waste. EPA Mgt Response - Issued comprehensive guidance and training on remediation waste management (EPA-530-F-98-026). 2000 EPA IG (Report No. 2000-P-0028) - Facilitate achievement of the Office of Solid Waste and Emergency Response's (the office in which the RCRA program falls) ultimate GPRA goal by providing a clear definition of restoration in the context of Site Cleanup, or clarify the strategic goal as it applies to RCRA Corrective Action." EPA Management Response - Incorporating new measures associated with final cleanup into the Agency's FY'04-'08 strategic plan.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight:11%

Explanation: The agency budget is developed and presented in a manner that links funding levels to performance goals and so the budget for the program, at a high level of aggregation, is also presented this way. But there is no evidence that of a quantifiable direct correlation between measured changes in performance and changes in program funding. It is not clear what benefits (in terms of program outcomes) would be gained or lost from changes in funding for the program.

Evidence:

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:11%

Explanation: The development of the agency strategic plan and the regional annual Mutual Performance Agreements (MPAs) are two methods the program uses to review strategic planning. The negotiated processes for both documents allow for the identification and correction strategic planning deficiencies. During the development of these documents, the level of success of prior year's strategic decisions are evaluated and information about existing and upcoming challenges are considered.

Evidence: FY 2003-2008 draft strategic Plan. Mutual Performance Agreements (FY04 and beyond. Prior to FY 2004 MPA's were called Beginning of Year Plans). A specific example of how the program has taken steps to address its strategic planning deficiencies is the shift toward proposing measures that focus on final cleanup of corrective action sites rather. This shift in strategic planning was made in response to input the program received from stakeholders and external reviewers (GAO) that greater emphasis should be placed on completing corrective action and making land ready for re-use, rather than just stabilizing environmental problems.

PART Performance Measurements

Program: RCRA Corrective Action
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
100%	67%	55%	33%	

2.RG1 **Are all regulations issued by the program/agency necessary to meet the stated goals of the program, and do all regulations clearly indicate how the rules contribute to achievement of the goals?** Answer: YES Question Weight: 11%

Explanation: The program has issued a limited number of regulations compared to many other programs, mainly because of the design of the program. Proposed regulations subsequently deemed unnecessary have been withdrawn (though the timeliness of the withdrawal has been questioned). The promulgation a comprehensive set of RCRA corrective action regulations would likely be duplicative with, and possibly disruptive of state and territorial programs already authorized to carry out the Corrective Action Program in lieu of EPA. Existing regulations supporting the program (e.g., HWIR-Media and CAMU) provide tools that are needed to help the program achieve its goals faster and more efficiently.

Evidence: 40 CFR Parts 264.101; Corrective Action Management Unit Regulations (67 FR 2961); Hazardous Remediation Waste Management Requirements (63 FR 65873); Land Disposal Restrictions (LDR) Phase IV Rule (63 FR 28556); Subpart S Withdrawal Notice (64 FR 54604); Subpart S Withdrawal Notice (64 FR 54604); Corrective Action Advance Notice of Proposed Rulemaking (61 FR 19432) (see additional references to corrective action related rules in response to PART questions 3.RG1,2, and 4)

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 9%

Explanation: The program does collect real-time performance data relative to the program's human exposure and groundwater migration outcome goals, as well as some other indicators of performance, through the RCRAInfo database. Senior HQ management reviews this information regularly and does use it to affect program priorities and drive certain management actions. It is not evident that the RCRAInfo data is used to make resource allocation decisions within HQ or especially at the regional level.

Evidence: Information on RCRA Info database: http://www.epa.gov/enviro/html/rcris/, "State of RCRA Chart": http://www.epa.gov/epaoswer/hazwaste/ca/facility/stofrcra/seisall.pdf. Information on corrective action data in RCRAinfo: http://www.epa.gov/epaoswer/hazwaste/ca/facility/ca-diction.pdf. Based on review of RCRAInfo data, senior management conducts program visits to regions with lower than adequate performance - visits focus on identifying solutions to obstacles. HQ Program has established "Regional Liaisons" to more closely track regional performance.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: NO Question Weight: 9%

Explanation: According to individual performance plans, managers at headquarters held accountable for regional performance on program goals, not for accomplishment of the goals themselves. EPA regional offices are the critical component of and hold largest amount of responsibility for accomplishing program goals but no evidence was available that individual managers at the regional (or state/territory for those with authorized programs) are identified and held accountable for program goals or cost and schedule targets.

Evidence:

PART Performance Measurements

Program: RCRA Corrective Action
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
100%	67%	55%	33%	

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: NO Question Weight: 9%

Explanation: Sufficient evidence was not provided to show that program funding is obligated in a timely manner that is consistent with the intended programmatic activities (at both the total program level and at an adequate level of detail to reflect programmatic activities). Matching spending with budgeted program activities is particularly important at the regional level given that 90% of the program's $40M budget is for activities in the regions.

Evidence:

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: NO Question Weight: 9%

Explanation: The program's performance plans do not include efficiency measures and targets. The program is working to develop such measures but does not intend to propose any to OMB for inclusion in the FY05 annual plan. Also, there is a lack of concrete evidence of recent efforts to improve efficiency of the program in other ways.

Evidence:

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 9%

Explanation: Input is solicited from stakeholders regularly by requesting comments on documents/rules, through joint multi-stakeholder meetings or other direct interaction with stakeholders. Outreach activities identified the program to be too process oriented, slow and inefficient. Multiple actions were taken by the program to address this feedback, including: two rounds of RCRA Cleanup reforms, extensive regional training, improved Corrective Action Web site, initiated RCRA Brownfields/Revitalization Program, issued guidance on groundwater policies and completing corrective action, etc. In 2000, EPA expanded coordination efforts by including both state and tribal representatives in the Senior Cleanup Council (SCC). SCC successes include addressing institutional control needs and publishing of guidance documents.

Evidence: Senior Cleanup Council designed to address cross-cleanup-program issues. SCC Charter and the One Cleanup Program web site: http://www.epa.gov/swerrims/onecleanupprogram/index.htm. List of cross-program efforts including recent vapor guidance: http://www.epa.gov/swerrims/onecleanupprogram/ocp-policies.htm. Info on reforms, guidance documents, program progress, etc.: www.epa.gov/correctiveaction

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 9%

Explanation: HQ and regional offices follow EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. EPA received an unqualified audit opinion on its FY02 financial statements and had no material weaknesses associated with the audit. There are no material weaknesses, as reported by EPA's IG, with respect to corrective action financial resource issues.

Evidence: Budget Automation System (BAS) reports. Unqualified audit opinion on EPA FY02 financial statements. Agency-wide documented resource management procedures.

PART Performance Measurements

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Section Scores				Rating
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100%	67%	55%	33%	

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: NO Question Weight: 9%

Explanation: The program uses a variety of mechanisms to identify deficiencies related to performance goals and general program output (cleanups) but no evidence was provided to support the existence of internal (HQ and regional) processes to review and address deficiencies related to traditional management issues, such as human capital, information technology, and the efficiency of activities.

Evidence: At HQ, Division Directors and Associate Division Directors do meet with their individual branches and review work at the lowest level (individual projects) with the information captured in a project database.

3.RG1 **Did the program seek and take into account the views of all affected parties (e.g., consumers; large and small businesses; State, local and tribal governments; beneficiaries; and the general public) when developing significant regulations?** Answer: YES Question Weight: 9%

Explanation: RCRA CA program regulations have been developed in compliance with the Administrative Procedures Act, which requires opportunities to provide input on draft regulations. Because states are authorized to implement program, EPA provides opportunities for states to participate on rulemaking workgroups. Program routinely seeks public input on significant guidance documents (e.g., Groundwater Handbook, Corrective Action Completion, and Vapor Guidance).

Evidence: See preamble discussions in Corrective Action Management Unit Regulations (67 FR 2961) and the Hazardous Remediation Waste Management Requirements (63 FR 65873) as evidence of the Agency seeking and responding to comments received on draft regulations. Additionally, see wwww.epa.gov/correctiveaction for posting of significant recent guidance documents.

3.RG2 **Did the program prepare adequate regulatory impact analyses if required by Executive Order 12866, regulatory flexibility analyses if required by the Regulatory Flexibility Act and SBREFA, and cost-benefit analyses if required under the Unfunded Mandates R** Answer: NO Question Weight: 9%

Explanation: Though Regulatory Impact Analyses (RIAs) are conducted, where appropriate, for program regulations, past RIAs have not always been sufficient.

Evidence:

3.RG3 **Does the program systematically review its current regulations to ensure consistency among all regulations in accomplishing program goals?** Answer: YES Question Weight: 9%

Explanation: The bulk of program conditions are issued as guidance, not as rules. The program is participating in the RCRA Burden Reduction Initiative which weighs the use of all the RCRA reporting and recordkeeping requirements (including RCRA Corrective Action) versus the burden they impose. Input for this evaluation was obtained from program offices at HQ, regional offices, states, the regulated community, and public interest groups. Based on the most recent assessment, no burden reductions were identified for the RCRA (HSWA) Corrective Action Program.

Evidence: RCRA Burden Reduction Initiative (http://www.epa.gov/epaoswer/hazwaste/data/#burden)

PART Performance Measurements

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100%	67%	55%	33%	

3.RG4 **Are the regulations designed to achieve program goals, to the extent practicable, by maximizing the net benefits of its regulatory activity?** Answer: YES Question Weight: 9%

Explanation: The decision not to finalize the detailed corrective action regulations provided more flexibility to EPA regions and individual states implementing the program. This flexibility allows EPA and states more latitude in selecting remedies that maximize benefits. Additionally, regulations for Corrective Action Management Units and Hazardous Remediation Waste Management Requirements provided significant flexibility with respect maximizing environmental benefit through cost-effective cleanup options.

Evidence: Subpart S Withdrawal Notice (64 FR 54604); Corrective Action Management Unit Regulations (67 FR 2961); Hazardous Remediation Waste Management Requirements (63 FR 65873)

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight: 16%

Explanation: Considering annual progress cumulatively, the program is making progress toward achieving both the human exposure and groundwater migration long-term goals. Data extracted from RCRAinfo system indicates that EPA and States are collectively on track to achieve long-term targets.

Evidence: Program cumulative targets and accomplishments table for human exposure and groundwater migration annual goals, 1997-2002. RCRA Info data; State of RCRA report available at http://www.epa.gov/epaoswer/hazwaste/ca/facility/stofrcra/seisall.pdf

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight: 16%

Explanation: Between 1998 and 2002 the program met its annual targets for the human exposure and groundwater migration goals two of the five years. Targets were not met only by a fairly slim margin in several of the off years. The program has made consistent progress by increasing the number of determinations made year to year. Data extracted from RCRAinfo system indicates that EPA and States have collectively been on track with achieving 2003 annual targets.

Evidence: Program targets and accomplishments table for human exposure and groundwater migration annual goals, 1997-2002. RCRA Info data; State of RCRA report available at http://www.epa.gov/epaoswer/hazwaste/ca/facility/stofrcra/seisall.pdf

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: NO Question Weight: 16%

Explanation: This program received a No for question 3.4 and thus must receive a No for this question. The program has started a process to develop efficiency measures but it will not be finished in time to submit measures to OMB for consideration for the FY05 budget/annual plan.

Evidence: The Program saw a significant increase in accomplishments from '99 to '00, even though the annual budget declined over that period. The Program attributes these increases to the 1999 and 2000 administrative reforms that focused greater attention to the goals in general, as well as faster cleanups through creative and more efficient solutions.

PART Performance Measurements

Program: RCRA Corrective Action
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Type(s): Regulatory Based

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100%	67%	55%	33%	

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: SMALL EXTENT

Question Weight:16%

Explanation: The performance of this program seems to compare favorably with EPA's Superfund Cleanup program but a quantitative comparison is difficult because the programs historically have not had the same long-term and annual goals. No evidence was provided of a quantitative analysis comparing the effectiveness of the two programs. The Superfund program has agreed to adopt the same human exposure and groundwater migration goals and use the same (or substantially similar) implementation guidance thus more in-depth evaluation will be possible in the future.

Evidence: Relative program progress as reported in RCRA Info and Superfund Record of Decision Database. EPA IG report No. 2002-P-3 titled "Evaluation of Superfund Environmental Indicators". 2000 Senate VA/HUD Appropriations Committee Report - included statement that the Committee expected EPA to include Superfund program Goals "as in the RCRA corrective action program" in the FY '01 budget - interpreted by EPA to mean Superfund should adopt the same or similar goals.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: LARGE EXTENT

Question Weight:16%

Explanation: Historical reports from the early to mid-1990's indicate that the program struggled to achieve adequate site cleanup performance. Recent reviews conducted by both the GAO and EPA's Inspectors General have expressed support of the current human exposure and groundwater migration goals as an adequate interim strategy and have acknowledged success and results, but they stress that the program needs to refocus goals on final cleanup.

Evidence: GAO report (GAO/RCRED-93-15): Hazardous Waste - Much Work Remains to Accelerate Facility Cleanups. EPA IG report (2000-P-0028): RCRA Corrective Action Focus on Interim Priorities - Better Integration with Final Goals Needed. EPA IG report (2002-P-3): Evaluation of Superfund Environmental Indicators.

4.RG1 Were programmatic goals (and benefits) achieved at the least incremental societal cost and did the program maximize net benefits?

Answer: SMALL EXTENT

Question Weight:16%

Explanation: The program believes that the ability of a facility owner or operator to achieve human health and environmental protection in the short term from stabilization efforts allows for the greatest benefit given the least possible cost. For example, if a groundwater drinking supply was contaminated and was the only source of human exposures, the facility could achieve the short-term goal by providing an alternative water supply rather than cleaning up the contaminated groundwater which would be significantly more costly. An analysis that provided empirical evidence (regulation implementation, not just in conception such as RIAs) that deals specifically with a representative sample of corrective action activities is needed.

Evidence: Regulatory Impact Analyses conducted for the Proposed Subpart S regulations, CAMU regulations and HWIR-media regulations, Subpart S Withdrawal Notice (64 FR 54604), Corrective Action Completion Guidance (68 FR 8757)

PART Performance Measurements

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Measure: Current human exposures under control (baseline and target under development)

Additional Information: Goal measures the percentage of sites at which stabilization and/or final cleanup efforts have been sufficient to ensure that people are not being exposed to unacceptable levels of contamination that could be reasonably expected under current conditions.

