State Review Framework
Compliance and Enforcement Program Oversight

SRF Reviewer's Guide
Round 4 (2018-2022)

U.S. Environmental Protection Agency
Office of Compliance, Office of Enforcement and
Compliance Assurance (OECA)

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I. INTRODUCTION

This document, "*The SRF Reviewer's Guide*," serves as the comprehensive guidance for the State Review Framework (SRF), meant to provide regional and headquarters personnel involved in an SRF review — managers, liaisons, coordinators, and program leads — with a description of the procedures for conducting the review, roles and responsibilities, and essential content to include in the final report.

Though the *Reviewer's Guide* covers a considerable amount of material, it is not exhaustive and therefore is intended to be used in conjunction with additional material when conducting a review, such as:

- Media-Specific Plain Language Guides (PLGs) – in-depth descriptions of the review elements and metrics along with instructions on using the metrics to make appropriate performance findings
- Metric Quick Reference Guides – spreadsheets that contain all SRF metrics with descriptions
- File Review Checklist – template used to document information during a file review
- File Review Worksheet– template used to compile results and preliminary findings based on the file review metrics
- Training Videos – visual step-by-step explanations of key parts of a review (e.g. file selection)
- SRF Manager Database: User Guide – Instruction on how to use the database

The documents above can be found on the SRF Manager Database, while the training videos are available on ECHO's SRF web page.

A. Background on the State Review Framework

The State Review Framework (SRF) is the primary means by which EPA conducts oversight of state delegated and EPA directly implemented compliance and enforcement programs under three core federal environmental statutes covering air, water, land (Clean Air Act, Clean Water Act, Resource Conservation and Recovery Act). SRF was established in 2004, developed jointly by EPA and the Environmental Council of the States (ECOS) in response to calls both inside and outside the agency for improved and more consistent oversight. The key goals that were agreed upon at its formation are:

1. Ensure delegated programs and EPA Direct Implementation (DI) programs meet minimum performance standards outlined in federal policies and guidance
2. Promote fair and consistent enforcement necessary to protect human health and the environment
3. Promote equitable treatment and level interstate playing field for business
4. Provide transparency with publicly available data and reports

The review is conducted on a five-year cycle so that programs are reviewed once every five years. Programs are evaluated on a one-year period of performance; typically,

the year prior to review. The review is based on a standardized set of metrics to make findings on performance in five categories: data, inspections, violations, enforcement, and penalties. If the review finds that program performance deviates significantly from federal policy, guidance, or standards, the EPA issues recommendations for corrective action which are monitored by EPA until they are fully implemented. Results of the review are organized into a final report which is published on EPA's public web site.

B. The Importance of a High-Quality Review

Conducting a thorough, high-quality review is essential if the findings on program performance are to be considered accurate and credible - an important factor in terms of oversight and public transparency. Furthermore, a high-quality review increases the likelihood that if or when performance issues are identified, EPA and the authorized program will be able to effectively work together to improve performance so that it returns back in line with federal policy and standards.

What does a high-quality review look like?

- ✓ data in the national data systems are verified as accurate;
- ✓ the selection of files is sufficient in number and to the degree possible, representative of the full universe and program activity;
- ✓ program reviewers are adequately trained;
- ✓ findings on performance are accurate and substantiated;
- ✓ the report is clear and concise;
- ✓ recommendations are SMART (*specific, measurable, achievable, results-oriented, time-bound*);
- ✓ recommendation implementation is monitored and completion verified

C. Overview of the SRF Review Process

The review typically takes one year to complete, from verification of data in the national systems by state and regional data stewards until publication of the final report on the public SRF web site. The diagram below outlines the general stages in the review process along with a suggested schedule for completion. The three fixed dates pertain to data verification, the draft report, and final report.

Preparing for the Review

- Data Verification
- Selecting a State/Local to Review
- Kickoff Letter/Meeting

November to February
(months 1-3)

Feb 15: Data verification ends

Conducting the Review

- Data Metric Analysis (60-days *before* on-site review)
- CWA Inspect. Table (60-days *before* on-site review)
- File Selection List (30-days *before* on-site review)
- On-Site Review
- File Review Worksheet (30-days *after* on-site review)

March to August
(months 4-10)

Important: Submit documents to HQ

Drafting and Finalizing the Report

- Draft Report
- HQ Review (15 calendar-days)
- State/Local Comment (45 calendar-days)
- Final Report

September – December
(months 11-13)

Sep 30: Draft reports due
Dec 31: Final reports due

Recommendation Monitoring and Closeout

- Tracking State/Local Implementation Progress
- Completion Verification and Closeout

Ongoing ↻

II. PREPARING FOR THE SRF REVIEW

Before reviewers can begin the substantive review - analyzing the compliance and enforcement data metrics and reviewing facility files - a series of preparatory steps are required. These steps include: making sure that the data in the national databases is accurate; if applicable, selecting the appropriate local agencies or state district offices to review and; establishing communication with the agency being reviewed to officially notify them of the upcoming review and coordinate the review process. These steps are described in more detail below.

A. Data Verification

Data verification is an annual process by which states, and regions responsible for Direct Implementation (DI) programs, have the opportunity to review and correct data in the national data systems (e.g. – facility and activity counts) to ensure that it is complete and accurate, and in turn that the SRF data metrics and ECHO dashboards rest on a solid foundation of quality data.

The steps undertaken by data stewards to verify data are listed in Appendix B

Since the SRF review relies on verified data, all data stewards for state delegated programs and EPA DI programs will need to complete the steps outlined in Appendix B. This will typically occur during the November to February timeframe following the SRF review year.
Important: **Regional SRF Coordinators should work with their regional data stewards to ensure that either they or the state data stewards complete the data verification process.**

Once the period of data verification concludes, "frozen data", namely the final SRF data metrics based on verified numbers, should be made available soon after. At that time, reviewers can begin the main portion of the review by conducting the data metric analyses and selecting facility files for the file review.

Note: EPA's ECHO State Dashboards - Historically, the state dashboards that track state data on key enforcement performance indicators relied on a verified or "frozen" dataset. Based on an agreement between EPA and states in 2018, ECHO switched to using live or unverified data to populate the dashboards. As a result, data updates can be made in the data systems and will be reflected on the dashboard after the data verification period has ended.
Important: SRF reviews will be based only on data that has been verified or frozen through the data verification process and not production or "live" data on the ECHO web site.

B. Selecting Local Agencies and State District Offices (if applicable)

This section applies only to reviews of states with authorized local agencies, or, states with a decentralized state district office structure.

1. Reviewing Local Agencies

In some states, local agencies and state districts play a significant role in implementing compliance monitoring and enforcement programs. Therefore, as part of the State Review

Framework, EPA reviews local agencies and state districts to ensure they are implementing their inspection and/or enforcement programs consistent with national policy and guidance.

Local agencies as described in this section are those that implement their programs in lieu of a state agency or EPA. They are different from state district offices because local agencies are not staffed by state employees and generally only have jurisdiction within a city, county, or metropolitan area.

a. Determining which local agencies to review

Generally, EPA should review in each SRF round local agencies that regulate moderately to heavily populated cities, counties, or metropolitan areas as well as those serving areas with a smaller universe. If a state has several local agencies, it may be appropriate to review some in one review cycle and the others during a later cycle with the goal of covering each jurisdiction over time to ensure oversight coverage across the entire state. This might depend on the size, location, and responsibilities of the local agencies. If local agencies are to be reviewed in a staggered fashion, regions should indicate their plans for selecting local agencies, including the criteria and analysis involved in targeting selected local agencies and state district offices, as part of the discussions with Headquarters at the beginning of the SRF review cycle and as part of the annual ACS commitment process.

b. Conducting a local agency review

EPA should review local agencies separately from the state agency.[1] This means EPA must include findings, recommendations, and metrics specific to the local agency and separate from the state agency in the final report. Once EPA completes the state and local agency reviews, both the state and local agency findings will be included in the state's final report.

2. **Reviewing State District Offices**

Many state agencies administer their compliance and enforcement programs out of district offices (these may also be called regional offices, districts, or boards). SRF data and file reviews cover a state in its entirety regardless of whether it administers programs and stores its facility files at a central office or at district offices.