Year	Target	Actual	**Measure Term:**	Long-term

Measure: Current human exposures under control (baseline and targets under development)

Additional Information: New 2006-2008 targets are needed to support revised baseline for associated long-term measure.

Year	Target	Actual	**Measure Term:**	Annual

Measure: Measure Under Development

Additional Information:

Year	Target	Actual	**Measure Term:**	Long-term (Efficiency Measure)

Measure: Migration of contaminated groundwater under control (baseline and targets under development)

Additional Information: Goal measures the percentage of sites at which stabilization and/or final cleanup efforts have been sufficient to ensure plumes of contaminated groundwater are not expanding above levels of concern or are not adversely affecting surface water bodies.

Year	Target	Actual	**Measure Term:**	Long-term

Measure: Migration of contaminated groundwater under control (baseline and targets under development)

Additional Information: New 2006-2008 targets are needed to support revised baseline for associated long-term measure.

Year	Target	Actual	**Measure Term:**	Annual

PART Performance Measurements

Program: Stratospheric Ozone Protection
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
100%	78%	82%	47%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The program's purpose is part of a global effort to protect human health and the environment through the restoration of the earth's protective ozone layer. The ozone layer shields earth from excessive ultraviolet (UV) radiation that causes skin cancer, cataracts, and immune suppression. Excessive UV radiation has also been shown to contribute to the reduction of crop yields; adversely impact aquatic organisms, particularly zooplankton, and amphibian and fish larvae; and accelerate the decay of polymers and other materials. This program implements the parallel requirements of Title VI of the Clean Air Act, the Montreal Protocol on Substances that Deplete the Ozone Layer, and subsequent amendments to the Protocol, as ratified by the United States.

Evidence: In 1990, the amendments to the Clean Air Act directed EPA to conform the U.S. phasedown schedule to the Montreal Protocol's requirements for developed nations, including interim reductions and specific exemptions.In the Preamble to the Montreal Protocol, the stated objective is "...protect[ing] the ozone layer by taking precautionary measures to control equitably total global emissions of substances that deplete it, with the ultimate objective of their elimination on the basis of developments in scientific knowledge, taking into account technical and economic considerations and bearing in mind the developmental needs of developing countries" and to 'protect human health and the environment against adverse effects resulting or likely to result from human activities which modify or are likely to modify the ozone layer"

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Measurements of stratospheric ozone taken since the 1970's over the Antarctic and Arctic have shown significant depletion of the ozone layer. Science has shown that this is due to emissions of chlorofluorocarbons (CFCs), halons, and other halogenated chemicals. Depletion of stratospheric ozone is an urgent environmental and public health problem because the ozone layer provides critical protection from solar UV radiation for life on the earth's surface. UV radiation is associated with a number of human health affects, and in particular was declared a known carcinogen by the U.S. Department of Health and Human Services in 2002. Skin cancer is the most common form of cancer in the U.S., accounting for 50% or more of all cancers. Rates of melanoma, the deadliest form of skin cancer, have increased 3-6% a year over the last 30 years, and the National Cancer Institute reports that incidence of melanoma has doubled since the mid-1970's, when the ozone hole was identified. In 2004, the American Cancer Society estimates over 59,000 new melanomas will be diagnosed,and over 10,000 deaths will occur due tomelanoma.

Evidence: The 2002 Science Assessment for the Ozone Secretariat of the United Nations Environment Program concluded that: 1) the ozone layer will remain particularly vulnerable over the next decade; 2) total chlorine abundance in the stratosphere is near its peak; and 3) bromine concentrations are still increasing.Continuous monitoring by satellites, aircraft, and weather balloons operated by the National Oceanic and Atmospheric Administration(NOAA), the National Aeronautics and Space Administration (NASA) Total Ozone Mapping Spectrometer (TOMS), and the International Centre for Antarctic Information and Research have demonstrated ozone layer destruction by ODS, and increased UV penetration to the earth's surface. The Surveillance, Epidemiology, and End Results (SEER) Program: Melanomas of the Skin, Trends in Incidence and Mortality by Race and Age, shows a 2.7 percent annual increase for melanoma incidence between 1981 and 2000 for people of all races, male and female, in the United States.

PART Performance Measurements

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100%	78%	82%	47%	

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: EPA's Stratospheric Ozone Program is the only governmental or private program in the U.S. designed and authorized to eliminate ozone-depleting substances (ODS). It is unique in providing for critical use exemptions, establishing import and export quotas for ozone depleting chemicals, allocating production allowances, and setting long-term phaseout schedules. EPA works with the Department of State to develop International ozone policy, but the Agencies have different roles in coordinating with and negotiating with other Parties to the Protocol. EPA's Significant New Alternatives Policy (SNAP) program reviews alternatives to ODS so as to to facilitate a safe and economically stable transition away from ozone depleting chemicals across multiple industrial, consumer, and military sectors. EPA actively seeks to avoid overlap with other existing regulatory authorities by deferring to standards established by relevant governmental agencies (e.g., OSHA) or private organizations, where applicable.

Evidence: Congress, in the Clean Air Act, delegated responsibility for programs that protect stratospheric ozone to EPA, with few exceptions. When working with other International parties to the Montreal Protocol, EPA generally prepares the initial positions for all international negotiations on ozone related issues., whereas the State Department ensures that the proposed positions are consistent with broader US policy goals.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: The program appears to have been designed to efficiently reduce the production, import, export, and emissions of ODS, and there is no strong evidence that another approach would be more effective. Since ozone depletion is fundamentally a global problem, the program has domestic and international components. Domestically, EPA has established market-based systems to meet ODS phasedown objectives while assuring that supply and demand are balanced in an efficient, reduced cost manner. Internationally, EPA participates through its contributions to the Mulitlateral Fund. The U.S. has a permanent seat on the Multilateral Fund Executive Committee and is able to oversee implementation of projects designed to enable developing countries to comply with the Montreal Protocol. Though there is no evidence of major flaws in this design, there is also no strong evidence that the U.S. Government could not get the same or better outcome by expending resources through a different mechanism.

Evidence: EPA estimates total costs of the program to be $57 billion (1990$, with a 2% discount rate) compared to health and ecological benefits between 1990 and 2165 estimated to be $4,300 billion. The U.S. has meet all phaseout schedules, and, in some cases, well ahead of deadlines initially established under the Montreal Protocol. It is estimated that so far allowance trading for CFCs saved industry $298 million, as compared to a command and control system (EPA Chlorofluorocarbon Taxes and Allowance Trading).

PART Performance Measurements

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100%	78%	82%	47%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: The program's resources reach the intended beneficiaries, which include the national and international communities. For the latter, the Multilateral Fund uses a compliance directed model to target resources to developing countries with specific schedules so that phaseout dates under the Protocol can be met. It also uses cost effectiveness criteria in prioritizing projects in developing countries and has several mechanisms in place to ensure that that the funds allocated to specific projects are accounted for and verified. EPA's domestic program reaches US producers and importers wishing to trade chlorofluorocarbon (CFC) allowances by creating a trading program and establishing an effective framework for trading. EPA aso provides dedicated assistance to producers and importers that trade allowances.

Evidence: The availability of stockpiles of ozone depleting chemicals and of alternatives are regularly evaluated in sector-specific UNEP Technical Options Committee reports (http://www.teap.org/reports.html), as well as by regular EPA reviews of industry data (e.g., Wickham 2002; Caleb 2000, 2001; ICF Solvent Market Report, 2004). These assessments provides up to date information on industry progress and obstacles to transitions so that the program can target its technology and information transfer, and needed regulatory adjustments to priority sectors. In a 1997 assessment of the Multilateral Fund, GAO found that the Fund "has a number of mechanisms in place that are designed to ensure that funds are properly accounted for and that the amounts of funds allocated to specific projects are reviewed and verified."

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 11%

Explanation: The program's purpose is to ensure that U.S. commitments are met to help restore the ozone layer. The program has several long-term outcome performance measures that meaningfully reflect this purpose. These measures include the specific goals and deadlines in the Montreal Protocol and Title VI of the Clean Air Act (CAA). The measures fall into three categories: health effects (reduction in skin cancers), atmospheric chemical loading, and consumption of Class II ODS (HCFCs). The consumption measure is considered an outcome measure because elimination of consumption correlates directly to elimination of emissions.

Evidence: See Measures tab.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight 11%

Explanation: Ambitous targets and timelines have been established. Consumption reduction targets are based on ODS phaseout targets and timeframes specified in the Clean Air Act and Montreal Protocol, with the final target of elimination of production and import in the U.S. of all ozone depleting substances by 2030. Atmospheric loading targets are based on US production and importation reported to EPA annually and concurrent with periodic WMO Scientific Assessments, which are every 5 years. Health effects targets are quantified and ambitious, but extremely long term, and a counterfactual baseline will make verification impossible.

Evidence: See Measures tab.

PART Performance Measurements

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Type(s): Regulatory Based

Section Scores				Rating
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100%	78%	82%	47%	

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight:11%

Explanation: The program has an annual performance measure that demonstrates progress toward achieving its specific goals and those of the Montreal Protocol and Clean Air Act. The annual measure uses consumption targets to track progress towards meeting long term goals. This measure is considered an outcome measure because elimination of consumption correlates directly to elimination of emissions. The program is currently developing an efficiency measure using cost per chemical tons consumption avoided, by chemical or chemical class (the cost would include industry costs).

Evidence: See Measures tab.

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight:11%

Explanation: Baselines have been established and ambitious annual targets have been developed for 2003 through 2019 for Class II ODS, based on the phaseout steps required by the Montreal Protocol.

Evidence: See Measures tab.

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight:11%

Explanation: The program uses contractors, state grantees (via a portion of the 105 grant), other federal agencies and grantees in the academic community for data analysis and collection assistance. Contractors and grantees (other than academic) commit to the long-term goals of the program through contract and annual grant agreements. EPA and state grantees have a Core Performance Measures agreement, wherein states are responsible to report progress on meeting program goals. Contractor work is reviewed and is subject to an evaluation process.

Evidence: EPA contract and grant documentation. Stratospheric ozone program grant proposals and published results.

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight:11%

Explanation: Independent organizations have performed evaluations of program effectiveness, but the only evaluations of suitable scope focus on the Montreal Protocol and are not specifically related to the effectiveness of EPA's Stratospheric Ozone program.

Evidence: Reports on EPA and US implementation of the Stratospheric Ozone Protection program have been conducted by the EPA Inspector General, the General Accounting Office, World Resources Institute, World Meteorological Organization, the Global Environmental Technology Fund and the Montreal Protocol's Technology and Economic Assessment Panel of the Multilateral Fund..

PART Performance Measurements

Program: Stratospheric Ozone Protection
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2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight:11%

Explanation: The Agency estimates and budgets for the full annual costs of operating the regulatory and international programs. Compliance and enforcement activities in support of stratospheric ozone goals are not included in program's budget. The Agency's financial information is integrated with performance and other program data to support day-to day decision making of managers and executives. However, the budget presentation does not make clear the impact of proposed funding on expected performance. The program has not shown that it can demonstrate how changes in funding affect performance.

Evidence:

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:11%

Explanation: The program regularly reviews planning efforts and reviews its annual business plan in a mid-year report. This gives the program an opportunity to continuously review performance and make corrections to ensure annual goals are met. When deficiencies are identified, resource and programmatic allocations are modified accordingly. An example of how the program addresses problems associated with ODS phaseout is the way exemptions have been created for applications where alternatives are not fully developed. For example, HCFC-141b was phased out in January 2003. The vast majority of users found effective alternatives in time for the phaseout. To address the needs of the remaining users, an exemption program was established to allow production for those who could demonstrate significant technical hurdles in using alternatives and a lack of access to stockpiles. In 2004, exemptions were granted for new production of HCFC-141b for critical applications including the Space Shuttle and defense systems. In addition, the program has created an efficiency measure, the results of which will assist the program in its strategic planning.

Evidence: Each year for phased out chemicals, the program evaluates needs and authorizes production for critical and essential uses such as metered dose inhalers to treat asthma. Since the phaseout of CFC, the program has authorized new production of between 3,000 and 5,000 ODP-weighted metric tons per year, as approved by the Parties to the Montreal Protocol, for use in metered dose inhalers.

2.RG1 **Are all regulations issued by the program/agency necessary to meet the stated goals of the program, and do all regulations clearly indicate how the rules contribute to achievement of the goals?** Answer: YES Question Weight:11%

Explanation: The program has only implemented regulations that are necessary to protect human health associated with ozone depletion. All measures have been presented to relevant stakeholders to ensure no unnecessary regulations have been put forward. Rule preambles and guidance documents are clearly written and describe how the rule would contribute to the achievement of specific program goals.

Evidence: 1 Sections 604, 606, 608, 609, 610, 611, 612 and 613 of the Clean Air Act2 Article 2 of the Montreal Protocol specifies ODS for phaseout and Section 614 of the Clean Air Act requires EPA to meet the Protocol requirements3 Policies and Guidelines of the Multilateral Fund www.unmfs.org.

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100%	78%	82%	47%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 9%

Explanation: The program tracks the amount of ozone depleting substances being produced and exported, or used for certain small exceptions or technical and public health reasons, through EPA's Ozone Depleting Substances Tracking System. A 2003 quality assurance audit of the program's tracking system found that the system was accurate and comprehensive in meeting the goals of the program to maintain updated ODS production/export/import data. The program also relies on information from other federal agencies. For example, National Aeronautics and Space Administration (NASA) monitors the ozone layer and collects measuresments daily with Total Ozone Mapping Spectrometers (TOMS). In addition, the National Oceanic and Atmospheric Administration (NOAA) also monitors the ozone layer with satellite, air-borne, and ground-based instruments. These instruments directly measure stratospheric ozone in addition to conditions that change the composition of the ozone layer. This information allows allow EPA to judge progress made in stratospheric ozone recovery and to determine if further measures are necessary to reach adequate concentrations. The program conducts ongoing, real-time evaluations of all contractors on each individual work assignment to assure that data and analyses are of high quality.

Evidence: NASA data is posted at http://toms.gsfc.nasa.gov/ozone/ozone.html. NOAA data are provided for the North and South Pole and for total global ozone. Data can be accessed at http://www.ozonelayer.noaa.gov/data/data.htm. EPA, the National Science Foundation, the Smithsonian, NOAA's Office of Global Programs' Surface Radiation Budget Network, and the U.S. Department of Agriculture, all maintain ground-based instruments to monitor ultraviolet radiation reaching the earth's surface daily. EPA regularly reviews performance information that is presented for consideration by the Multilateral Fund's Executive Committee. This includes data on project costs, administrative cost, capital cost expenditures, operational cost expenditures, ODS reductions achieved, project timeliness, and administrative costs.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight: 9%

Explanation: The program's annual performance goals are included in managers' performance standards reviews. All managers responsible for implementation of Title 6 of the Clean Air Act have specific performance goals in their standards to which they are held on a continuing basis throughout the year. Contractors are evaluated on an ongoing basIs, and upon completion of a project. The Fund requires submission of a project completion report when each project is completed. The report reviews the performance, cost, and on-time delivery of the agency. In addition, every year the Fund evaluates the status of each project in the agencies' portfolio of projects. Each recipient's performance is measured on the basis of 7-10 performance criteria including the cost of project preparation, cost of tonnage reduced, timeliness of first disbursement on projects and project delivery. This evaluation yields a grade for each funds recipient, which is taken into account in the assignment of future work to each recipient.

Evidence: Examples of performance standards for managers of the Stratospheric Ozone Protection Program.Policies and Guidelines of the Multilateral Fund www.unmfs.org

PART Performance Measurements

Program: Stratospheric Ozone Protection
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Section Scores				Rating
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100%	78%	82%	47%	

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight: 9%

Explanation: EPA program funds are tracked through EPA's IFMS. Individual expenditures are approved by managers to ensure that they are spent for the intended purpose. Managers also review progress of obligations throughout the year to insure timely, prudent obligation of funds to effective recipients The EPA portion of Multilateral Fund funds are paid for with promissory notes, which allow the Treasury to keep the related funding until it is actually needed for project implementation. The Executive Committee review of projects and their subcomponents ensures that all eligibility criteria are met. Audits under the Fund ensure that funds are spent for their intended use.

Evidence: EPA's Financial Data Warehouse allows program managers to see that grants funds are being expended in a timely manner. Grants have periodic (usually quarterly) progress reports that track progress.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: YES Question Weight: 9%

Explanation: The Stratospheric Ozone Protection Program routinely awards contracts through full and open competition in compliance with EPA rules and procedures. All acquisitions over $2,500 but not exceeding $100,000.00 are competitively awarded unless an exception exists under FAR 13.106-1(b). Procurements undergo a cost analysis that facilitates cost comparisons between contractors and between the contractor costs and independent government cost estimates. Grant funding is also awarded in accordance with the Agency's competitive award policy (7/15/2002).IT improvements will continue to produce efficiencies and achieve cost savings. For example, the Stratospheric Ozone Protection Program saved an estimated $ 200,000/year for each of the past three years by transforming its staffed hotline response method to an automated faxback system. Another high priority IT improvement is EPA's ODS Tracking System, which would reduce burden on the regulated community to report and reduced cost to EPA to evaluate the status and trends of the ODS phaseout.

Evidence: EPA grants competition policyResource and Office Management Team benchmark presentations

PART Performance Measurements

Program: Stratospheric Ozone Protection
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
100%	78%	82%	47%	

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 9%

Explanation: The program regularly collaborates and coordinates effectively with related Federal, State, local, international, and private programs. EPA has worked closely or coordinated efforts with NASA, NOAA, the Department of State, the Department of Agriculture, FDA, DoD, the U.S. Coast Guard, FAA, GSA, as well as international bodies such as the International Maritime Organization (IMO) and the International Commercial Aviation Organization (ICAO) to reduce or eliminate use of ODS and replace them with safe and effective alternatives. EPA continues to work closely with the U.S. Customs, DoJ, and IRS to enforce against illegal imports of halons and CFCs. The effectiveness of EPA's collaborative efforts is demonstrated by the successful elimination of ODS production and adoption of non-ODS alternatives by Federal agencies, continued international progress in meeting Protocol targets, and the granting of the full amount of the US's nominations for essential use exemptions every year since 1996.

Evidence: Interagency Agreements with the Departments of the Army, Navy, and Air Force; Joint Letter from EPA and FAA to the Aerospace Industries Association of America; National Fire Protection Association; (NFPA) 2001 Standard Grant with Halon Alternatives Research Corporation; Draft ISO Standard for Fire SuppressantsIMO Maritime Directives for Fire Protection under SOLASOther examples:Working closely with US Customs, the Department of Justice, and the IRS, over 114 convictions have been made and 2 million pounds of ODS have been seized from joint actions on illegal imports. Working with the General Services Administration (GSA) and the Department of Defense, EPA has adopted regulations that require all federal agencies to conform their procurement regulations to the policies of the Act and maximize the substitution of alternatives for Class I and II substances (40 CFR Part 82 Subpart D)

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 9%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. EPA received an audit opinion on its FY 2002 financial statements and had no material weaknesses associated with the audit. The Stratospheric Ozone Protection Program has no material weaknesses as reported by the Office of the Inspector General. The program has procedures in place to ensure that payments are made for the intended purpose to minimize erroneous payments. Use of EPA's Financial Management Warehouse allows timely, accurate information on expenditures for specific purposes, supporting the program's daily operations.

Evidence: IG's FY 2003 Identification of material weaknesses. EPA's grants office recently audited a random sample of the program's grants and found no problems (most recent audit completed in March, 2004; draft report expected later in 2004).

PART Performance Measurements

Program: Stratospheric Ozone Protection
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
100%	78%	82%	47%	

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 9%

Explanation: The program has a systematic approach for conducting program reviews that address issues in compliance with the Federal Managers' Financial Integrity Act. Program managers regularly review progress on individual projects and program goals to ensure that goals are being met. In addition, contracts and grants are both periodically audited to identify grant and contract management deficiencies. Contract officer representatives must review progress monthly to identify any potential problems and to track spending and progress toward goals. The program contract officer meets multiple times yearly with contractors to identify, discuss, and resolve deficiencies identified by contract officer representatives during monthly reviews. Contract officer representatives rate contractors annually on their performance, and program managers must review and agree to these ratings, allowing further opportunity to identifying problems.

Evidence: The program has implemented recommendations included in reviews by the IG and GAO, and in audits of contracts and grants. For examples, the program introduced competition for grants, improved documentation of cost and budget reviews for grants, and began requiring employee performance standards to address grants management. Similarly, there are now procedures in place for competition for contracts, documentation of cost and budget reviews for grants, requiring employee performance standards to address contracts management, and further documenting issues arising during contract performance. In the summer of 2003, the program's contract officer (CO) expressed concerns regarding contractor financial management of a contract. EPA staff performed an audit in March 2004 and the results were reported via Financial Monitoring Report number FARNSCASSNO 4DFM001. The CO has since established a Plan of Action and Milestones (POAM) which included corrective actions the contractor must take to correct deficiencies.

3.RG1 Did the program seek and take into account the views of all affected parties (e.g., consumers; large and small businesses; State, local and tribal governments; beneficiaries; and the general public) when developing significant regulations? Answer: YES Question Weight: 9%

Explanation: EPA initiated development of The Industry Cooperative for Ozone Layer Protection (ICOLP) to help industries eliminate ODS in their manufacturing processes through an information-exchange of individual industry discoveries and procedures. The program has created workgroups on an ad hoc basis to bring together stakeholders to address specific research, technical, or policy issues.Program staff serve on national and international committees and workgroups where stakeholder views are regularly heard. In developing significant regulations, the program has provided regular informational briefings. SNAP brings together input from a range of stakeholders ' chemical and equipment manufacturers, user groups, trade groups, governmental agencies - to assist in the review of substitutes and help promote the development of innovative technologies. SNAP staff participate in industry conferences and meet regularly with affected businesses so that their concerns are heard directly. EPA representatives serving on the Executive Committee consider the views of affected parties in all Executive Committee decisions.

Evidence: Program rulemaking documents: www.epa.gov/ozone/title6 and www.epa.gov/ozone/snap/regs Regular meetings with with industry associations including the Alliance for Responsible Atmospheric Policy , and many sector-specific groups such as the Association of Home Appliance Manufacturers, the Spray Polyurethane Foam Association, the Polyisocyanurate Manufacturing Association, the Halogenated Solvents Industries Association, the Halon Alternatives Research Corporation, the Crop Protection Coalition, and the National Fire Protection Association (NFPA).

PART Performance Measurements

Program: Stratospheric Ozone Protection
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
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3.RG2 **Did the program prepare adequate regulatory impact analyses if required by Executive Order 12866, regulatory flexibility analyses if required by the Regulatory Flexibility Act and SBREFA, and cost-benefit analyses if required under the Unfunded Mandates R**

Answer: NO Question Weight: 9%

Explanation: RIAs and EIAs include cost and benefit comparisons, but these analyses do not always comply with OMB guidelines.

Evidence: Program rulemaking documents: www.epa.gov/ozone/title6 and www.epa.gov/ozone/snap/regs

3.RG3 **Does the program systematically review its current regulations to ensure consistency among all regulations in accomplishing program goals?**

Answer: NO Question Weight: 9%

Explanation: Regulations are reviewed and updated where needed to ensure compliance with international obligations and to ensure consistency within the program, but there is currently no plan in place for systematic review of regulations.

Evidence: There is evidence that the program reviews its regulations, and that changes have been made as a result, but the program needs to show evidence of a plan or process to conduct this exercise on a regular basis.

3.RG4 **Are the regulations designed to achieve program goals, to the extent practicable, by maximizing the net benefits of its regulatory activity?**

Answer: YES Question Weight: 9%

Explanation: As part of regulation development, the program assesses (formally or informally) how each additional regulation impacts industry and the general public. Though , there is limited data on costs and benefits, there is evidence that the program designs its regulations to minimize the cost burden to the extent possible within its statutory framework.

Evidence: Program rulemaking documents: www.epa.gov/ozone/title6 and www.epa.gov/ozone/snap/regs

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?**

Answer: SMALL EXTENT Question Weight 20%

Explanation: The program, including program partners, has demonstrated some progress towards long-term performance goals for the United States. Small extent is given because the program's major goals are extremely long-term (25-160 years) and it is not yet possible to determine whether the program is on track to meet these goals. Also, the program's health effects measure currently uses a counterfactual baseline that would make verification impossible. Converting this measure to a population rate of skin cancer prevalence and establishing an actual baseline will allow the program to demonstrate whether or not it is able to meet this goal.Additional phase-outs in individual sectors and in other countries are necessary to meet the program's health-based long term outcome goals, so it will also be important for the program to show that worldwide reduction targets are likely to be achieved.

Evidence: The National Oceanic and Atmospheric Administration (NOAA) reported that in 1995, the total amount of ozone depleting substances (ODS) in the lower atmosphere declined for the first time. The 2002 WMO Scientific Assessment concluded that concentrations of atmospheric chlorine appear to be stabilizing, and the rate of increase in bromine is slowing. The consensus is that the ozone layer will recover sometime in the middle of this century, but only if there is worldwide compliance with the Protocol. Consumption of HCFCs was reduced from a baseline of 15,240 ODP tons in 1989 to approximately 10,000 ODP tons in 2003. Methyl bromide consumption has been gradually reduced from 25,528 metric tons in 1991 to 6,507 metric tons in 2003.

PART Performance Measurements

Program: Stratospheric Ozone Protection
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
100%	78%	82%	47%	

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: LARGE EXTENT Question Weight 20%

Explanation: The program, including program partners, has achieved past annual performance goals. In fact, the program will no longer use a measure representing Class I ODS consumption because the phase-out was successfully completed (not including critical and essential use exemptions approved by the Montreal Protocol Parties). The program appears to be on track to meet its Class II ODS (HCFC) annual measures.

Evidence: 1 Annual Report of Production and Import of ODS to UNEP2 GPRA Performance Report3 2002 Scientific Assessment of Ozone Depletion (WMO)4 EPA Tracking System5 Policies and Guidelines of the Multilateral Fund www.unmfs.orgSee Section 4.1 for a description of reduced chlorine in the atmosphere and expected leveling off of ozone concentrations. Consumption of HCFCs was reduced from a baseline of 15,240 ODP tons in 1989 to approximately 10,000 ODP tons in 2003.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: SMALL EXTENT Question Weight 20%

Explanation: The program shows evidence of cost-effectiveness and managerial efficiencies, but the program is not yet able to make a strong demonstration of improved efficiencies in achieving program goals. Once the new goals have been firmly established and the program has gathered several years of data for its new efficiency measure, it is likely that it will be able to demonstrate tangible efficiency gains.

Evidence: EPA estimates total costs of the program to be $57 billion (1990$, with a 2% discount rate) compared to health and ecological benefits between 1990 and 2165 estimated to be $4,300 billion. Another demonstration of cost-effectiveness is by the growing availability of approved alternatives. In general, the cost of ODS substitutes has been stable or has progressively declined each year since the mid-1990s. By ensuring that alternatives have been made available ahead of the phaseout schedule and at prices comparable to the ODS they are replacing, the program has reduced costs.Efforts to eliminate unnecessary emissions and illegal imports of ODS have also demonstrated increased efficiency. For example, penalties on CFC smuggling operations imposed by US Customs and the Justice Department, as part of EPA's interagency task force have increased substantially each year, without corresponding increases in program resources.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: NA Question Weight: 0%

Explanation: EPA's Stratospheric Ozone Program is the only governmental or private program in the U.S. designed to eliminate ozone-depleting substances (ODS), so a comparison with otherer similar programs is not applicable.

Evidence: While a comparison with other Federal, State, local, is not applicable here, many of the program's regulatory approaches have been used as models by other countries. EPA's policy approach has also allowed the U.S. to avoid the negative economic and environmental impacts created in other countries which have taken different approaches. For example, whereas EPA's policy approach involves recovery, recycling, and reuse of ODS, some other countries have mandated decommissioning of equipment using ODS, with the unintended negative consequence that end users have released ODS stockpiles, resulting in unnecessary damage to the ozone layer.

PART Performance Measurements

Program: Stratospheric Ozone Protection
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
100%	78%	82%	47%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: LARGE EXTENT Question Weight 20%

Explanation: Independent evaluations indicate that the elimination of ozone depleting substances in the U.S. and other developed countries is resulting in a reduction of ozone-depleting compounds in the ozone layer. Recent scientific studies indicate that the concentration of ozone-depleting bromine in the atmosphere has begun declining, and that the level of ozone-depleting chlorine is no longer increasing. Other independent evaluations focusing on the Multilateral Fund, including triennial replenishment evaluations by the Protocols Technology and Economic Assessment Panel, annual country by country reports on compliance, and a 1997 GAO report indicate that the program has been effective in achieving some of its goals. All of these evaluations, however, have not been of sufficient scope or regularity to determine whether EPA is on track to meet health-based outcome goals such as reduced skin cancer prevalence.