An SRF file review in a state with districts may require that all selected facility files be sent to a central location (if files are not already centrally located or available electronically). If that is not possible, the EPA region should attempt to conduct file reviews at every district office, in which case the review will follow the same rules as any other SRF review. Where it is not possible for the EPA region to review files from every district, the EPA region should discuss options and come to an agreed upon approach with their HQ SRF Liaison.

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[1] The California CAA, CWA, and RCRA programs are implemented by local and regional boards, state district offices, and certified unified program agencies. However, for California, the section below, "Reviewing State District Offices," provides a more appropriate model. When reviewing California, follow the District Office approach and work with Region 9's SRF liaison to develop a plan.

With the exception of the steps below, EPA will conduct these SRF reviews in the same way as those in any other state.

c.   Selecting a subset of state district offices for review

If reviewing a subset of districts, consider the criteria below to determine which and how many districts to review. EPA regions may choose to review different districts in CAA, CWA, and RCRA based on these factors:

d.   Size of state and number of district offices

Conduct file reviews at a minimum of two state district offices per media program. Three or more is preferred. In a large state with a large number of offices, such as California, reviewing all or even most may not be possible. Regardless, EPA should try to review more districts in a state with many district offices than it would in a state with few district offices. It should also review more facilities in a state with a larger universe than it would in a state with a smaller universe.

e.   Known problems in district offices

Once EPA has established the number of district offices to visit, begin to decide which to review by:

• Considering known compliance monitoring and enforcement problems in the districts.
• Asking the state about performance issues in each district.
• Breaking out SRF data metrics for each district, if possible.

f.   Districts visited during previous reviews

The state's prior SRF reports may provide additional information on how districts reviewed during those rounds were performing. If EPA did not review a district during the previous round, it should receive additional consideration in the current round.

g.   A "representative sample" of district offices

Reviewers should select a representative sample of all districts, to the degree possible. To illustrate, if the state has five districts and EPA is reviewing three, determine which districts are the strongest and weakest performers by comparing data for inspection frequency, violations, enforcement frequency, and accuracy of data entry. Then, while also using the above criteria to inform the decision, select one strong, one average, and one weak performer.

Generally, EPA should evaluate the state holistically, even when performance varies significantly across the districts reviewed. Unless there is clear evidence that issues are isolated, EPA should not assume that the problem only exists in one or more of the districts reviewed — the problem could also exist in districts not reviewed. When drafting the report, EPA should write the finding and recommendation to ensure adequacy of performance state-

wide. In some cases, Regions may feel the need to develop findings in the report focused on specific sectors (e.g., stormwater) or districts within a state. This is acceptable as long as aggregate state-wide data is also included to develop findings for the report.

h. Next Steps

The EPA region should communicate which districts it plans to review, and the rationale (e.g., selection criteria, information considered) for selecting them to its HQ liaison prior to developing the data metric analysis and file selection list. Upon reaching agreement with HQ, the reviewer can begin the file selection process. See Table 2 in the File Selection section below for guidelines on how many facility files to pull.

C. Kickoff Letter / Conference

To mark the official start of the review process, regions typically send an initial communication letter, or "kickoff" letter, to the state or local agency to notify them of the upcoming review, provide details on logistics and contacts, and coordinate the review schedule. Depending on needs and resources, regions may choose to also set up an in-person meeting or conference call.

1. Kickoff Letter

Communication can be in the form of either a formal written letter from a Regional senior manager or an informal email from a program manager to his/her state/local counterpart. In order to fully inform the state and local agency of the purpose and details of the review and ensure coordination goes smoothly, make sure to include the following:

- The purpose of the review and expected outcomes.
- A summary of discussions and agreements to date regarding the upcoming review.
- The date and time of the on-site review (if already scheduled), or the need to schedule it.
- Media-specific program leads with contact information.
- Explanation of next-steps.

If the region intends to hold a kick-off conference, the letter should also include the data, time, and topics for discussion (see below).

A suggested kickoff letter template is attached in Appendix B.

2. Kickoff Conference (optional)

a. Personnel and Scheduling

If scheduling a kickoff conference with the state or local agency, determine who should attend the conference. For EPA, this would generally include the SRF regional coordinator, the media program reviewers, and the appropriate senior managers. For the state or local agency, it might be senior management and staff coordinating the review. EPA and the state will need to determine how they will conduct the conference — it can be in person, video or phone. The

Regional Coordinator can work with the state to schedule the meeting.

b. Conducting the Conference

EPA may wish to discuss the following topics during the conference:

- Changes to the SRF process for Round 4, such as revisions to the metrics and guidance
- Results of the Annual Data Metric Analyses (ADMA) from previous years and Data Metric Analysis (DMA) for the SRF review year
- The scope of the review
- Status of performance issues and unresolved recommended actions from previous SRF reviews
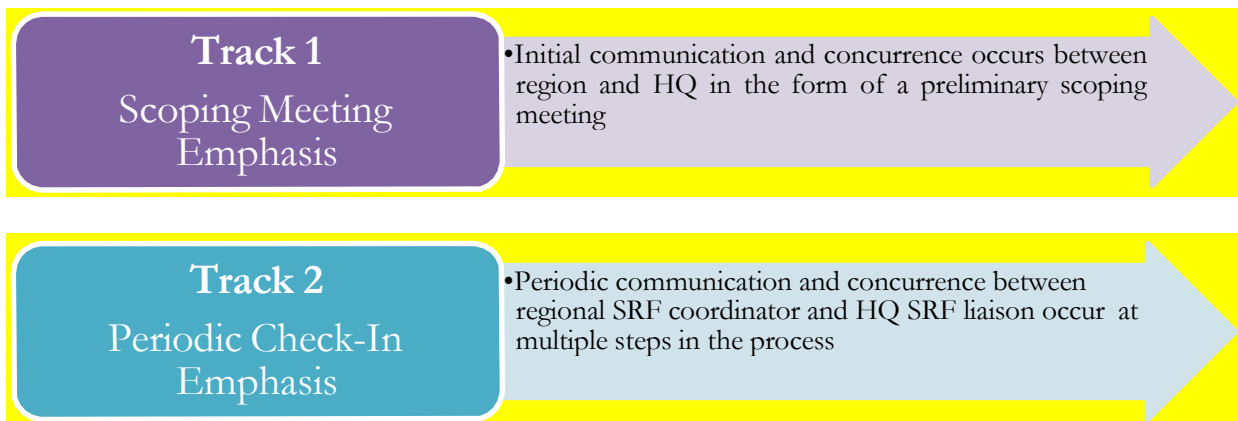- Expected timeline for the current review

D. Regional Coordination with Headquarters During the SRF Review

Roles and Responsibilities

Regional Coordinator: Ensure effective and efficient communication and coordination occurs between the Region and Headquarters. Coordinators are ultimately responsible for making sure all relevant documents, including the draft and final report, are submitted on time and of high quality.

Headquarters Liaison: Assist the Coordinator with training, technical assistance, and guidance on SRF policy, process and materials. Liaisons are responsible for working with HQ staff and the Regions to ensure the completeness and accuracy of all review materials and their consistency with national guidance and policies.

The SRF review process involves numerous process steps, documents, people as well as managing a shared database and therefore requires a considerable amount of coordination. EPA regions may select from one of two process tracks for coordinating SRF reviews with Headquarters that best suits their needs. The emphasis in Track 1 is on an initial comprehensive scoping meeting, while Track 2 relies on check-ins throughout the review process. Regions are encouraged to communicate with Headquarters whenever issues or questions arise.

Track 1
Scoping Meeting Emphasis
- Initial communication and concurrence occurs between region and HQ in the form of a preliminary scoping meeting

Track 2
Periodic Check-In Emphasis
- Periodic communication and concurrence between regional SRF coordinator and HQ SRF liaison occur at multiple steps in the process

Appendix C provides a detailed description of each track. Region should let their SRF Liaison know which track they intend to use prior to beginning the review.

III. CONDUCTING THE REVIEW

When all the preparatory steps above have been completed, reviewers can begin the substantive portion of the review, starting with the analysis of compliance and enforcement data generated from the national data systems followed by the review of facility files for a more qualitative look at program activities.

A. Data Metric Analysis (DMA)

> **Roles and Responsibilities**
>
> **Regional Coordinator:** Submit DMA and CWA Inspection Table (60-days before the file review)
>
> **HQ Liaison:** Review material for completion and accuracy

A Data Metric Analysis (DMA) contains a set of metrics that provide information on program compliance monitoring and enforcement activities by fiscal year. The metric data is sourced from ECHO, which in turn pulls data from the national data systems for each media. The DMA metric values will serve as one of two main sources - along with file metrics - of information used to make findings on program performance.

Conducting a DMA represents the first analytical step in the review process. Based on the data metric values, the reviewer will develop initial findings. These can be used to determine what program areas may need additional focus for file selection, on-site reviews, or discussion with state and locals.

The instructions for completing a DMA and making preliminary findings are outlined in Appendix E. Reviewers may also log in to ECHO to view the training video with step-by-step instructions on conducting a DMA.

Once a DMA has been completed and reviewed by HQ, reviewers may wish to share the DMA with the state or local agency as part of the kick-off letter or meeting, as mentioned in the section above. This will allow for agencies to provide any feedback or corrections of the data before findings are drafted in a report, since findings should be based on data that the region and state agree are accurate.

B. Annual Data Metric Analysis (ADMA)

> **Roles and Responsibilities**
>
> **Regional Coordinator:** Work with Regional program staff to develop ADMA and share with the state. Upload final ADMA to SRF Manager.
>
> **HQ Liaison:** Assist Region on development of ADMA and long-term trend data, if needed.

During Round 4, Regions are expected to conduct a data metric analysis for each state in their region each year. The annual data metric analysis (ADMA) is the same as a DMA, but is conducted on an annual basis for those state or local agencies that are not undergoing an SRF review during the year.

The annual DMA uses frozen data verified by states during data verification. It allows for annual identification and resolution of counts of facilities and activities, and assists in managing performance issues.

The ADMA is designed to be a simple, regular check-in, supporting annual performance reviews that already occur under Performance Partnership Grants (PPG) and other annual state and EPA planning and grant vehicles.

Additionally, the annual DMAs can be analyzed for trends during the SRF review. This can help put data metric values during the SRF review year in context and help EPA determine appropriate findings.

The steps for conducting an ADMA are the same as for a DMA, which can be found in Appendix E.

C. File Selection

Roles and Responsibilities

Regional Coordinator: Submit File Selection List and if relevant, CMS/MOA/Workplans used for inspection coverage (30-days before on-site review)

HQ Liaison: Review material to ensure selection criteria is met: correct number of files, categories of compliance and enforcement activity, and type of facilities (size, geographic distribution, sector, etc.)

The objective of file selection is to obtain sufficient information to draw conclusions regarding state performance under each SRF element. It is very important that reviewers have an adequate number of files to develop supportable findings and recommendations particularly where there is a potential concern (e.g., withdrawal petition, ADMA trends, or previous SRF findings of performance issues).

1. File Selection Preparation

Before selecting facilities, EPA completes the DMA to identify potential problems. For CWA reviews, EPA also completes the CWA inspection coverage table (see the *CWA Plain Language Guide* for instructions). Reviewers should consider these sources of information, combined with problems identified in previous SRF reviews and annual DMAs, when determining what activities or sectors to focus on during the review.

HQ recommends EPA regions transmit the file selection list to the state at the same time as the DMA. In addition, EPA should decide if the state review will include any reviews of local agencies or district offices. Earlier sections of this document deal with these types of reviews.

2. **Determining Minimum Number of Facilities to Review**

To determine the total number of files to select for your review, examine the number of records or activities returned found in the upper left-hand portion of your screen in the ECHO file selection tool. For example, if the total number of inspections, violations, enforcement actions, and penalties that occur in the review year is 256, this would be within the range of 26-300 compliance monitoring and enforcement activities reported at the top of the File Selection Tool "Total Number of Records Returned." As a result, the reviewer would select 25-30 files as the table below indicates. **For step by step instructions on creating a file selection list via the ECHO File Selection Tool, see Appendix E, or visit the SRF training videos on ECHO.**

Table 1: File Selection Guidelines	
State-Wide Review	
Number of Activities in File Selection Tool	**Minimum # of Facilities or Files Selected**
More than 1,000 activities reported	35 to 40 files selected
301 to 1,000 activities reported	30 to 35 files selected
26 to 300 activities reported	25 to 30 files selected
Fewer than 25 activities reported	All files selected
Review of Local Agencies & State District Offices[2]	
Number of Local Agencies or State Districts	**Minimum # of Facility or Files Selected**
1 agency or district	30 files selected
2 agencies or districts	30 files selected (15 per agency/district)
3 agencies or districts	30 files selected (10 per agency/district
4 agencies or districts	30 files selected (7 per agency/district, plus 2 additional files)
5 or more agencies or districts More	30 files selected with roughly even distribution across agencies / districts

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If data in the national data systems do not accurately reflect state activities, EPA may need to work with the state to select a more representative group of facilities. This applies primarily to CWA wet weather, pretreatment, and significant industrial user universes, which may not be fully populated in ICIS-NPDES. (See Appendix C of the *CWA Plain Language Guide* for additional information.)

3. **Selecting a Representative Sample of Files**

a. Basic Requirements

Important: EPA should select <u>at least five</u> facilities for each of the following categories:

- Inspections with enforcement
- Inspections without enforcement

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[2] For these reviews, also refer to section I, "Preparing for the SRF Review." If less than 30 files are available for review in the file selection tool, select all files available for review

- Non-SNC violations (CWA/RCRA), federally reportable violations (CAA), or secondary violations (RCRA)
- SEVs (CWA) or stack tests failed (CAA)
- SNCs (CWA/RCRA) or HPVs (CAA)
- Informal enforcement actions
- Formal enforcement actions
- Penalties

A single facility can count toward multiple activities reviewed. For example, if a facility has an inspection, a formal enforcement action, and a penalty, then that facility addresses all three categories.

If there are fewer than five facilities in a category, select all available to include in the file selection list and determine if the low number is indicative of a performance issue. **Important: Regions should then select files from a prior fiscal year(s) if fewer than 5 activities are available to select in the review year** to ensure that performance findings are based on a sufficient number of activities.

For example, if there are only four penalties available in the review year (e.g. FY18), reviewers should examine the prior year (e.g. FY17) of file selection tool data to select one additional penalty.

b. Other Considerations

- At least half the facilities selected should have compliance monitoring activity, and roughly half should have enforcement activity. (Enforcement includes informal and formal actions, and penalties.)
- Selection should include a representative mix of facilities:
    o With and without violations
    o Different facility types based on size (major, minor, etc.), sector, geographic location, and other factors
    o Violations but no enforcement, particularly if the DMA indicated that the state might not be taking appropriate enforcement
- It is a good practice to include facilities with multiple inspections in a single year but no violations found.
- The Map Selected Facilities feature allows File Selection Tool users to view geographic distribution at a glance to determine

4. **Supplemental File Selection**

Representative file selection will usually provide a sufficient number of files to assess performance across the necessary range of activities, facilities, and geographic areas. However, there are a few circumstances where EPA may elect to select supplemental files, including:

- There is a sector that EPA is concerned about in the state — such as CAFOs or POTWs in the NPDES program — that the representative selection did not adequately cover.

- A review of previous SRF reports, the review-year DMA, or the annual DMAs show longstanding problems in a performance area not adequately covered by the representative selection.

When selecting supplemental facilities, click their checkboxes to indicate that they are part of the supplemental selection.

Other considerations:

- Reviewers should generally select supplemental files at random from the list of facilities for the given category.

- If the file review leads to new discoveries about problem areas, and the official file selection does not provide an adequate number of facilities to make findings, EPA may request additional files while on site.

- Reviewers may also want to use the ECHO.gov SRF data metric facility drilldown screen for the issue requiring additional file review. For example, if you are interested in facilities with formal actions not taken in a timely manner, find the relevant SRF metric in the ECHO.gov data metric query and click on the metric number. This will bring up a list of facilities. Then go back into the file selection tool and randomly select some of these.

5. **Transmit File Selection List**

Upon completing file selection, download an Excel file listing selected facilities by clicking the Download button and then clicking the Download Selected button. EPA should send the list to HQ for review in advance of the on-site file review. This will allow the Liaison to provide valuable input on the quality of the list. Following HQ review, the region should transmit the list to the state agency at least two weeks before the file review to allow the state time to pull files.