Evidence: 1 Office of the Inspector General Audit Report, 19982 2002 Scientific Assessment of Ozone Depletion. WMO3 1997 GAO Report on Multilateral Fund

4.RG1 **Were programmatic goals (and benefits) achieved at the least incremental societal cost and did the program maximize net benefits?** Answer: SMALL EXTENT Question Weight 20%

Explanation: There is evidence suggesting that programmatic goals were achieved cost-effectively by using creative solutions involving stakeholders. By allowing greater flexibility in ozone depleting substances (ODS) substitutes that may be used and by issuing tradable allowances to producers to obtain emission reductions leading up to a complete phase-out, industry is able to minimize costs of implementation. However, demonstration that the net benefits of the current program are higher than reasonable alternatives is necessary for a Yes. The program needs to show consistent analysis of alternative approaches to demonstrate that its regulatory approach mazimizes net benfits.

Evidence: 1 Benefits and Costs of the Clean Air Act 1990 to 20102 EPA Chlorofluorocarbon Taxes and Allowance Trading3 RIA: Protection of Stratospheric Ozone, Vol 1: Regulatory Impact Analysis Document, 1988

PART Performance Measurements

Program: Stratospheric Ozone Protection
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
100%	78%	82%	47%	

Measure: Elimination of US consumption of Class II ozone depleting substances, measured in tons/yr of ozone depleting potential (ODP).

Additional Information: Does not include critical and essential use exemptions approved by the Montreal Protocol Parties

Year	Target	Actual	**Measure Term:** Long-term
2010	<5330		
2015	<1520		
2020	<76		
2030	0		

Measure: Reductions in melanoma and nonmelanoma skin cancers, measured by millions of skin cancer cases avoided.

Additional Information: EPA will use Facts and Figures from the American Cancer Society and CDC's Morbidity and Mortality Reports (MMR), to assess the number of cases of skin cancer (melanoma and•non-melanoma).

Year	Target	Actual	**Measure Term:** Long-term
2050	10		
2070	48		
2165	299		

Measure: Percent reduction in equivalent effective stratospheric chlorine loading rates, measured as percent change in parts per trillion of chlorine per year (ppt/yr).

Additional Information: Based on US production and importation reported to EPA annually and concurrent with periodic WMO Scientific Assessments, which are every 4 years. Baseline is 2000.

Year	Target	Actual	**Measure Term:** Long-term
2000	Baseline	-22 ppt/yr	
2008	-35%		
2012	-50%		

PART Performance Measurements

Program: Stratospheric Ozone Protection
Agency: Environmental Protection Agency
Bureau: Office of Air and Radiation
Type(s): Regulatory Based

Section Scores				Rating
1	2	3	4	Adequate
100%	78%	82%	47%	

Measure: Remaining U.S. consumption of HCFCs, measured in tons of ozone depleting potential (ODP).

Additional Information: Does not include critical and essential use exemptions approved by the Montreal Protocol Parties.

Year	Target	Actual	**Measure Term:** Annual
2003	<9,900		
2004	<9,900		
2005	<9,900		
2006	<9,900		
2007	<9,900		
2008	<9,900		
2009	<9,900		

Measure: Cost (industry and EPA) per ozone depletion potential (ODP)-ton phase-out targets. (Targets under development).

Additional Information: Denominator is consumption avoided compared to estimated consumption without the program.

Year	Target	Actual	**Measure Term:** Long-term

PART Performance Measurements

Program: Superfund Remedial Action
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
80%	75%	86%	27%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of the Superfund Remedial Program is to protect human health and the environment by cleaning up abandoned and contaminated properties and responding to releases of hazardous substances into the environment. EPA statutory authority to achieve this mission is clear. Section 121 of CERCLA specifies that Superfund's cleanups shall be protective of human health and the environment, as well as meet cleanup standards outlined in other Federal environmental statutes. The National Oil and Hazardous Substances Pollution Contingency Plan (NCP), the governing regulation for the Superfund program, establishes clear program expectations for cleaning sites to levels protective of human health and the environment.

Evidence: EPA FY 2003 ' 2008 Strategic Plan CERCLA, 42 U.S.C. section 9604 (Response authorities)CERCLA, 42 U.S.C. section 9606 (Abatement actions)CERCLA, 42 U.S.C. section 9621 (Cleanup standards)NCP, 40 C.F.R. section 300.430

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Uncontrolled releases at Superfund hazardous waste sites may threaten human health, the environment, and the economic vitality of local communities. When responsible parties are not identifiable or financially viable, or when the responsible parties are federal government entities, or when releases affect more than one State, the States may not have the capacity or authority necessary to address these threats.

Evidence: Sites currently listed on the NPL include 158 federal facilities sites and 1,078 non-federal sites that require federal attention.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: By design, the Superfund Remedial Program is a program of last resort which addresses, via the National Priorities List (NPL), the Nation's most contaminated sites. Before adding a site to the NPL, EPA goes to great lengths to ensure that all other avenues of cleanup have been considered, including: (1) working with states to determine if they have sufficient authority and capacity to address the sites themselves, (2) engaging with potentially responsible parties (including other federal agencies) to determine if they can implement cleanup activities without having to resort to NPL lsiting, and (3) assessing whether other federal authorities may be used to conduct the cleanup rather than CERCLA. Sites are listed on the NPL only after careful evaluation of the hazards posed, determination that no other entity can or will address the situation, and after receipt of a state 'Governor's Concurrence Letter' supporting the listing.

Evidence: CERCLA, 42 U.S.C. section 9620 (Federal Facilities);CERCLA, 42 U.S.C. section 9622 (Authority to Enter into Agreements);NCP, 40 C.F.R. Part 300, Subpart F (State Involvement in Hazardous Substance Response);CERCLA 101(39)(B)(ii) (NPL exclusion from Brownfields program)H.R.3019 Omnibus Appropriations and Rescissions Bill for FY 1996, Amendment 74;11/14/96 Memo 'Coordinating with the States on National Priorities List Decisions;'7/25/97 Memo 'Coordinating with the States on National Priorities List Decisions;ASTSWMO Cooperative Agreement Proposal;One Cleanup Program Index;

PART Performance Measurements

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80%	75%	86%	27%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: There is no strong evidence that a different program design would be more efficient or effective than the current one. The Superfund Remedial program solicits and promotes active involvement of states, tribes, responsible parties and other stakeholders. Superfund has been the focus of many examinations of its performance over the years, both internal and external. Despite the open forum for discussion of such alternatives, there have been thus far no overall design change proposed by stakeholders or other groups. Similarly the program's numerous audits and other reviews have similarly not pointed out design flaws.

Evidence: Superfund Reforms Overview FY 2003GAO Report: 'Superfund: Information on EPA's Administrative Reforms.'John Quarles and Michael Steinberg, 'The Superfund Program at its 20th Anniversary.''A Chemical Industry Perspective on EPA's Superfund Administrative Reforms.'GAO Report: 'Superfund: Extent to Which Most Reforms Have Improved the Program is Unknown.' (p.6)NAPA, 'Environment.gov: Transforming Environmental Protection for the 21st Century.'

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: NO Question Weight 20%

Explanation: The Superfund Remedial Program is targeted to address only sites on the NPL, the Nation's most contaminated sites that are of federal interest due to their potential risk. NPL sites are prioritized in the NPL listing process, under which sites are listed only after careful evaluation of the hazards posed, determination that no other entity can or will address the situation, and after receipt of a state 'Governors Concurrence Letter' supporting the listing. However, a large portion of overall Superfund resources are not charged to individual sites/operations. There is not sufficient evidence to find that resources charged for program management, policy and administrative support directly address program purpose.

Evidence: National Remedy Review Board website homepageNational Risk-Based Priority Panel website homepageFact Sheet, 'Site Assessment ' Regulatory Aspects.'Fact Sheet, 'NPL Candidates Priority Categories.''Site Assessment: The Big Picture.'Resources for the Future, Report to Congress, 2001. 'Superfund's Future: What Will It Cost?'

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 13%

Explanation: The Superfund Remedial Program has two long-term outcome-based performance measures that support clean up and reuse of contaminated land: Human Exposures Under Control and Groundwater Migration Under Control. These measures track progress in controlling all unacceptable human exposure contaminant pathways at sites listed on the NPL. Beginning in FY 2004, the Program also tracks Acres of Land Ready for Reuse.

Evidence: The measures are listed in EPA's 2003-2008 Strategic Plan as a strategic target to track progress on the proposed goal-objective of "Restore Land."Superfund Program Implementation Manual (SPIM)SCAP 15 Report

PART Performance Measurements

Program: Superfund Remedial Action
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
80%	75%	86%	27%	

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight:13%

Explanation: The targets for existing measures do not appear to be ambitious based on the actual results reported for 2003 which are more than two times the target in subsequent years, but the agency is still assessing the accuracy of the actual results for this recently-implemented measure. The proposed targets currently are under review and will be finalized after two years of actual results have been collected. The program is developing baselines and targets for new measures.

Evidence: See Measures tab for targets and actuals results.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:13%

Explanation: The program has an annual outcome performance measure and a new output efficiency measure. The annual outcome measure tracks the number of sites with remedy construction completed. An additional output measure tracks the number of final site assessment decisions completed.

Evidence: The outcome measure is listed in EPA's 2003-2008 Strategic Plan as a strategic target to track progress on the proposed goal-objective of "Restore Land."Superfund Program Implementation Manual (SPIM)SCAP 15 Report

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight:13%

Explanation: The target for the outcome performance measure that assesses the number of Superfund sites with remedy construction completed is ambitious given the reported increase of large and complex sites. The targets for the output measure do not appear to be ambitious, but the agency is still assessing the accuracy of the actual results for this recently-implemented measure.

Evidence: See Measures tab for targets and actuals results.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight:13%

Explanation: State-lead Superfund projects report on performance related to the long-term and annual goals. A new interim policy initiated in February 2004 requires all assistance agreements, e.g., grants and cooperative agreements, to describe how the program/project work plan supports the goals of the Agency's Stategic Plan. By the end of FY06, the program expects that all Superfund Remedial Action cooperative agreements will be in compliance with the policy.

Evidence: Superfund Program Implementation Manual (SPIM)Performance Standard Element for Grants and Contracts

PART Performance Measurements

Program: Superfund Remedial Action
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Direct Federal

Section Scores				Rating
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80%	75%	86%	27%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight:13%

Explanation: The Superfund Program is often evaluated by independent, outside parties. Superfund has been the subject of multiple IG and GAO audits of the Program since 1990. Although independent evaluations have been conducted for the program, the assessment methodologies do not meet the quality criteria for determing the impact of the program.

Evidence:

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight:13%

Explanation: The Agency estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy and legislative changes. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification. Presentation to Congress of the Agency's budget, including resources for the Superfund program, include alignment to its Strategic Plan goals.The program is able to show how changes in funding relate to changes in performance.

Evidence: Annual Congressional JustificationBudget Automation System (BAS) reports. Example provided for marginal cost of new construction start under Superfund.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:13%

Explanation: The Superfund program is developing a new measure, Current and Long-Term Human Exposure Control (an expanded version of the Human Exposure Under Control measure), to better capture the exposure control benefits of all cleanup activites - from the earliest emergency removals to the long-term remediation projects. An ecological risk reduction indicator is also being developed, in conjunction with the RCRA program, to measure the degree to which the selected remedy protects the ecological receptors from contaminants at the site. Potential outcome efficiency measures are the focus of an ongoing feasibility study. The new Grants Management Policy requiring linkage of grantee activities with performance goals is being implemented this year.

Evidence: Measure Implementation Plans ATSDR 'Agency Vision, Mission and Strategic Goals.'Office of Grants and Debarment Interim Policy, February 2004.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: NO Question Weight:14%

Explanation: The Superfund Remedial Program collects performance information through the use of several interlocking systems (SPIM, SCAP, and CERCLIS/WasteLAN) designed as tools for Superfund program managers. Although well designed for program management, the official data repository (CERCLIS) has been evaluated by the OIG and found to have significant data quality issues that adversely affect accuracy and completeness of the data. The program does not agree with key OIG findings but does have significant efforts underway to modernize and improve CERCLIS.

Evidence: Superfund Program Implementation Manual (SPIM)SCAP 15 ReportOIG Report, March 2003, "Annual Superfund Report to Congress"

PART Performance Measurements

Program: Superfund Remedial Action
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
80%	75%	86%	27%	

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight:14%

Explanation: Managers' performance is tied to goals, and their performance standards will be further refined to track annual performance goals. Work assignment managers track the cost and performance of contractor program partners through the invoice and monthly progress reports. In addition, managers participate in evaluating contractor performance annually including a review of previous activities to ensure that the performance promised was delivered.

Evidence: HQ EPA Performance Plan OSTRI/RMD 2004Performance Standard Element for Grants and ContractsOSWER Post-Award Monitoring Checklist for GrantsEPA Project Officer Post-Award Evaluation Protocol ' Background Information

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight:14%

Explanation: Advice of Allowance (AOA) funds are distributed to EPA Regions quarterly and fully obligated each year for Superfund remedial work. At Midyear, Senior Superfund Management work closely with other managers to ensure funds will be obligated in a timely manner, as well as making decisions about low utilization rates, to determine if they need to shift funds to be better utilized for other projects. During the July/August timeframe, the utilization rate is also monitored quite closely to determine the availability and frequency with which funds are being obligated, to ensure deadlines will be met for the obligation of funds by 9/30.Each Region's grant's management office, conducts post-award monitoring of assistance agreements that tracks the draw-down of funds and enables them to assess the timeliness of resource obligations and commitments. Regular progress reports and audits of State programs demonstrate that funds are used for the intended purpose.

Evidence: In the Superfund Remedial Program, funds were 99.9% obligated in FY 2001 - 2003.Example progress reports and audit reports.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: YES Question Weight:14%

Explanation: All of the Superfund Remedial program classes of contracts are awarded under the competitive procedures outlined in the Federal Acquisition Regulation (FAR) The program has issued several major performance contracts and developed models for performance-based Statements of Work to be used in future contracts. The program monitors contract costs for program management versus direct costs and contractors are evaluated under an award fee mechanism on how well management costs are controlled.