Reviewers should also print the detailed facility reports (DFRs) at this time. It is much easier to pull them at the end of file selection than later. The File Selection Tool has a Print Selected DFRs button for this purpose.

D. File Review

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Roles and Responsibilities

Regional Coordinator: Submit File Review Worksheet (30-days *after* File review)

HQ Liaison: Review material to ensure completion and accuracy of metric calculations, initial findings, and comments

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1. **File Review Preparation**

   After selecting files, the review team should continue preparing for the file review. **See Appendix G for a checklist of all essential materials to have on hand during the review.**

   a. Print ECHO.gov Detailed Facility Reports (DFRs)

   If you did not print DFRs for all of the facilities on the file selection list during file selection, pull them by entering facility ID numbers into the facility ID search on ECHO.gov.

   b. Print File Review Checklists

   Download the CAA, CWA, or RCRA file review checklists from the SRF documentation and guidance page in ECHO.gov or the EPA Manager database. Fill in the information requested on pp. 1-2 based upon information on your detailed facility report to save time during the on-site file review. Print or save an electronic copy for each facility to be reviewed and clip it to the facility's DFR.

2. **Coordination with State**

   If you need access to the state's data system, or assistance navigating the data system, ask the state for assistance.

   Contact the state the week before the on-site review to confirm that:

   • The state has pulled all selected files; if the state was unable to find some files, select additional files to ensure minimum file selection requirements are met
   • The state has reserved a room for EPA to review files
   • The files contain all documentation needed to complete the review
   • The state has designated a point-of-contact to offer assistance during the review
   • The appropriate managers and staff will be available for entrance and exit meetings

3. **Conducting the File Review**

   a. Conducting Reviews Remotely

   If a state has all files available electronically, regions may choose to conduct the file review remotely. Inspection reports and formal enforcement actions are available on some state web sites. It is a good practice to determine whether compliance determinations following inspections, informal enforcement actions, penalty calculations, and justification for changing penalties are, or can be made available electronically. If some or all of these data are not available remotely, an on-site file review will be necessary. Consider whether state public disclosure laws or internal policies make it necessary to supplement electronic reviews with on-site file review and discussion with state staff.

   b. Entrance Conference

Regions and states often find it helpful to hold an entrance conference. Appropriate topics include:

- A brief discussion of the new Round 4 process.
- SRF DMA results and how those compare to past ADMAs, including CWA CMS metrics, to indicate potential performance issues.
- File review process.
- Confirming availability of the state's point-of-contact during the review.
- Expected timeline for completion of review and tentative date and time of exit conference.
- Proposed topics to be covered at exit meeting, such as preliminary findings from the review, requests for additional materials, and the process for drafting and finalizing the report.

c. File Review

Use file review checklists and DFRs to review facility files, and refer to the *Plain Language Guides* and underlying EPA policy and guidance for questions about specific metrics.

There may be activity from a previous or subsequent year linked to activity in the year reviewed. If so, EPA should review these activities. For example, Region 11 is conducting a review of activity in FY 2018 in one of its states. One of the facilities selected for file review had an enforcement action during FY 2016. This enforcement action was in response to violations found during an inspection in FY 2015. Because they are directly related, Region 11 would review the inspection, violation determination, and enforcement action.

Another facility had an inspection in FY 2018 that resulted in a SNC determination and formal enforcement in FY 2019. Again, Region 11 would review the inspection, violation determination, and enforcement action.

If a facility has multiple inspections or enforcement actions during the review period, review all activities that take place in the review year and record responses for the same question on a separate row of the file review spreadsheet. The file review checklists contain supplemental sections for multiple activities, and the file review spreadsheet contains instructions for capturing each action.

Use the File Review Worksheet to calculate metrics and make initial findings. The Worksheet automatically tabulates metric values based on the "Y" and "N" responses entered for the facilities. For N/A responses, you may leave them blank or enter N/A. (To prevent data entry and calculation errors, the Worksheet only allows responses of Y, N, N/A, and blank.) Do not adjust the formulas in the Worksheet. It is a good practice to enter checklist responses in the file review spreadsheet daily to ensure that all appropriate questions were answered while the review team still has access to the files. Use the far-right hand column in the table on p.1 of the file review checklist as a guide to the specific questions that should be answered for each type of activity reviewed.

Important: **During the on-site file review, it is vital that reviewers take quality notes, or if allowed, scan or copy key sections of files or documents particularly where the situation seems complex or unclear.** This will ensure that the necessary information will be available to explain findings, support recommendation development when drafting the report, or discussing the preliminary findings with state or local agency.

4. Developing Preliminary Findings

Once you have entered all responses in the Worksheet, click on the Initial Findings tab. Metric values will automatically populate in the Initial Findings tab based on values entered in the file review Worksheet. Compare the state performance result to the national goal for each metric to establish preliminary file review findings. You may do this prior to the exit conference, time permitting.

Issues identified as State Attention or State Improvement in the DMA generally represent a performance issue of one kind or another (see definitions of findings on pp 21-22). For example, if EPA made a State Improvement initial finding in the DMA for not inspecting enough major facilities, but state data confirms that the agency actually exceeded its inspection commitment, it would appear that the agency was not entering all inspections in the national data system.   In this case, the state would receive findings of State Improvement under Element 1 (Data), and Meets or Exceeds Expectations under Element 2 (Inspections).

Reviewers may revise these findings and recommendations later based on additional research and analysis.

5. Exit Conference

EPA should hold an exit conference with state agency personnel following the file review. This conference may occur on site immediately following the review or at a meeting or conference call as soon as possible after the review.

a. Discussing Preliminary Findings and Potential Recommendations

EPA may begin the exit conference by telling the state that it has completed the review and has developed preliminary findings and, if possible, recommendations. EPA should stress that these are subject to change based on further analysis and discussions with HQ. EPA should also discuss areas where state performance is strong.

When discussing preliminary findings for *Areas for Improvement,* EPA should provide reasons for these findings, and, if possible, potential recommendations to improve performance. This should be an opportunity for dialogue, particularly when EPA is unsure what is causing a particular problem, or how to improve it. The state may have additional reasons for low performance, and it may have helpful ideas for how to improve. EPA should note these and add them to the report as appropriate.

When problems noted in prior SRF reviews recur, ask the state why prior recommendations

did not solve the problem, and what the state believes it can do to improve performance. If an action was completed that did not solve the problem, recommend a different action.

EPA may ask the state or local agency when they plan to begin correcting the issue, and what they need in terms of assistance, so a realistic due date for a proposed recommendation can be included in the report.

Finally, EPA should discuss the process for drafting the report, reaching agreement with HQ on findings and recommendations, and sharing a draft with the state for its comment.

IV. DRAFTING AND FINALIZING THE SRF REPORT

A. Developing the First Draft

> **Roles and responsibilities**
>
> **Regional Coordinator:** Develop and submit a draft report to HQ liaison
>
> **HQ Liaison:** Review draft report for completeness, accuracy, and integrity

The draft report represents the main product of the review, which when finalized is made available to the public on the SRF web site. Drafting of the report typically begins after the file review, though some reviewers may wish to begin entering administrative information, data metric values along with preliminary findings prior to that point.

Regions have the flexibility to decide who is responsible for drafting the report, or sections of the report, whether that be the SRF coordinator, program reviewers or some combination. Typically, the coordinator is ultimately the one responsible for ensuring that the report is completed properly and on time.

In drafting the report, reviewers will compile the data and file metrics, along with any other relevant information gathered during the review, to make findings on a program's performance under each element (i.e. data, inspections, etc.). To help ensure consistency, a metric value range generally corresponds to one of three finding levels unless there are justifiable reasons otherwise (See Table 2 on page 22). Wherever findings of *area for improvement* are made, recommendations for corrective action must be included, which to the degree possible, should be developed in coordination with the agency reviewed.

Draft reports are due to the HQ Liaison by the end of the federal fiscal year as required by the Agency's ACS commitment. If the Regions needs additional time to complete the draft report, reviewers or SRF Coordinators should contact their liaison and provide them with an expected submission date.

Important: **All Round 4 SRF reports will be drafted in the "SRF Manager Database," the program's new Oracle Apex data system launched in January 2018.** The Database is a one-stop system that allows coordinators, reviewers, and liaisons to access key guidance documents, draft and review SRF reports, and track recommendations until completion. **For more information on how to**

use SRF Manager in developing a draft report, see the User's Guide posted in the database.

1. **Administrative Information**

    Before drafting the report, reviewers should provide the following information in the Administrative Information view of the SRF Manager's Database:

    - Region
    - State
    - Agency Reviewed: The implementing agency (EPA, State, Local). If state district offices are being reviewed, the state is the implementing agency. If a local is being reviewed, the local is the implementing agency. **All state district offices should be combined into a single report, while separate reports should be created for each local.**
    - Round
    - Review Year: Federal Fiscal Year (FFY) during which the reviewed activities were conducted.
    - Regional Coordinator
    - HQ Liaison
    - Report Version (final or draft)
    - Report Author
    - File Review: Dates that the file review was conducted and contact info of media program lead

2. **Performance Findings**

    Findings are the reviewers' determinations on program performance that make up the main content of the report. There should be at least one finding per element, though there are typically multiple findings within an element.

    a. Finding Number (up to 5 findings per element)
        - Each element in the report (data, inspections, etc.) has metrics associated with it and therefore will receive at least one finding. For each element, start with finding 1 and continue sequentially up to a maximum of five findings.

        e.g. Element = Data → Finding 1-1, Finding 1-2… Finding 1-5

    b. Finding Level
        - Review the source information that will be used to make findings:
            o   Data metrics from the DMA.
            o   File metrics from the file review spreadsheet.
            o   Other information such as ADMA performance trends, etc.
            Important: **Reviewers should use the national goal of the metric, not the national average, for determining a finding level.** Averages should be used to provide context to the findings.
        - Choose a final finding level. The table below provides a definition of each finding level and offers suggested metric value ranges for help in deciding on a finding level. These

value ranges are simply a guide in selecting an appropriate finding level. Other factors may be considered in choosing an appropriate level, such as the universe size of the metric or whether the issue has recurred across several SRF rounds. **See Appendix J to consider other factors for developing finding levels.**

Table 2	
Suggested **Metric Value Ranges**	**Finding Level**
~85-100%	**Meets or Exceeds Expectations:** The base level of performance is met and no deficiencies are identified, or the program is performing above national expectations.
~71-84%	**Area for Attention:** An activity, process, or policy that one or more SRF metrics show as a minor problem. Where appropriate, the state should correct the issue without additional EPA oversight. EPA may make suggestions to improve performance, but it will not monitor these suggestions for completion between SRF reviews.
~70% and below	**Area for Improvement:** An activity, process, or policy that one or more SRF metrics under a specific element show as a significant problem that the agency is required to address. Recommended activities to correct the issues should be included in the report and must have well-defined timelines and milestones for completion, and, if possible, should address root causes. EPA will monitor recommendations for completion between SRF reviews and provide any necessary updates in the SRF Manager database.

Important: Group metrics within an element under the same finding level. If metric values within an element lead to the same finding level, create a single finding and include all metrics under that finding. If metrics within an element lead to different finding levels, create multiple findings, grouping only those metrics that lead to the same finding level

c. Summary
- Provide 1-2 sentences describing the specific programmatic area(s) reviewed and conclusions on performance. Reviewers should typically try to use the language of the metric on which the finding is based as a guide in drafting the summary statements.

  For example:

  o Compliance determinations are generally accurate in cases where there is sufficient documentation (*Meets or Exceeds*);
  o Inspection reports occasionally lack information sufficient to determine compliance and are not consistently completed in a timely manner (*Area for Attention*);
  o Enforcement responses do not consistently address violations in an appropriate manner (*Area for Improvement*)

d. Explanation
- Describe the program's performance in more detail, providing an explanation for how and

why the finding level was chosen

- If the finding is *area for attention*: Reviewers may wish to include a suggestion to the state/local agency on how to improve the program or alleviate a concern at the end of the explanation section, though this <u>will not</u> be tracked as an official recommendation in the database.
- If the finding is *area for improvement*: Define the scope of the issue and the cause(s), or potential cause(s) to the best degree possible.

Important: Determine if the performance issue is recurring. Check to see if the same issue was identified in previous SRF rounds. If so, explain as best as possible, why the issue persists or resurfaced. Also, make sure to check the "recurring issue" box in the findings section of the SRF Manager Database.

3. Recommendations

Recommendations are required whenever there is a finding of *area for improvement*. The purpose of recommendations is to ensure that any significant performance issues identified in the review receive a response that either resolves the issue, or leads to substantial and consistent progress towards a resolution of the issue (a determination made using best professional judgement).

a. Writing <u>Effective</u> Recommendations

- All recommendations must contain a description of the specific actions that will be taken to address the issue identified, the responsible party, and well-defined timelines or due dates for completion (e.g. 90 days from the completion of the final report). To the greatest extent possible, recommendations should attempt to address the full scope and underlying cause(s) of the performance issue.
- Reviewers are encouraged to access the compilation of SRF Case Studies that contains real-world examples of successful approaches that Regions have used in previous reviews. Those case studies can be found at the [SRF Community SharePoint Site](#).
- When writing recommendations, reviewers may find it helpful to use the following SMART checklist to ensure the recommendation includes the required components.

<u>SMART Checklist</u>:

☐ Specific – description of specific actions that will be taken and who will take them.
☐ Measurable – the actions can be measured either quantitatively or qualitatively but should indicate what evidence is needed to measure completion.
☐ Achievable – the actions are within the means of the implementing agency to complete.
☐ Results-oriented – completion of the actions should result in improved *outcomes* i.e. the issue is addressed or meaningful and consistent progress is made towards that end.
☐ Time-bound – actions include timelines or due dates that create a practical sense of urgency.

Important: If the recommendation is addressing a recurring performance issue, or one identified in the previous round, the recommendation should represent an escalated

response. If the issue was resolved but resurfaced, the EPA might consider a longer period of monitoring. Examples of escalated action can be found in the Agency's *National Strategy for Improving Oversight of State Enforcement Performance* found on the ECHO SRF web page and in the SRF Manager database guidance section.

b. Recommendations vs. Milestones (choose an option)

Important: In writing recommendations for a finding of *area for improvement*, **reviewers can develop one recommendation with multiple milestones/due dates, or create several recommendations based on each milestone.** There may be no difference in deliverables or actions between recommendations and milestones; the only difference is how regions would like to monitor and report out on recommendations during the post review monitoring process. Here are the two options:

- Draft a single recommendation that has multiple milestones (deliverables or actions) but a single due date. The due date will typically mark when the final milestone is to be completed.

- Draft multiple recommendations, each with its own due date, meaning, there would be multiple recommendations and multiple due dates associated with that single finding.

  For example, a recommendation may include the following deliverable or action milestones: "1) The state should complete ICIS data entry training by July 31, 2019. The state should enter all SEVs into ICIS by Dec. 31, 2019. 3) The state should complete an SOP for entering SEVs into ICIS by March 31, 2020." Each action or deliverable would be entered in the SRF Manager database as a separate recommendation (no. 1, no. 2, no. 3) with a single due date for each.