Evidence: FAR Part 6, Part 36.6.Contract Laboroatory Program contact is an example performance-based contract.

PART Performance Measurements

Program: Superfund Remedial Action
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
80%	75%	86%	27%	

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight:14%

Explanation: The program's coordination with NGOs and tribal associations facilitates coordination and communication with state and tribal cleanup programs. To coordinate with other cleanup authorities, EPA Regions have mechanisms in place (e.g., Regional Decision Teams [RDTs]) that meet on major sites to determine the appropriate disposition for sites (e.g., best program or combination of programs to address each site). The Federal Remediation Technologies Roundtable is an interagency effort that promotes innovative technologies for remediation at all types of hazardous waste sites . A new initiative called the 'One Clean-up Program (OCP)" focuses on finding ways to enhance consistency across all waste cleanup programs nationwide.

Evidence: Factsheet entitled, 'Summary of Regional Decision Teams Information.' (05/19/03)ASTSWMO Cooperative Agreement ProposalOne Cleanup Program website homepage.Federal Remediation Technologies Roundtable publications.

3.6 Does the program use strong financial management practices? Answer: YES Question Weight:14%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives. EPA received an unqualified audit opinion on its FY02 financial statements and the Superfund program had no material weaknesses associated with the audit.

Evidence: Annual Congressional Justification.Budget Automation System (BAS) reports.Unqualified audit opinion on EPA FY02 financial statements.Fiscal Year 2002 Advice of Allowance Letter.2002 Integrity Act Report.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight:14%

Explanation: FY 2003, SF reported no new control weaknesses and reported progress on four management improvement efforts: Pipeline Management Review, CERCLIS Modernization, Management of Contract and Assistance Agreements, and NACEPT Dialogue. A past criticism leveled at the the Superfund Program was that the percentage of total contract costs expended for program management in its remedial contracts was too high. To remedy this, the Program took aggressive steps between between 1997 and 2002 to reduce these costs from a high of 14.6% down to 5.9%. Reorganization efforts in 2003: (1) consolidated resource management functions in one division for centralized oversight and efficiencies; (2) incorporated technology innovation efforts with cleanup support; (3) consolidated regional support functions for more consistent oversight of regional activities; and (4) created a central focus for science policy issues to focus on appropriate research needs and consistent applications.

Evidence: Federal Manager's Financial Integrity Act (FMFIA) FY 2003 Annual Report.Pipeline Management Review.CERCLIS Modernization: OMB Briefing May 1, 2003.Post-Award Assistance Agreement Reviews for 2004.Program Support Percentage Actuals through March 2003. NACEPT Report Draft

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: SMALL EXTENT Question Weight:20%

Explanation: The program achieves its targets for existing meaures, but has one long-term measure under development. The agency is still assessing the accuracy of the actual results for recently-implemented measures.

Evidence: Summarized in measures tab. EPA Annual GPRA Performance Report

PART Performance Measurements

Program: Superfund Remedial Action
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
80%	75%	86%	27%	

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: SMALL EXTENT Question Weight 20%

Explanation: The program achieves its targets for the annual performance measures, but does not have results for an acceptable efficiency measure. The agency is still assessing the accuracy of the actual results for recently-implemented measures.

Evidence: Summarized in measures tab. EPA Annual GPRA Performance Report

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: LARGE EXTENT Question Weight 20%

Explanation: While Superfund does not yet have data on its new efficiency measure, the Program still can show improved efficiencies over the past year as a result of program initiatives undertaken to ensure resources are used most efficiently. The Field and Analytical Services Teaming Advisory Committee (FASTAC) (Regional and HQ managers) improved existing analytical services for Superfund by revamping the Contract Laboratory Program (CLP). The Superfund Program has implemented over 60 reforms to make the program faster, fairer, and more efficient. These reforms have touched on all aspects of the program, from enforcement to innovative technologies to public involvement to risk assessment and cleanup. To date, the implementation of these reforms has resulted in a cost savings of approximately $1.7 billion in cleanup costs. Each reform has been institutionalized within the Superfund program.

Evidence: Contract Laboroatory Program contact is an example performance-based contract.Spreadsheets tracking reductions in overhead costs of prime contractors.Calculation of savings from new CLP contract.Examples of memoranda reporting on progress of reforms implementation and cost savings.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: NO Question Weight 20%

Explanation: Except for limited comparisons to State Superfund programs, there has not been a comparative evaluation of the Superfund program and other waste cleanup programs. Evidence provided to date does not address the question of whether the federal program does as good or better at meeting performance goals than State or PRP-led cleanups.

Evidence:

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results? Answer: NO Question Weight 20%

Explanation: Although evaluations have been performed, they do not meet the criteria for independence, scope and quality.

Evidence:

PART Performance Measurements

Program: Superfund Remedial Action
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
80%	75%	86%	27%	

Measure: Additional Superfund sites with human exposures under control (exposure pathways are eliminated or potential exposures are under health-based levels for current use of land or water resources)

Additional Information: Environmental indicator tracking the elimination or control of human exposure pathways at NPL sites. The 2002 baseline is 1199 sites representing 80% of NPL sites.

Year	Target	Actual	**Measure Term:** Long-term
2003	10	28	
2004	10		
2005	10		
2006	10		

Measure: Additional Superfund sites with contaminated groundwater migration under control.

Additional Information: Environmental indicator tracking the elimination or control of migration of groundwater at NPL sites. The 2002 baseline is 772 sites representing 61% of NPL sites.

Year	Target	Actual	**Measure Term:** Long-term
2003	10	54	
2004	10		
2005	10		
2006	10		

Measure: Acres of land ready for reuse

Additional Information: Declaring any parcel of land at a Superfund site to be available for reuse is a site-specific determination made by field personnel as a result of a review of the particular conditions at the site and the risk posed to human health and the environment by contaminants at the sites.

Year	Target	Actual	**Measure Term:** Long-term

PART Performance Measurements

Program: Superfund Remedial Action
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
80%	75%	86%	27%	

Measure: Percentage of Superfund spending that is obligated to individual sites each year. [Increases accountability of program overhead.]

Additional Information: By measuring the percentage of resources that are annually obligated site-specifically, EPA is better able to account for the use of resources to achieve cleanups on a yearly basis. Targets are provisional until baseline development is completed.

Year	Target	Actual	**Measure Term:** Annual
2005	56%		
2006	57.25%		
2007	58.5%		
2008	60%		

Measure: Annual number of Superfund sites with remedy construction completed.

Additional Information: Tracks NPL sites at which physical construction of all cleanup actions is complete, all immediate threats to human health have been mitigated and all long-term threats are under control.

Year	Target	Actual	**Measure Term:** Annual
2003	40	40	
2004	40		
2005	40		
2006	40		

Measure: Final Site Assessment Decisions completed

Additional Information:

Year	Target	Actual	**Measure Term:** Annual
2003	475	917	
2004	500		
2005	500		

PART Performance Measurements

Program: Superfund Remedial Action
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
80%	75%	86%	27%	

2006	500

OMB Program Assessment Rating Tool (PART)

Direct Federal Programs

Name of Program: Superfund Removal

Section I: Program Purpose & Design (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Is the program purpose clear?*	Yes	The statute defines the purpose of the program and grants authority to EPA to remove, or arrange for removal of released hazardous substances, pollutants or contaminants, consistent with the National Contingency Plan to protect public health and welfare and the environment. Federal Response Plan names EPA as the primary federal agency for hazardous materials response following a major disaster or emergency.	Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), Subchapter I, Section 9604(a)(1), and Federal Response Plan (Emergency Support Function #10).	20%	0.2
2	*Does the program address a specific interest, problem or need?*	Yes	The program addresses releases of hazardous substance into the environment that may present an imminent and substantial danger to the public health or welfare.	The National Response Center receives over 25,000 notifications annually, and about 14,000 are referred to EPA. Of these, EPA directly addresses 300 of the most serious and EPA also provides technical support and oversight for many other responses.	20%	0.2
3	*Is the program designed to have a significant impact in addressing the interest, problem or need?*	Yes	The program acts as a safety net for removals beyond the abilities of other government entities or private parties.	According to Resources for the Future (Superfund's Future, What Will It Cost), EPA receives approximately 5,000 notifications each year. EPA responds to about 300 that can not be handled by others. While EPA handles less than 10% of notifications, these are typically deemed more ones beyond the abilities of other parties.	20%	0.2

4	*Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?*	Yes	The program acts as a "safety net" for the states and territories for responding to removal actions. Removal capacities vary between states and even states with advanced programs do not have the capacity to address all removal actions. EPA's removal program is also used to mitigate effects of terrorist events, such as the cleanup of anthrax from the Senate Hart Building.	No other Federal agency is acting in a safety net capacity for States. Other Federal agencies have cleanup programs such as DOE and DOD, which cleanup their own contaminated areas. Coast Guard has limited removal functions typically confined to coastal areas. The Office of Homeland Securities National Strategy for Homeland Security identifies EPA as "responsible for decontamination of affected buildings and neighborhoods and providing advice and assistance to public health authorities" -- activities largely borne by the removal program.	20%	0.2
5	*Is the program optimally designed to address the interest, problem or need?*	Yes	No conclusive evidence that another mechanism would be more efficient/effective to achieve the intended purpose.	None.	20%	0.2
Total Section Score					**100%**	**100%**

Section II: Strategic Planning (Yes,No, N/A)					
Questions	**Ans.**	**Explanation**	**Evidence/Data**	**Weighting**	**Weighted Score**

1	*Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?*	No	The removal program has the goal of reducing imminent and substantial risks posed to people and the environment from releases of hazardous materials. The 300 annual removal actions have clear benefit, but there is no benchmark nor is there a baseline. There is no efficiency goal nor any goal that challenges managers to continously improve performance. While it is difficult to quantify the benefits of removals,(i.e. How much is the risk reduced by cleaning up anthrax from the Hart building?), **more mundane measures may focus on such things as "acres returned to use"**. EPA believes the largest obstacle to an efficiency measure is that the size and complexity of sites vary so much from year to year that it is difficult to compare between years. Another obstacle to developing an efficiency measure stems from incomplete and inconsistent data in EPA's primary Superfund database - CERCLIS.	None.	14%	0.0
2	*Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?*	Yes	EPA's output based performance measure of 300 removals each year does demonstrate site cleanup output achievements. An intuitive linkisk reduction to people and the environment is presumed. Please refer to Section 4, question 2 for a discussion of goals and progress.	Annual Plans, Congressional Justifications, FY04 Annual Performance Goal (APG) draft documents	14%	0.1
3	*Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?*	Yes	EPA Regions, and others that get direct EPA funding, commit to performance goals and information collection. Removal data is collected for central use through the CERCLIS database. EPA contractors take only site-specific actions under EPA direction; their performance is evaluated through Performance Evaluation Boards and award fees. Their accomplishments toward the annual performance is reported by Regions.	National Response Team documents, Contract Performance Evaluations, and CERCLIS	14%	0.1

4	*Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?*	Yes	Program is administered through the multi-agency/multi-level National Response System (NRS). EPA co-chairs with the US Coast Guard the Regional and National Response Teams, comprised of 16 Federal Agencies and state and local representatives. However, given the number of members of the National Response Teams, it is unclear if the overall Federal response is a streamlined or efficient as it might be.	A very active MOU with US Coast Guard that results in dozens of referrals per day, IAGs for funding transfers between agencies, Mission Assignments for work with FEMA, close coordination at Headquarters through National Response Team and in Regions through Regional Response Teams and Area Committees.	14%	0.1
5	*Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?*	No	Although a few independent evaluations have been conducted, most notably a 2001 RFF report (that focused more on expected future cost of the of the entire Superfund program rather than performance), **no process is in place to include the Removal Program as part of any regular, independent evaluation**.	None. One large impediment to performance reviews is the lack of qualit data. Reliance on current databases and information may lead to incorrect conclussions about the program.	14%	0.0
6	*Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?*	Yes	EPA has had success in integrating its budget requests with outputs. EPA has shown flexibility in shifting funds between parts of the Superfund program to optimize outputs.	Budget Submission and Congressional Justifications show alignment of program, Annual Plans, FY04 APG draft documents, Two supplemental appropriations in FY02	14%	0.1

7	*Has the program taken meaningful steps to address its strategic planning deficiencies?*	No	EPA does not have a systematic process of review and correction of strategic deficiencies. While management has been responsive to addressing emerging issues, long-term problems with strategic management remain. The CERCLIS database remains ineffective though the agency has begun to correct this. An example of EPA management being responsive to emerging issues has been the development of its Core Emergency response metric to measure its ability to respond to emergencies. Unfortunately, while this is a wise management tool, it does not measure the outcomes of the removal program -- there is still no evidence of the number of lives saved, injuries avoided, or ecosystem health protected by the metric.	FY01 pilot and FY02 baseline for Core Emergency Response evaluations.	14%	0.0

Total Section Score					**100%**	**57%**

Section III: Program Management (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?*	No	The agency targets 300 removals per year and collects data on progress toward that goal. However, there is no clear evidence that performance data are used to improve performance. EPA points out that removal projects are often competitive and the agency often selects contractors known to be effective and efficient. It is not clear whether there are regional difference that could highlight potential efficiency gains across the program.	None.	14%	0.0

2	*Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?*	Yes	On-Scene Coordinators evaluate daily cost reports from contractors. Regional contracting and project officers review invoices. EPA removal costs are regularly scrutinized by responsible parties being forced to pay and can be challenged in the courts. Removal actions are part of annual reports of EPA's Office of the Chief Financial Officer (OCFO). Managers in Regions and Headquarters have removal program management in performance agreements.	Removal Cost Management System, Annual reports, Performance agreements.	14%	0.1
3	*Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?*	Yes	Removal advice of allowance (AOA) funds are distributed to EPA Regions quarterly and fully obligated each year for taking removal actions and maintaining EPA's response readiness. Expenditures are tracked in EPA's Integrated Financial Management System (IFMS) database.	Reprogramming records	14%	0.1
4	*Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?*	No	While the majority of activities are conducted through competitive contracts, and other efforts to achieve efficiencies, the program lacks overall efficiency measures. It is unclear if the unit cost per removal is rising or falling.	Contract records, Performance Evaluation Reports	14%	0.0
5	*Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?*	Yes	The Agency does split out costs by agency goals and objectives that reflect their appropriated levels. The agency also has the ability to fairly estimate other full cost accounting targets such as retirement, which will be reflected as a memo entry in the FY 2004 budget.	EPA breaks down the cost of each activity and links them to the existing GPRA goal structure. Budget Automation System (BAS) reports - show rent, utilities, WCF, for key programs, including the Removal program.	14%	0.1