4. **Executive Summary**

Once the draft report has been completed, reviewers can now begin developing the Executive Summary. The Summary should convey the main findings from the review, namely the most notable performance successes and challenges of a given program. In other words, readers, especially management, should be able to turn to the Executive Summary to get a sense of what parts of a program are being well implemented, and what parts require additional attention.

a. Areas of Strong Performance (3-5 findings):

- Review all *Meets-or-Exceeds* findings.
- Identify up to five findings that reflect parts of the program that are being implemented at a high or very high level.
- Include the finding summary(s) as written, or re-write to better encapsulate the finding.
- If no *Areas of Strong Performance* are identified, indicate this by writing "*No Areas of Strong Performance were identified.*"

b. Priority Issues to Address (3-5 findings):

- Review all *Area for Improvement* and *Area for Attention* findings.
- Identify up to five findings that reflect parts of the program that are being implemented at a low or very low level.
- Include the finding summary(s) as written, or re-write it to better encapsulate the finding.
- If no *Areas of Strong Performance* are identified, indicate this by writing "*No Priority Issues to Address were identified.*"

Following the highlights of the current review, the Executive Summary should include a brief overview of performance issues from past reviews. The overview should indicate whether issues identified in previous reviews have been resolved or continue to be a problem. One approach for communicating this is to create a table that includes the finding levels for each issue associated with a SRF metric and columns for each Round of a reviews. The table below is an example:

Metric	Round 3 Finding Level (FY 20__)	Round 4 Finding Level (FY 20__)
6b- Inspection reports were not completed in a timely manner	Meets or Exceeds Expectations	Area for State Improvement
9c- Percentage of enforcement responses that have returned or will return a source with non-SNC violations to compliance	Area for State Improvement	Meets or Exceeds Expectations
10b- Enforcement responses are not consistently addressing SNC violations in an appropriate manner	Area for State Attention	Area for State Improvement
10d- Percentage enforcement responses reviewed that appropriately address non-SNC violations	Area for State Improvement	Area for State Improvement

B. Finalizing the Report

1. HQ Review of Initial Draft Report

Once Regional reviewers have completed developing a draft report in the SRF Manager database, the Regional Coordinator should notify the HQ Liaison that the initial draft is complete. The Liaison will begin a completeness check to make sure all the necessary information is in the draft and all the required documents are uploaded to the database. If everything is complete, the Liaison and HQ program staff will begin their review and provide their comments to the Regional Coordinator within **15 calendar days.**

2. HQ Review of Subsequent Draft SRF Reports

The process and criteria for substantive reviews of revised draft reports will be the same as for first-draft reports unless the HQ Liaison elevates the revised draft to management, in which case management will review and determine how to resolve remaining issues.

3. **State Comment on Draft SRF Report**

Important: **The recommended approach for state review of the draft report is for the EPA region and HQ to reach agreement on a draft report before the EPA region shares the report with the state.** This is an effort to reduce transaction costs and make sure EPA speaks to outside parties with one voice. Experience has shown that reports shared with the state first result in additional reviews by the state and HQ, and take longer to finalize.

Once the state receives the report, it has **45 calendar days** to make comments. Once the state has reviewed the report and the Region has made all of the necessary revisions, the EPA region should send the report back to the HQ Liaison. The EPA region must notify the Liaison if it made any significant changes to the report based on state comments.

4. **Finalizing the Report in the SRF Manager Database and Posting to SRF Web Site**

Once the state has reviewed the report and HQ and the EPA region reach agreement on its content, the Region will make all final edits in the SRF Manager database and select the Final Report option in the Administrative Information view of the draft report section. This will transfer the report into the Final Report view and the document will appear in the table. The HQ Liaison will review the final reports and will notify the EPA region in writing that the report is final. The report is not final until the EPA region receives this written notification from HQ. Final reports are typically due by the end of the calendar year according to the Agency's ACS commitment. The Liaison will publish the final report and along with the review recommendations on the EPA SRF web site and notify the Regional Coordinator when the document will be available to the public.

V. POST-REVIEW RECOMMENDATION MONITORING AND CLOSEOUT

Roles and Responsibilities

Regional Coordinator: Monitor recommendation implementation to make sure progress is being made, support is available where needed, and the completion of a recommendation is verified.

HQ Liaison: Monitor status of recommendations, ensure that completion verification meets all appropriate criteria, and elevating issues that may require a national or upper management response.

Following the publication of the final report, EPA is responsible for ensuring that any recommendations resulting from the review are fully implemented so that performance issues are resolved, or meaningful and consistent progress is made towards that end.

The SRF Manager database is a key tool for monitoring recommendations. Once the report is finalized in the system, all report recommendations can be viewed in the Findings and Recommendations section, where reviewers can sort and filter recommendations by various categories including round, region, state, finding number and level, summary, explanation, recommendation text, due date and status. Reviewers are encouraged to check on the status of outstanding recommendations on at least a quarterly basis, and coordinate with the implementing program to complete them prior to the due date.

A. Annual Recommendation Inventory

At the beginning of each fiscal year, regional coordinators should conduct an inventory of all recommendations in the SRF Manager database to assess their status (completed, ongoing or overdue) and which ones will be coming due in the upcoming year. For those that are upcoming, and especially those that are overdue, review the content of the recommendation and prepare to follow up with the agency to ensure they are completed. Regions are encouraged to discuss the status of any ongoing or overdue recommendations with their states as part of their communication of their annual data metric analysis (ADMA).

B. Monitoring Ongoing Recommendations (formally known as "working" in previous SRF rounds)

For ongoing recommendations that have not reached their due dates, reviewers are advised not to wait until a recommendation is due to check in with the responsible agency on the status of its implementation.

For example, if a recommendation deliverable or action is due in 90 days from the report publication date, the reviewer should contact the agency at least 60-90 days in advance to inquire on what progress has been made in implementing the recommendation. As a suggested best practice, timelines for inquiry are included in the table below.

Recommendation Due Date	Suggested Initial Check-In Date
90 days from publication	30 days from due date
180 days from publication	120 days from due date
240 days from publication	120 days from due date
365 days from publication	180 days from due date

During check-ins, reviewers should try to determine if the reviewing agency is on track or having trouble implementing the recommendation deliverable or action. If EPA and the responsible agency both determine that the agency will not be able to meet the due date, they should try to determine the cause for the delay and what actions EPA can take to aid the state or local agency that will help them resolve the performance issue.

If it is unlikely that the issue can be resolved before the original due date, each party will try to reach an agreement on a new due date. Once a new date is determined, the Regional Coordinator should request a change in the due date in the SRF Manager Database. The HQ Liaison will review the request and update the due date, if appropriate.

C. Prioritizing and Elevating Overdue Recommendations

Overdue recommendations are those that have not been completed by the due date committed to in the final report. There might be many reasons why a recommendation becomes overdue - staff turnover or a lack of staff, state unwillingness, the issue is considered a low-priority, or it is simply a complex and intractable issue to resolve. The expectation, however, is that <u>all recommendations are to be completed</u>, unless upon elevation, senior management determines that the issue cannot be solved or is no longer relevant.

Reviewers should prioritize the monitoring of overdue recommendations and develop a strategy for working with the appropriate agencies to resolve them. Most pressing to resolve are the subset of overdue recommendations that address what reviewers determine to be "<u>significant and recurring issues</u>" and have been unresolved for an extended period (e.g., greater than one year overdue). For these types of recommendations, Regions should implement an elevation process for resolution by senior management either at the Regional or HQ level depending on the cause in the delay in implementation of the recommendation.

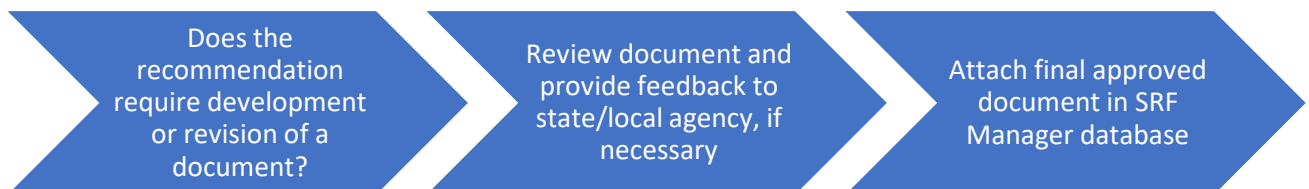## D. Verifying Recommendation Completion

For a recommendation to be considered complete, EPA verify that all parts of the recommendation have been carried out in full and/or the underlying performance issue(s) has been either resolved, or, substantial and consistent progress has been made towards a resolution.

Confirmation may require EPA to review data or a sample of inspection reports or enforcement actions to determine that an issue has been resolved. This may or may not be explicitly spelled out in the recommendation itself. For the most significant issues, EPA will want to monitor implementation of a recommendation for a longer period and see sustained improvement over several quarters before closing out the recommendation.

Documentation to demonstrate verification may differ depending on the type of performance issue identified in the report. The list below includes some common practices and documents for verifying specific performance issues:

1. **Policies, Guidance, and Procedures**

   - Development or revision of a new or existing document, such as a response policy, inspection report format, checklist or template, standard operating procedure, penalty calculation spreadsheet, or data entry procedures.