6	*Does the program use strong financial management practices?*	Yes	Program is included in the Agency's Planning and Budgeting Architecture and is visible in all budget documents. Auditors have not identified any material weaknesses in financial management practices and regions track all response expenditures for cost recovery purposes.	2001 Integrity Act Report; Planning, budget, and performance reporting documents.	14%	0.1
7	*Has the program taken meaningful steps to address its management deficiencies?*	Yes	The program has developed a work plan for FY 03 and beyond to implement recommendations of lessons learned reports and strategic plans.	OERR Workplan, Homeland Security Strategic Plan. World Trade Center and Anthrax Lessons Learned Reports	14%	0.1
Total Section Score					**100%**	**71%**

Section IV: Program Results (Yes, Large Extent, Small Extent, No)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?*	No	PART guidance criteria requires long-term outcome goals that are set relative to an established baseline, have clear time frames and targets, challenge program managers to continuously improve performance, and have at least one efficiency goal. For this year's assessment, if the program has addressed these criteria and has at least one long-term goal that ranks a '3' or higher on the Hierarchy of Indicators presented in GAO report "Managing for Results," then it would get a "yes." For future PART assessments of the program, if there is agreement between OMB and the agency that by a date certain, such as 2005, at least one long-term goal will be in place that ranks a '6' on this same hierarchy scale, and the other criteria are met, then a "yes" would be appropriate. The Removal program's goals would rank a '2' by the standards of the GAO report. Work is needed to develop a long-term efficiency goal and an agreement on the inclusion of an appropriate level outcome goal needs to be reached in the near future.	GAO: Managing for Results, EPA Faces Challenges in Developing Results-Oriented Performance Goals and Measures. Output measures are highlighted in EPA's Congressional Budget Justifications and Annual Reports.	33%	0.0

Long-Term Goal 1:	Measure under development.
Target:	
Actual Progress achieved toward goal:	

2	*Does the program (including program partners) achieve its annual performance goals?*	Yes	EPA's removal program has had good success in achieving its targeted removal output goals each year.	Annual Plans, Congressional Justifications, FY04 Annual Performance Goal (APG) draft documents	33%	0.3

Key Goal I:	Removal response actions
Performance Target:	FY00 target 195; FY01 target 300; fy02 target 275, FY 03 target 350

Actual Performance:	FY00 actual 375; FY01 actual 302; FY 02 actual 426
Key Goal II:	Emergency response and homeland security readiness
Performance Target:	FY02 or FY03 baseline established, subsequent year will show 10% improvement
Actual Performance:	Unknown

3	*Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?*	Small Extent	Difficult to measure the actual change in efficiencies and cost effectiveness as no data is available to do a year-to-year comparison. Regional Performance Evaluation Boards meet annually to ensure "optimal contractor performance," but the Agency does not use a 'cost/unit' metric. The Agency points out that its competitive contracting process leads to efficiencies, though those efficiencies may be difficult to measure.	Performance Evaluation Reports, EPA's performance based contracts	33%	0.1
4	*Does the performance of this program compare favorably to other programs with similar purpose and goals?*	N/A	EPA's oil spill removal program and the US Coast Guard's CERCLA and Oil Pollution Act programs both have similar functions and goals and are integrated with EPA's removal program. Although DOD and DOE have similar environmental programs, **direct comparisons are difficult** as their programs focus more on remediation of long-term Superfund projects than emergency removals. All have similar output oriented performance measures and accomplishments, but removal actions are typically grouped together with other remedial activity.	Agency Annual plans, Annual Reports to Congress on CERCLA implementation	0%	0.0
5	*Do independent and quality evaluations of this program indicate that the program is effective and achieving results?*	N/A	The number of independent and quality evaluations of the Emergency Response Program number one – RFF's 2001 Report, "Superfund's Future: What will it cost?" The review of the program in this report is positive although it does identify some difficulties in tracking overall performance and ROI because of a lack of data.	Resources for the Future's 2001 Report, "Superfund's Future: What will it cost?	0%	0.0
Total Section Score					**100%**	**44%**

PART Performance Measurements

Program: Superfund Removal
Agency: Environmental Protection Agency
Bureau: Office of Solid Waste and Emergency Response
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Results Not
100%	57%	71%	44%	Demonstrated

Measure: Measure under development

Additional Information:

Year	Target	Actual

Measure Term: Long-term

Measure: Number of removals completed

Additional Information:

Year	Target	Actual
2001	300	302
2002	275	426
2003	350	
2004	350	

Measure Term: Annual

Measure: Measure under development

Additional Information:

Year	Target	Actual

Measure Term:

PART Performance Measurements

Program: Tribal General Assistance
Agency: Environmental Protection Agency
Bureau: American Indian Environmental Office - Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	25%	

1.1	**Is the program purpose clear?**	Answer: YES	Question Weight 20%

Explanation: The program's purpose is to build tribal capacity to administer environmental regulatory programs.

Evidence: The Indian Environmental General Assistance Program Act of 1992, 42 U.S.C.4368b.

1.2	**Does the program address a specific and existing problem, interest or need?**	Answer: YES	Question Weight 20%

Explanation: Tribes are far behind states in their ability to administer environmental regulatory programs delegated by EPA.

Evidence: 88% of states have delegated authority for water, compared to only 3.5 % of tribes.

1.3	**Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?**	Answer: YES	Question Weight 20%

Explanation: No other significant resources are available to tribes for purposes similar to GAP.

Evidence: While there are some BIA programs, such as the Tribal Priority Allocation program, that tribes could use for environmental program development, there is no other program specifically for this purpose.

1.4	**Is the program design free of major flaws that would limit the program's effectiveness or efficiency?**	Answer: YES	Question Weight 20%

Explanation: EPA has provided grants for environmental program development to states for over two decades, and GAP follows this successful model.

Evidence: The Indian Environmental General Assistance Program Act of 1992, 42 U.S.C.4368b, GAP program guidance

1.5	**Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?**	Answer: YES	Question Weight 20%

Explanation: The program only targets tribal governments and intertribal consortia.

Evidence: The Indian Environmental General Assistance Program Act of 1992, 42 U.S.C.4368b.

2.1	**Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?**	Answer: YES	Question Weight 12%

Explanation: EPA and OMB reached agreement on new long-term performance measures that more accurately reflect the program's focus and demonstrate progress toward outcomes.

Evidence: See Measures Tab

PART Performance Measurements

Program: Tribal General Assistance
Agency: Environmental Protection Agency
Bureau: American Indian Environmental Office - Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	25%	

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight:12%

Explanation: The program developed targets based on EPA and Indian Health Service data.

Evidence: See Measures Tab

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight:12%

Explanation: Last year EPA and OMB reached agreement on revised annual performance measures that more accurately reflect the program's focus and demonstrate progress toward outcomes. This year the program also added an efficiency measure.

Evidence: See Measures Tab

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight:12%

Explanation: While the program has baselines for its annual measures, it lacks ambitious targets.

Evidence:

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: NO Question Weight:12%

Explanation: The program does not require grantees to link their activities to meaningful program goals.

Evidence: GAP application requirements

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: NO Question Weight:12%

Explanation: No evaluations by independent parties are conducted on a regular basis. The American Indian Environmental Office, which is responsible for managing GAP, conducts periodic reviews of the program, but these are more process-based. AIEO has applied for funding assistance within EPA to contract for a program evaluations to be conducte by third party sources.

Evidence:

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: NO Question Weight:12%

Explanation: Budget requests do not demonstrate the impact funding levels have on the program.

Evidence:

PART Performance Measurements

Program: Tribal General Assistance
Agency: Environmental Protection Agency
Bureau: American Indian Environmental Office - Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	25%	

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight: 12%

Explanation: The program has developed long term performance goals. The program continues to improve its planning process by inplementing the GAP grants tracking system, the tribal assessment tracking system, and the baseline assessment project.

Evidence: GAP grants tracking system and tribal baseline project

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: NO Question Weight: 11%

Explanation: While the program collects quarterly reports, the reports do not include meaningful performance information and are not linked to program goals.

Evidence: GAP quarterly reports

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: NO Question Weight: 11%

Explanation: Neither program managers nor grantees are held to performance standards. GAP does not incorporate program performance into personnel evaluations, and grantees do not have to meet meaningful requirements.

Evidence:

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 11%

Explanation: Grantees obligate over 90 percent of their GAP funds within two years, and grantee audit issues are promptly addressed.

Evidence: GAP summary of obligations and expendituresGAP workplansGAP audit reports

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight: 11%

Explanation: GAP developed an efficiency measure that will help it achieve efficiencies and cost-effectiveness in the future.

Evidence:

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 11%

Explanation: The program office responsible for GAP administration tracks all other EPA grants on tribal lands to ensure there is no redundancy.

Evidence: GAP grants tracking system and tribal baseline project

PART Performance Measurements

Program: Tribal General Assistance
Agency: Environmental Protection Agency
Bureau: American Indian Environmental Office - Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	25%	

3.6	**Does the program use strong financial management practices?**	Answer: YES	Question Weight 11%

Explanation: GAP has not been targeted for erroneous payments and is free of material or agency weaknesses.

Evidence: EPA FY 2001 Integrity Act report

3.7	**Has the program taken meaningful steps to address its management deficiencies?**	Answer: YES	Question Weight 11%

Explanation: EPA has implemented a tribal database which provides tribe-specific information on topics such as environmental conditions and total EPA funds provided. This information will be used to improve performance reporting, grants management, and program administration.

Evidence: GAP tribal baseline project

3.BF1	**Does the program have oversight practices that provide sufficient knowledge of grantee activities?**	Answer: YES	Question Weight 11%

Explanation: EPA tracks GAP grantee activities through quarterly reporting requirements , site visits, and its new electronic, web-based GAP grants tracking system.

Evidence: GAP quarterly reports; GAP annual report; GAP grants tracking system.

3.BF2	**Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?**	Answer: YES	Question Weight 11%

Explanation: Each grantee provides regular reports to EPA on its activities, which EPA manages through its GAP grants tracking system. This system allows for public review of grant results at tribal, regional, and national levels.

Evidence: GAP grants tracking system

4.1	**Has the program demonstrated adequate progress in achieving its long-term performance goals?**	Answer: SMALL EXTENT	Question Weight 25%

Explanation: The program's long-term performance goals are new, and at this time, EPA can only show limited progress in meeting those goals.

Evidence: See Measures Tab

4.2	**Does the program (including program partners) achieve its annual performance goals?**	Answer: SMALL EXTENT	Question Weight 25%

Explanation: Received a "no" for 2.4.

Evidence:

PART Performance Measurements

Program: Tribal General Assistance
Agency: Environmental Protection Agency
Bureau: American Indian Environmental Office - Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	25%	

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?
Answer: SMALL EXTENT
Question Weight 25%

Explanation: GAP has recently developed a new efficiency measure which will help the program continue to improve.

Evidence: See Measures Tab

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?
Answer: NA
Question Weight: 0%

Explanation: There are no other similar programs in the Federal Government directed at multimedia capacity development, and we are not aware of similar private sector efforts of the same scope and size.

Evidence:

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?
Answer: NO
Question Weight 25%

Explanation: No evaluations by independent parties are conducted on a regular basis. The American Indian Environmental Office, which is responsible for managing GAP, conducts periodic reviews of the program, but these are more process-based.

Evidence:

PART Performance Measurements

Program: Tribal General Assistance
Agency: Environmental Protection Agency
Bureau: American Indian Environmental Office - Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	25%	

Measure: # of tribes with delegated and non-delegated programs. (new targets under development)

Additional Information: Number of tribe-as-state (TAS) approvals for program authorization delegation or approval, implementation or direct implementation tribal cooperative agreements (DITCAs).

Year	Target	Actual	**Measure Term:**	Annual
2004	28	159		

Measure: % of tribes with EPA-approved multimedia workplans.

Additional Information: Number of Tribes with MOUs, EAs, PPGs, DITCAs or grant eligible TAS approvals

Year	Target	Actual	**Measure Term:**	Annual
2003	5	32		

Measure: % of tribes with EPA-reviewed monitoring and assessment occurring (targets under development).

Additional Information: Number of Tribes with EPA-approved QAPPs

Year	Target	Actual	**Measure Term:**	Annual

Measure: % decrease in the number of households in Indian Country with inadequate wastewater sanitation systems.

Additional Information:

Year	Target	Actual	**Measure Term:**	Long-term
2007	50			

Measure: % decrease in the number of households on tribal lands lacking access to safe drinking water.

Additional Information:

Year	Target	Actual	**Measure Term:**	Long-term
2015	50			

PART Performance Measurements

Program: Tribal General Assistance
Agency: Environmental Protection Agency
Bureau: American Indian Environmental Office - Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	50%	78%	25%	

Measure: Show at least a 10 percent improvement for each of four parameters--total nitrogen, total phosphorus, dissolved oxygen, and fecal coliforms--at not fewer than 90 monitoring stations in tribal waters for which baseline data are available.

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term
2008	>10%		

Measure: Number of environmental programs implemented in Indian Country per million dollars (targets under development).

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term (Efficiency Measure)

PART Performance Measurements

Program: U. S.-Mexico Border Water Infrastructure
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	20%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The program purpose is stated succinctly and without multiple conflicting purposes in the annual appropriation language.

Evidence: The authorizing language is, as it has been since 1996, in the EPA appropriation under the section entitled State and Tribal Assistance Grants. It says: "[amount] shall be for architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico border, after consultation with the appropriate border commission;"

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: The program's purpose is to serve the border area population with drinking water, wastewater collection, and wastewater treatment services. On the Mexican side alone, at least 25 percent of the year 2000 population is unserved by wastewater collection and treatment.

Evidence: Unserved population data from BXXI Progress Report. Health effects table.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: The program was designed to deal with the U.S.-Mexico border area water infrastructure needs as stated in the EPA appropriation language. That is, it provides financial and technical assistance for facilities that have an impact on the quality of binational waters. The only other U.S. and Mexican agencies that have jurisdiction are the U.S. and Mexican sections of the International Boundary and Water Commission (IBWC). However, both federal governments have provided the water infrastructure grants to EPA and its Mexican counterpart, the Secretariat for Environment and Natural Resources (SEMARNAT). No other organizations with borderwide jurisdiction exist. These two agencies coordinate with the IBWC and when appropriate have utilized that Commission as a project manager. An IBWC Minute was created to record the binational joint funding agreement.