   Does the recommendation require development or revision of a document? → Review document and provide feedback to state/local agency, if necessary → Attach final approved document in SRF Manager database

2. **Incomplete, Inaccurate, and Untimely Entry of Data**

- Entry of missing data, such as facility info, universe, inspections, violations, enforcement actions, or penalty counts and amounts under file metric 2b
- Resolving technical issues such as translating data from state to federal databases (i.e., Electronic Data Transfers (EDT))
- Revising incorrectly entered data such as inaccurate dates, SEV codes, enforcement types, penalty dollar amounts
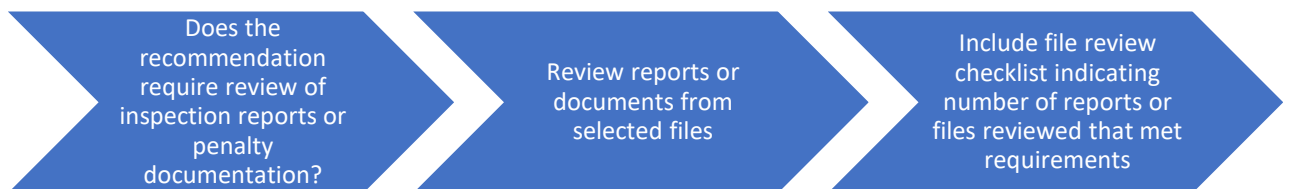
| Does the recommendation require entry of or changes to data? | Review download of production or frozen SRF metric data | Attach data download to SRF Manager Database |

3. **Insufficient knowledge, skills, and abilities**

- Providing training and technical assistance on how to accurately enter data, which data are required to be entered, when data are required to be entered, identification of violations and discerning SNC/HPV/FRV from other types of violations, how to calculate penalties (e.g., economic benefit)
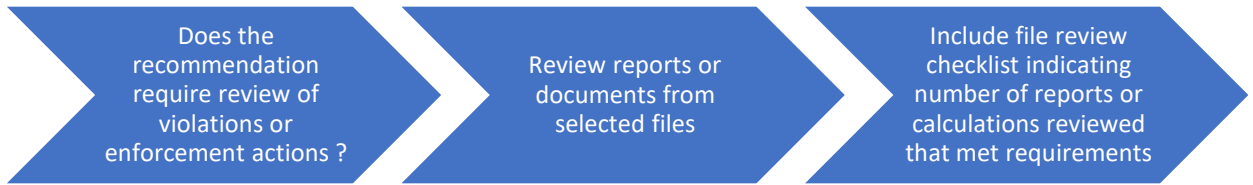
| Does the recommendation require training, joint inspections? | Record # of training attendees date, & agenda/syllabus, or inspections conducted/reports reviewed | Attach document with training info in SRF Manager Database |

4. **Inadequate Inspection Reports and Documentation of Penalty Calculations**

- Inspection report quality (e.g., facility information, dates, narratives, checklist, documentation, violation identification)
- Penalty documentation (e.g., economic benefit and gravity, changes to penalty amounts, penalty collection)

| Does the recommendation require review of inspection reports or penalty documentation? | Review reports or documents from selected files | Include file review checklist indicating number of reports or files reviewed that met requirements |

5. **Inadequate SNC-HPV determination, Return to Compliance, and Appropriate and Timely Enforcement Action**

- Making appropriate HPV-SNC determinations of violations
- Taking appropriate and timely informal or formal action in response to violations.

| Does the recommendation require review of violations or enforcement actions ? | Review reports or documents from selected files | Include file review checklist indicating number of reports or calculations reviewed that met requirements |

Regions should enter all the necessary verification information the in SRF Manager, after which, they will need to notify their HQ Liaison to request a close out of the recommendation. The Liaison will review the information in the SRF Manager and, if all the verification criteria are met, they will approve the request and close out the recommendation.

In cases where the verification lacks sufficient justification or documentation, the Liaison will work with the Region to try to reach an agreement. If relevant documentation or information cannot be obtained, an explanation should be provided. If both parties are unable to reach agreement, the Liaison will elevate the issue to their management.

Appendix A: SRF Key Information

- **Reviewer**: EPA Office of Enforcement and Compliance Assurance and 10 Regional Offices
- **Reviewed**: Local, state, and EPA DI compliance monitoring and enforcement programs
- **Frequency**: At least once every five years
- **Current Round:** Round 4 (FY2018-2022)
- **Statutes Covered:**
  - *Clean Water Act (CAA)* – National Pollutant Discharge Elimination System (NPDES)
  - *Clean Air Act (CWA)* – Title V
  - *Resource Conservation and Recovery Act (RCRA)* – Subtitle C
- **Source Information:**
  - *Data Metrics –* Verified compliance monitoring and enforcement data in the national data systems
  - *File Metrics* – Facility files that contain compliance monitoring and enforcement activity
  - *Other* – Non-review year data or multi-year data trends; review of previous SRF reports; Compliance Monitoring Strategies, MOUs and performance agreements; follow-up conversations with agency personnel and; additional information collected to determine an issue's severity and root causes
- **Program Elements Covered**:
  - *Data -* completeness, accuracy, and timeliness of data entry into national data systems
  - *Inspections* - meeting inspection and coverage commitments, inspection report quality, and report timeliness
  - *Violations* - identification of violations, accuracy of compliance determinations, and determination of significant noncompliance (SNC) or high priority violators (HPV)
  - *Enforcement* – timeliness, appropriateness, returning facilities to compliance
  - *Penalties* - calculation including gravity and economic benefit components, assessment, and collection
- **Finding Levels:**
  - **Meets or Exceeds Expectations:** This rating describes a situation where the base level is met, and no performance deficiency is identified, or a state performs above base program expectations
  - **Area for Attention:** An activity, process, or policy that one or more SRF metrics show as a minor problem. Where appropriate, the state should correct the issue without additional EPA oversight.
  - **Area for Improvement:** An activity, process, or policy that one or more SRF metrics under a specific element show as a significant problem that the agency is required to address. Recommended activities to correct the issues should be included in the report and must have well-defined timelines and milestones for completion, and, if possible, should address root causes. EPA will monitor recommendations for completion between SRF reviews in the SRF Manager database.
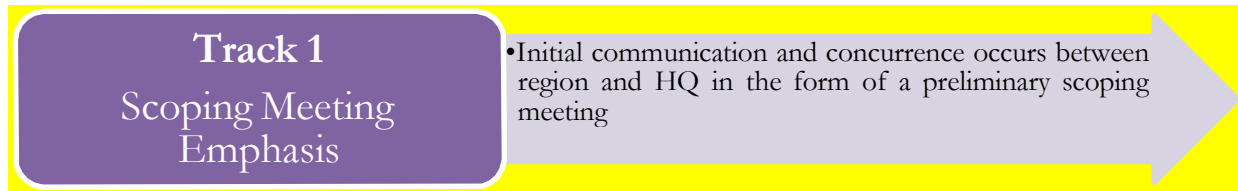
Appendix B: Data Verification

Data Verification typically occurs every year from November to February.   The following steps should be taken by the data stewards for all state delegated and EPA Direct Implementation programs:

- Log into the government-only area of the Enforcement and Compliance History Online (ECHO) website with your EPA web application ID and password.
- Click the "Oversight" box and the "State Review Framework" link (direct link after log in is https://echo.epa.gov/oversight/state-review-framework).
- Click the ECHO.gov SRF Data Verification tab and submit a search for the state or local agency.
- Go to the Review the facility and activity counts on the search results screen to ensure their accuracy. In other words, if a number appears inaccurate, click on it to view the list of facilities or activities behind it.
- Make any necessary corrections in the national data system of record. ECHO.gov will reflect corrections after the next weekly data refresh. See the right-hand side of the ECHO.gov Data Verification page for final refresh and anticipated freeze dates.
- States and EPA should correct the national data systems before the final ECHO.gov refresh. This allows for a final review prior to the data verification deadline, which is typically in February.[3] Click the Submit Verification button at the bottom of the results page to complete verification.
- When a state finds data inaccuracies that it cannot correct, it should consult with EPA regional data stewards to develop caveats to explain why data are inaccurate. EPA will post these caveats on ECHO.