Evidence: LA Paz Agreement, Appropriations history, IBWC Minute 304.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: Since November 1993, when a supplemental agreement to the North American Free Trade Agreement created two binational organizations to implement border water infrastrucure, EPA and SEMARNAT have formed a team and directed resources to make those organizations the focus of infrastructure development. One, the Border Environment Cooperation Commission (BECC), is responsible for project development and with EPA resources and technical assistance manages a binational project planning grant program modeled after the planning step of the old EPA domestic construction grants program. The other, the North American Development Bank (NADBank), provides financial advice and funding package assistance for projects certified by the BECC as suitable for construction. EPA and SEMARNAT provide funding for the grant portion of these funding packages and the NADBank organizes the debt component. The Departments of State and Treasury worked in cooperation with EPA in the creation of these two organizations.

Evidence: NAFTA supplemental agreement, PDAP and BEIF agreements with EPA.

PART Performance Measurements

Program: U. S.-Mexico Border Water Infrastructure
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	20%	

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%

Explanation: BECC projects managers go into the served border-area U.S. and Mexican communities to assist in starting the communites needs evaluation and demonstration process, taking EPA, SEMARNAT and NADBank specialists with them where necessary. EPA and SEMARNAT perform the NEPA, or NEPA-like in Mexico, review of the proposed alternatives and recommended alternative for suitability. Cost-effectiveness of alternativies is addressed in preparation of certification applications. Both EPA and SEMARNAT have developed affordability guidelines which establish what the minimum community participation must be before outside assistance would be considered.

Evidence: EPA affordability guidelines for Mexico Border

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 13%

Explanation: The program has a long-term performance measure that focuses on the outcome of improved water quality from wastewater treatment. During the upcoming year, the program should focus on developing a long-term, health-based performance measure that assesses progress related to drinking water.

Evidence: See measures tab.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: NO Question Weight: 13%

Explanation: Baselines are under development.

Evidence: See measures tab.

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight: 13%

Explanation: The program's current annual measure tracks the increase in homes connected to potable water supply and wastewater collection treatment systems. However, over the next year, EPA should work to develop measures that track compliance with NPDES and drinking water standards. The program also has an annual output efficiency measure that tracks the additional people served per million dollars.

Evidence: See measures tab.

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: NO Question Weight: 13%

Explanation: Baselines and targets are under development.

Evidence: See measures tab.

PART Performance Measurements

Program: U. S.-Mexico Border Water Infrastructure
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	20%	

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight:13%

Explanation: All partners have committed to and are working toward the annual and long term goals, as evidenced by the Border 2012 agreement between EPA, SEMARNAT, and border states and tribes.

Evidence: Border 2012

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight:13%

Explanation: While the BECC and the NADBank are curently undergoing a Business Process Review performed by an independent contractor, this review does not appear to address the program's outcomes. However, the review does appear to exmaine other important aspects of the program, such as duplication of effort and efficiencies, and should be helpful in making beneficial changes.

Evidence: Outline of the Business Process Review.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight:13%

Explanation: The Agency estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy and legislative changes. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification. Performance data are considered at every step in EPA's planning and budgeting process (i.e. developing the OMB submission, Congressional Justification, and annual Operating Plan and reporting our results in the Annual Report). EPA managers use up-to-date financial, policy, and regulatory information to make decisions on program management and performance. The Agency's financial information is integrated with performance and other program data to support day-to-day decision making of managers and executives.

Evidence: Annual Congressional Justification, Budget Automation System (BAS) reports. (EPA was selected as a government-wide finalist for the 2002 President's Quality Award in the area of budget and performance integration.)

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:13%

Explanation: The program takes meaningful steps to correct strategic planning deficiencies. For example, as the Business Process Review mentioned in question 2.6 is completed, EPA and the Department of the Treasury stand ready to assist in implementation of any recommendations that improve program operations and/or efficiencies. Also, a prioritization scheme is being developed by the BECC, NADBank and both governments now that project volume has begun to exceed available resources.

Evidence: Draft prioritization proposalOutline of the Business Process Review

PART Performance Measurements

Program: U. S.-Mexico Border Water Infrastructure
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	20%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight:11%

Explanation: EPA regularly collects timely and credible performance information and uses it to manage the program and improve performance. As mentioned in question 2.5, the partners meet at least quarterly to disseminate, review and react to a series of detailed management reports covering the financial and construction status of every project, from the start of consideration to when it's operational.

Evidence: US-Mexico Border Infrastructure Coordinating Committee status reports

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight:11%

Explanation: The federal managers and program partners are held accountable for cost, schedule and performance results as reported at the quarterly joint staff and management meetings mentioned in question 3.1. Examples of the types of issues that may be aired are the schedule of projects being prepared for certification, the certification schedule, construction start schedule, construction completion and facility start-up, status of funds availability, delays in any of the foregoing, policy issues that impact program objectives or schedules. Each session closes with agreement on a series of action items with timelines. Additionally, the Office Director's performance standards include grants management activities specified in the personnel evaluation.

Evidence: US-Mexico Border Infrastructure Coordinating Committee status reportsEPA Office Director performance standards

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: NO Question Weight:11%

Explanation: Evaulations have found some delays in fund obligation, as well as minor problems with improper awards.

Evidence: EPA BECC/PDAP program evaluation reports

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: YES Question Weight:11%

Explanation: The program has procedures to achieve efficiencies and cost effectiveness. Both the NADBank and BECC criteria include competitive sourcing and least-cost solutions provisions. Project planning commissioned by the BECC is performed by consulting engineers competitively procured under Brooks Bill procedures. If project scope, appropriateness, technology or other factors that produce a project that is outside the norm of cost per capita efficiencies, the work is given additional review and revisions may be called for. Detailed design and construction are procured by the NADBank under Brooks Bill and open competiitive procedures.

Evidence: BECC and NADBank operating procedures.

PART Performance Measurements

Program: U. S.-Mexico Border Water Infrastructure
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	20%	

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight:11%

Explanation: Where financial, technical or other resources are available, EPA has collaborated and coordinated with related programs. An example is where the project deal sheets include EPA State Revolving Fund participation in the U.S.-side projects from State resources. Another is specifically where the State of Texas funds and participates in technical oversight of the detailed design of border area projects within its jurisdiction. Projects in the Mexican side of the border area are, as previously pointed out, cost-shared with EPA and the other partners. Finally, the first project accomplished by the Border Program, the international wastewater treatment plant at San Diego/Tijuana, was completed by EPA, the IBWC, the State of California and the City of San Diego. The IBWC and City acted as project managers on various components of the projects, based on their particular expertise.

Evidence: Sample deal sheet, BECC record showing Texas SWRB participation, IWTP construction management team organization documentation, US-Mexico Border Infrastructure Coordinating Committee status reports.

3.6 Does the program use strong financial management practices? Answer: YES Question Weight:11%

Explanation: The program follows EPA's financial management guidelines for committing obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspect of program objectives. EPA received an unqualified audit opinion on its FY02 financial statements and had no materials weaknesses associated with the audit. EPA is taking steps to meet the new accelerated due dates for financial statements.

Evidence: Annual Congressional Justification, Budget Automation System (BAS) reports, unqualified audit opinion on EPA FY02 financial statements, Fiscal Year 2002 Advice of Allowance Letter, 2002 Integrity Act Report, resource policies at: http://intrasearch.epa.gov/ocfo/policies

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight:11%

Explanation: The program has a functioning system to address management deficiencies. As described in question 3.2, the federal managers and program partners are held accountable for cost, schedule and performance results as reported at the quarterly joint staff and management meetings mentioned in question 3.1. Examples of the types of issues that may be aired are the schedule of projects being prepared for certification, the certification schedule, construction start schedule, construction completion and facility start-up, status of funds availability, delays in any of the foregoing, policy issues that impact program objectives or schedules. Each session closes with agreement on a series of action items with timelines. A major action in this regard is the Business Process Review now being completed by an independent contractor for the BECC and NADBank.

Evidence: Business Process Review outline.

PART Performance Measurements

Program: U. S.-Mexico Border Water Infrastructure
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	20%	

3.BF1 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight: 11%

Explanation: The program has oversight practices that provide considerable knowledge of grantee activities. As described in question 3.2, the federal managers and program partners are held accountable for cost, schedule and performance results as reported at the quarterly joint staff and management meetings mentioned in question 3.1 Examples of the types of issues that may be aired are the schedule of projects being prepared for certification, the certification schedule, construction start schedule, construction completion and facility start-up, status of funds availability, delays in any of the foregoing, policy issues that impact program objectives or schedules. For project development and planning, the BECC operates a program entitled Project Development Assistance Program (PDAP) funded by a cooperative agreement (grant) mentioned in question 1.4. Projects that are developed and being prepared for certification are reported to EPA in the considerable detail needed for performance of the NEPA review. Also, the NADBank obtains the EPA grant portion of its deal sheet agreements from an account entitled Border Environmental Infrastructure Fund (BEIF) funded by a cooperative agreement (grant). The EPA project officer releases amounts from the BEIF for commitment to specific project deal sheets upon request from the NADBank, which provided additional project detail.

Evidence: Status reports, BECC and NADBank Coordinating Committee meeting summaries.

3.BF2 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 11%

Explanation: The program collects grantee performance data on a quarterly basis as discussed in question 3.1 That information is available, since the quarterly meetings are open sessions. In addition, the grantees, the BECC and NADBank make available project information on the internet at the timewhen the BECC board of director certify each project and when the Bank board of directors approve funding for each project. Performance and progress are reported in the annual reports of the two grantees, both in hard copy and on their web pages.

Evidence: BECC and NADBank annual reports, BECC project certifications

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: NO Question Weight: 20%

Explanation: The baselines and targets for the LT measure are under development, so progress has not yet been assessed.

Evidence:

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight: 20%

Explanation: EPA has demonstrated progress toward the annual goal it will use through FY 2005.

Evidence: See measures tab.

PART Performance Measurements

Program: U. S.-Mexico Border Water Infrastructure
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	20%	

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: NO

Question Weight 20%

Explanation: The program has agreed to a new efficiency measure and is in the process of developing a baseline and targets.

Evidence:

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: LARGE EXTENT

Question Weight 20%

Explanation: While there are no other binational water infrastructure grant programs, the performance of this program compares favorably with other EPA specialized water infrastructure grant programs, such as Alaska Native Villages and the Indian Set-Asides in the SRFs. This program has developed a long-term, outcome-based goal for the program that will allow the program to clearly demonstrate its impact on the environment. It also regularly collects and evaluates data that affect program performance.

Evidence: Status reports, BECC and NADBank Coordinating Committee meeting summaries.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: NO

Question Weight 20%

Explanation: No independent evaulations have been conducted for this program. However, the program is currently undergoing a Business Process Review which may be helpful in determining the program's effectiveness.

Evidence:

PART Performance Measurements

Program: U. S.-Mexico Border Water Infrastructure
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	89%	20%	

Measure: Percentage of water quality standards met in shared and transboundary surface waters.

Additional Information: The baseline is the shared and transboundary surface waters as defined, identified, and evaluated for the United States in the Clean Water Act Sec. 305(b) reports and Mexico by the Secretariat for the Environment and Natural resources. Baseline is underdevelopment and will be determined in FY 05.

Year	Target	Actual	**Measure Term:** Long-term
2012	>50%		

Measure: By 2005, protect the health of 1.5 million people in the Mexico border area by providing adequate water and wastewater sanitation systems funded through the Border Environment Infrastructure Fund. (Cumulative.)

Additional Information: Per Border 2012, this measure will be phased out in 2006 and replaced with No. 3 below.••2002 Baseline: 790,000 people provided with access to potable water and wastewater collection and treatment systems.

Year	Target	Actual	**Measure Term:** Annual
2003	900,000	871,325	
2004	990,000		
2005	1.5 mil		

Measure: Percentage of homes connected to potable water supply and wastewater collection and treatment systems. (Baseline under development.)

Additional Information: Baseline under development.

Year	Target	Actual	**Measure Term:** Annual
2006			

Measure: Additional people served per million dollars (US and Mexico)

Additional Information: Baseline and targets are under development.

Year	Target	Actual	**Measure Term:** Long-term

PART Performance Measurements

Program: Underground Injection Control (UIC) Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	89%	17%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The Underground Injection Control (UIC) program mission is to protect public health by preventing injection practices that might endanger underground sources of drinking water (USDWs). The UIC Program achieves this through the implementation of the UIC regulations found in 40 CFR 144 through 148.The UIC grant program objective is to foster development and implementation of the UIC program under the Safe Drinking Water Act (SDWA). The funds are to be used to develop and implement an underground injection control program adequate to enforce the requirements of SDWA.

Evidence: 40 CFR 144-148SDWA 1421, 1422, 14432003-2008 EPA Strategic PlanOffice of Water National Program Guidance for 2005

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: About half of the U.S. population depends on groundwater as a source for drinking water. The UIC program ensures that the 800,000 (plus) injection wells used to emplace more than a trillion gallons of waste do not endanger USDWs. In the 1930's deep injection wells were used to dispose of oil field brines. Later, chemical companies used this technology to dispose of manufacturing (industrial) waste. A series of contamination cases in the 1960's and 1970's highlighted the need for minimum federal requirements to insure the proper siting, construction or oversight of injection practices. More recently, the federal UIC program is focusing on the potential endangerment posed by shallow injection wells (Class V) that inject into or above USDWs.

Evidence: The actual and potential adverse impacts to underground drinking water sources by the underground injection of waste is documented in several EPA and GAO reports to Congress.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: There is no other federal funding mechanism for the protection of USDWs from injection. Under SDWA, EPA developed minimum federal requirements for regulating the location, construction, operation and closure of injection wells as outlined in 40 CFR Part 144 and 146. States can apply for the primary enforcement authority (primacy) to implement the program. State agencies then implement State and Federal regulations and coordinate with other agencies within the State to ensure the effective implementation of the program. If a State chooses not to take on primacy, the USEPA has responsibility for direct implementation (DI) in that state. At the Federal level, the UIC Program works with states, other offices within EPA, and other federal agencies to ensure that there is no duplication of effort.

Evidence: In developing the UIC regulation in the late 1970s early 1980s, the Program worked with other EPA Offices including the Office of Solid Waste (Resource Conservation and Recovery Act), other federal agencies (Nuclear Regulatory Commission), and states to develop comprehensive requirements that were not duplicative of other regulatory efforts.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: With the focus on protection of USDWs, there is no strong evidence that a different design or application of resources would better achieve the program's purpose.

Evidence: The program is designed to encourage States to take Primacy for the UIC program. It enables the Agency to leverage resources for the program's mission through permitting fees from well owners and State match funds.

PART Performance Measurements

Program: Underground Injection Control (UIC) Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	89%	17%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: The UIC Grant is provided to Primacy States, Tribes and EPA regional offices with DI programs. SDWA provided the framework for allocating grant dollars. The allocation formula is weighted to direct resouces toward the highest risk wells to optimize public health protection

Evidence: Section 1443 paragraph (a)(4) identifies the criteria that should be used to determine each state program allotment. These criteria include: population, geographical area, number of public water systems, and other relevant factors. UIC Grant Formula (allocation formula)

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 13%

Explanation: The program has an outcome-based, long-term perfomance measure that supports the goals of "Water Safe to Drink" by reducing exposure to contaminants. The program is implementing a new outcome efficiency measure that will be included in the 2006 GPRA strategic plan. One long-term output measures more specific to the UIC Grants program tracks the percentage of source water areas (both surface and ground water) for community water systems will achieve minimized risk to public health.

Evidence: The performance measure tracks the percent population served by community water systems that receives drinking water in compliance with health-based standards. The measure is listed in EPA's 2003 Strategic Plan as a strategic target to track progress on the proposed goal of "Water Safe to Drink." For the efficiency measures (see measures tab) a "Measures Implementation Plan" has been submitted to OMB. The new output measure is also listed in EPA's 2003 Strategic Plan.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight 13%

Explanation: The targets and timeframes for the outcome performance measure and efficiency measure are ambitious given the existing external factors that limit EPA control and measurement of program progress. The measures emphasizes the importance of sustaining compliance as well as returning systems to compliance.The output measure targets are also subject to several external factors that the Agency must work to reduce in future years.

Evidence: The baselines and targets provided in the measures tab for the long-term outcome measure are published in EPA's Strategic Plan, and the program's more detailed Subobjective Implementation Plan.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight 13%

Explanation: The long-term efficiency measures serve as an adequate measure of outcome efficiency for the program. The program is also developing an annual output efficiency measure. Output performance measures, new or under development, assess the success of the permitting and well closure activities of the program. To receive a "Yes" in future assessments, the program will need to develop an outcome-based annual measure, which demonstrates the preservation of source water quality in support of the long-term goal.

Evidence: The mitigation of contaminant release to USDWs from underground injection wells protects the source water used for drinking water supplies and contributes to progress on the Agency's "Water Safe to Drink" goal.Measure Implementation Plans received for annual output measures.

PART Performance Measurements

Program: Underground Injection Control (UIC) Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	89%	17%	

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight:13%

Explanation: Targets and timeframes for acceptable measures are under development.

Evidence:

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight:13%

Explanation: The program does not yet have an acceptable annual outcome goal in place. However, grantees commit to and work toward key annual output performance measures. As annual outcome measures are developed, the program will need to demonstrate that its partners support these goals as well.

Evidence: Example Performance Partnership Agreements document State commitments to inventory UIC wells, inspect and permit or close wells as appropriate to protect USDWs.

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: NO Question Weight:13%

Explanation: Independent evaluations are not conducted on a regular basis and those within the last ten years have focused on program management rather than a determination of whether program implementation is achieving outcome goals. Additionally, audit-based approaches do not meet the quality criteria for determing the impact of the program.

Evidence:

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: YES Question Weight:13%

Explanation: The Agency estimates and budgets for the full annual costs of operating its programs, taking into consideration any changes in funding, policy and legislative changes. All spending categories and the resource levels and activities associated with them are included in the annual Congressional Justification. Presentation to Congress of the Agency's budget, including resources for the UIC Grant program, include alignment to its Strategic Plan goals.

Evidence: Annual Congressional Justification.Budget Automation System (BAS) reports.Example provided by program estimating the change in Class V well identifications for a given change in program funding.

PART Performance Measurements

Program: Underground Injection Control (UIC) Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	89%	17%	

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight:13%

Explanation: The UIC Program has been integrally involved in the Agency Strategic Planning which resulted in the inclusion of specific UIC targets in the current 2004 - 2008 Strategic Plan. The small size of the grant program presents significant challenges to obtaining comprehensive, independent analysis of strategic deficiencies, however the program works regularly with stakeholders on improving program measures.

Evidence: Guidance documents, workgroup memos and conference notes demonstrate strategic planning efforts among the Agency and its partners.

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: NO Question Weight:11%

Explanation: Data for outcome performance measures are compiled from the Safe Drinking Water Information System (SDWIS). EPA's Inspector General recently reported data quality problems with this reporting system and concluded that EPA is not accurately reporting its performance.The program does collect data for its output measures and uses this information to prioritize closure/permitting activities.

Evidence: OIG, March 5, 2004. EPA Claims to Meet Drinking Water Goals Despite Persistent Data Quality Shortcomings, No. 2004-P-0008.State reviews.Regional office workplans and activities summary.7520 Federal Reporting forms.

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: YES Question Weight:11%

Explanation: EPA employs designated UIC program managers in all regional offices and at the national level. The UIC staff and managers, at headquarters and in the regions, have responsibilities that are specified under performance standards through personnel performance agreement and related appraisals. Additionally, Federal regional grant project officers are held accountable for ensuring that all policies and procedures of the EPA Grants Administration Division are followed. Grantees are accountable through grant agreements and annually negotiated program plans with EPA for program costs. EPA Regions' annual review of state performance under the grants and audit results can be used to adjust grant conditions. State primacy can be revoked if its program does not meet the performance requirements of SDWA 1413.

Evidence: 40 CFR 35: EPA Grant RegulationsEPA Grants Management PlanSDWA 1422Performance Appraisal forms for Office Director, Branch Chief and Grant Officer.

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight:11%

Explanation: Each Region's program office, and grant's management office, conducts post-award monitoring of assistance agreements that tracks the draw-down of funds and enables them to assess the timeliness of resource obligations and commitments. State grants are subject to audit under the Single Audit Act either because they are issued under Performance Partnership Grants or Performance Partnership Agreements, or because they exceed the dollar threshold required by the Act. EPA's OIG reviews the audit findings and there are procedures in place to take administrative actions as needed.

Evidence: For FY2003, EPA reports that of the $10,866,619 UIC grants allocated, $9,343,844 (86%) were obligated by the end of the fiscal year. Single Audit Act reports.

PART Performance Measurements

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3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES Question Weight:11%

Explanation: The Agency has developed and sponsored a series of programs aimed at enhancing the efficiency of State UIC programs including; web-based tracking systems, use of Personal Digital Assistants (PDA's) and expanded GIS capabilities. The grant formula is periodically reviewed with UIC managers to assess whether changes are necessary to meet program goals as the program evolves.

Evidence: Class V Grant Model User Guide and Summary of the PDA project.Presentation to UIC managers at National meeting in June 2001.

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES Question Weight:11%

Explanation: A major focus of the UIC Program's strategic efforts concerns integration with related federal programs. The UIC program works collaboratively with other EPA programs (e.g. RCRA, OAR, NPDES), other federal agencies (e.g. DOE, USGS, BLM), and many state regulatory agencies. The State UIC programs, who are typically the grantees of UIC funding, in turn, work cooperatively across related state programs and with smaller, more local programs such as health departments, rural water authorities, and agencies involved with preparing source water assessments. UIC coordinates with related EPA programs (Public Water System Supervision and Drinking Water State Revolving Fund programs) to work toward shared performance goals.

Evidence: Memoranda of Understanding (MOUs) all State UIC Primacy Agencies, and Enforcement Agreements outline program responsibilities and target enforcement actions. MOU with the Interstate Oil and Gas Compact Commission (IOGCC), an organization of governors from oil and gas producing states on issues related to oil and gas production and Class II injection wells.Interstate Oil and Gas Compact Commission Memorandum of Understanding; Outreach Material- Office Wastewater ManagementEPA's 2003 Strategic Plan on the proposed goal of "Water Safe to Drink."

3.6 Does the program use strong financial management practices?

Answer: YES Question Weight:11%

Explanation: The program follows EPA's financial management guidelines for committing, obligating, reprogramming, and reconciling appropriated funds. Agency officials have a system of controls and accountability, based on GAO and other principles, to ensure that improper payments are not made. At each step in the process, the propriety of the payment is reviewed. EPA trains individuals to ensure that they understand their roles and responsibilities for invoice review and for carrying out the financial aspects of program objectives. EPA received an unqualified audit opinion on its FY02 financial statements and had no material weaknesses associated with the audit. The UIC Grant program has no material weaknesses as reported by the Office of the Inspector General (OIG) and has procedures in place to minimize erroneous payments. In future, the program will need to demonstrate the capability to monitor improper payments at the sub-recipient level to receive a "YES" score.

Evidence: Annual Congressional Justification.Budget Automation System (BAS) reports.Unqualified audit opinion on EPA FY02 financial statements.Fiscal Year 2002 Advice of Allowance Letter.2002 Integrity Act Report.

PART Performance Measurements

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3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 11%

Explanation: EPA is developing an action plan to address data quality issues in SDWIS/FED.EPA has taken a number of steps to strengthen the management and oversight of its assistance agreements, focusing on improving competition in the awarding of grants and enhancing compliance review and monitoring of grants. To build upon these efforts, EPA has developed a Grants Management Plan, which brings ongoing planning efforts into one comprehensive document, establishing a clear and strong direction for the Agency.EPA Region 6 has been reviewing all State UIC agencies in the past two years, looking for programmatic shortcomings. Other regions conduct yearly meetings with all State programs through the grant application process, and sometimes separately on the UIC program, and work through issues that may be common to their state programs.

Evidence: EPA, March 2004. Drinking Water Data Reliability Analysis and Action Plan (2003).Agency's Grants Management Plan http://www.epa.gov/ogd/EO/finalreport.pdfGrant Specialist Training Summary; Managers training; List of GWPC's Peer Reviews.

3.BF1 Does the program have oversight practices that provide sufficient knowledge of grantee activities? Answer: YES Question Weight: 11%

Explanation: The UIC Program, under the authority of Section 1422 of SDWA and codified at 40 CFR part 144.8, requires grantees to submit information on the various activities they have undertaken over that year. In addition, Regions collect and review annual reports and conduct annual performance reviews of primacy state programs.

Evidence: Examples of Regional Reviews.Performance Evaluation Reports (PERs).7520 Federal Report form.

3.BF2 Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner? Answer: YES Question Weight: 11%

Explanation: The annual performance information for the UIC program is available to the public through the GPRA reporting process, Envirofacts and Agency enforcement compliance reporting.

Evidence: GPRA reports; Envirofacts (www.epa.gov/enviro); Office of Enforcement and Compliance Assurance (OECA) Compliance Reports; EPA Regional Office Web-sites.

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: SMALL EXTENT Question Weight: 25%

Explanation: The program is implementing an outcome efficiency measure and is committed to a strategy and workplan. The UIC program is progressing toward its long-term performance target although data quality issues suggest the numbers may under-report actual performance.

Evidence: Summarized in measures tab.

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: NO Question Weight: 25%

Explanation: The program does not have an annual outcome performance measure and results have not been reported for the new output measures.

Evidence:

PART Performance Measurements

Program: Underground Injection Control (UIC) Grant Program
Agency: Environmental Protection Agency
Bureau: Office of Water
Type(s): Block/Formula Grant

Section Scores				Rating
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4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: SMALL EXTENT

Question Weight 25%

Explanation: The program does not yet have a program-specific efficiency measure. Compliance rates have improved slightly during the recent period when grant funds have been effectively level, even while State program demands have increased. However, there is no evidence to link this observation to improved program efficiencies. The program does not appear to have incentives and measures for cost efficiency or effectiveness. However, the program is able to demonstrate cost savings for selected process efficiencies that have been implemented recently.

Evidence: The annual costs for well inventory and inspection activities have decreased in Regional Offices using an automated system that replaces manual data compilation with a PDA/web-based system. The program is plans to expand the system to other Regions and primacy States in 2005/2006.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: NA

Question Weight: 0%

Explanation: There are no other federal agencies or nongovernmental programs engaged in the protection of underground sources of drinking water (USDWs). The State programs are supported in part from the grants issued by this program, so a comparison of State and federal programs would not be meaningful.

Evidence:

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: NO

Question Weight 25%

Explanation: No evidence that the program has been comprehensively assessed by an independent entity using methodology that meets the criteria for quality.

Evidence:

PART Performance Measurements

Program: Underground Injection Control (UIC) Grant Program
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Measure: Percent population served by community water systems in compliance with health-based drinking water standards.

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term
2003	Baseline	91%	
2008	95%		

Measure: People receiving drinking water in compliance with health-based drinking water standards per million dollars.

Additional Information: Dollars include all federal and state funding for safe drinking water programs.

Year	Target	Actual	**Measure Term:** Long-term
2003	Baseline	202,840	
2008	233,645		

Measure: Percentage of source water areas (both surface and ground water) for community water systems will achieve minimized risk to public health.

Additional Information: This overall measure of the source water protection program tracks the percentage source water areas for community water systems that will achieve minimized risk to public health through source water protection strategic actions.

Year	Target	Actual	**Measure Term:** Long-term
2002	Baseline	5%	
2005	20%		
2008	50%		

Measure: Percentage of prohibited Class IV and high-priority, identified, potentially endangering Class V wells closed or permitted in ground water-based source water areas.

Additional Information:

Year	Target	Actual	**Measure Term:** Annual

PART Performance Measurements

Program: Underground Injection Control (UIC) Grant Program
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Measure: Percentage of Class I, II, and III wells that maintain mechanical integrity without a failure that releases contaminants to underground sources of drinking water.

Additional Information:

Year	Target	Actual	**Measure Term:**	Annual

Measure: Percentage of identified Class V motor vehicle waste disposal wells closed or permitted.

Additional Information:

Year	Target	Actual	**Measure Term:**	Annual

Measure: Dollars per well to move Class V wells back into compliance.

Additional Information: Measure includes only those Class V wells that are in significant violation of regulations.

Year	Target	Actual	**Measure Term:**	Annual