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[3] The timeframe for 2018 data verification is later than in past years due to the review of proposed revisions to the SRF metrics as part of planning for SRF Round 4 reviews.

Appendix C: Regional and Headquarters Coordination During the SRF Review

| Track 1 — Scoping Meeting Emphasis | •Initial communication and concurrence occurs between region and HQ in the form of a preliminary scoping meeting |

Step 1: Initial Meeting

The initial meeting is the EPA region's presentation to HQ of its comprehensive plan for the review. This also provides a forum for discussing how the SRF process can address state performance issues. Regional managers and/or S'RF coordinators and liaison should participate.

Before the meeting, regions should provide to HQ no less than 2 days in advance, and prepare to discuss, the following:

- If applicable, a proposal for reviewing select district offices, or local agencies (see Section II, "Preparing for the Review," above)
- DMA results, NPDES Compliance Monitoring Strategy state specific CMS plan and the CWA inspection coverage table
- Proposed file selection lists
- An estimate of the draft report submission date

HQ and the EPA region may schedule follow-up discussions to address any outstanding issues and finalize a review plan. HQ and the region should document final decisions.

As another recommended but optional step, regions should provide file review results to their HQ SRF liaison for review after the on-site file review. HQ will provide comments within five working days.

Step 2: Draft and Final Report

The regional SRF coordinator provides a completed draft report to the HQ SRF liaison with all supporting SRF documents. HQ will provide comments within 15 working days, as long as all SRF documents are provided. See the "Finalizing Report" section below for additional information.

| Track 2 — Periodic Check-In Emphasis | •Periodic communication and concurrence between regional SRF coordinator and HQ SRF liaison occur at multiple steps in the process |
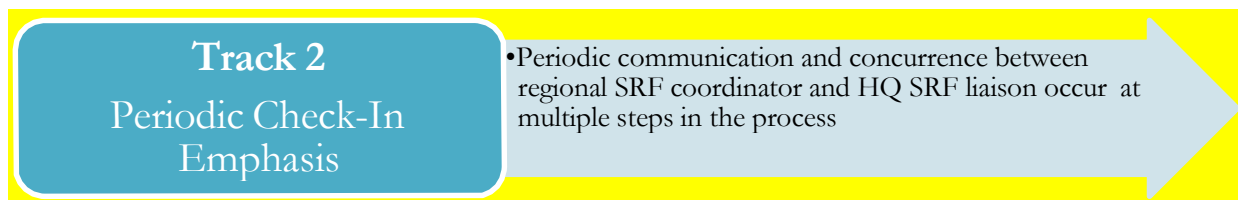
Step 1: Determining Scope of Review

This step applies when EPA is reviewing local agencies or select district offices in a state. Section II in the SRF Reviewer's Guide (p. 7) provides relevant elaboration.

Step 2: SRF Data Metric Analyses

Forward copies of SRF data metric analyses to the HQ SRF liaison. For CWA SRF reviews, include any CWA state specific CMS plans. The liaison will review and provide feedback within five working days.

Step 3: File Selection Lists

Forward file selection lists to the HQ SRF liaison before sending them to the state. The liaison will review to ensure that:

- The region selected a sufficient number of facilities
- The region selected the recommended number of facilities for each element (inspections, violations, enforcement, etc.)
- The facilities selected are sufficiently representative of the full universe in terms of major/minor designation, geography, and sector

Regions may wish to send file selection lists and data metric analyses at the same time. The HQ SRF liaison will review and send feedback to the region within five working days.

Step 4: File Review Results

Once the file review is completed, regions should forward copies of the file review worksheet to their liaison. A complete tally of the file metrics and the region's initial findings must be included (including the comments). The liaison will provide informal comments to the region within five working days, which the region can incorporate into the worksheets.

Step 5: Prepare Draft Report

The Regional SRF Coordinator provides a completed draft report via the new SRF Manager database, and file review spreadsheet to the OC SRF liaison. HQ will provide comments within 15 working days

Step 6: Finalizing Report

The regional SRF coordinator provides a completed draft report to the HQ SRF liaison. See the "Finalizing Report" section on page 25 of the Reviewer's Guide for additional guidance.

Optional Steps**:**

- **Review calendar:** Develop milestones for completing each step in the review process and forward them to HQ SRF liaison.
- **Kickoff letter:** When sending a kickoff letter to the state, also send a copy to the HQ SRF liaison.

Appendix D: Kick-off Letter Template

Date

Name
Title
Agency
Address
City/State/Zip

Re: State Review Framework (SRF) - Upcoming Round 4 Review

As an integral part of our U.S. Environmental Protection Agency – [State] partnership, Region [ ] will be conducting a State Review Framework (SRF) review of the [State] [Agency] this year. Specifically, the EPA will be looking at the Resource Conservation and Recovery Act (RCRA) Subtitle C, Clean Water Act (CWA) National Pollutant Discharge Elimination System (NPDES) and Clean Air Act (CAA) Stationary Source enforcement programs. We will review inspection and enforcement activity from fiscal year [review year].

The purpose of the review is to assess whether program implementation is taking place in accordance with federal policy and meeting agreed upon minimum performance standards as established in EPA-state agreements (i.e., PPA/PPG, MOAs). The overarching goal of SRF is to improve the consistency of program implementation and oversight, and in doing so, ensure equal protection for the public and a level playing field for business. A summary of the key components of the SRF program are included in the attachment to this letter.

An important part of the review process is the visit to your state agency office. Through this visit, which will likely take place in [month and/or day, if scheduled], the EPA will have face-to-face discussions with enforcement staff and review their respective files to better understand the overall enforcement program.

State visits for these reviews will include:

- discussions between Region [ ] and [state agency] program managers and staff;
- examination of data in EPA and [state agency] data systems; and,
- review of selected [state agency] inspection and enforcement files and policies.

To carry out the review, Region [ ] has established a cross-program team of managers and staff. The regional SRF coordinator, [name], will be your primary point of contact and will coordinate overall logistics for the EPA. We request that you also identify a primary contact person for the EPA to work with and provide that name to [SRF Coordinator]. The full review team including media program leads is as follows:

[name]	*Regional Coordinator*	*(xxx) xxx-xxxx*	*[email]*
	RCRA lead		
	CWA lead		
	CAA lead		

These program leads will be contacting [state agency] enforcement managers and staff to schedule a meeting to discuss expectations, lessons learned from previous reviews, procedures and scheduling for the review. The EPA will also send its analysis of the SRF data metrics and list of selected facility files prior to the on-site visit.

 Following our visit to your office, the EPA will summarize findings and recommendations in a draft report. Your management and staff will be provided 45 days to review and comment on this draft. The EPA expects to complete the [state agency] review, including the final report, by [proposed date]. If any areas for improvement are identified in the SRF, we will work with you to address them issue until they are resolved or meaningful and consistent progress is made towards that end.

Please do not hesitate to contact me at [phone number], or have your staff contact [SRF Coordinator name] at [phone number] with any questions about this review process. We look forward to working with you on the 2018 SRF review, and furthering our critical EPA-State partnership.

Sincerely,

Appendix E: Data Metric Analysis (DMA) Procedures

DMA Step-by-step:

Step 1: Downloading the DMA from ECHO

1) Log in to ECHO.gov
2) Go to *Oversight > State Review Framework*
3) Click on the *Data Metrics Analysis* tab
    o Select the *Statute* (CAA, CWA, RCRA)
    o Select the *Review Year*
    o Choose the *State* being reviewed, and if applicable, the *Local Agency*
    o Click submit
4) A new window with table of metric values will appear, click download button
5) Save document as: *State-Local_Statute_Review Year_Document Type*
    o e.g., *AL_CWA_FY17_DMA*   or   *AL-Jefferson_CAA_FY17_DMA*

Step 2: Making Initial Findings

6) Open the downloaded copy and locate the columns *Initial Finding* and *Explanation*
7) For all **Goal Metrics**:
    o Evaluate each goal metric value and make an initial finding according the general ranges on page 21 or in Appendix J of the Reviewer's Guide.
    o Provide a brief explanation to substantiate the finding
8) For all **Non-Goal Metrics:**
    o If metric values appear satisfactory, no finding is required
    o If metric values suggest performance issues:
        ▪ Determine an initial finding level as described above
        ▪ Or flag the issue for follow-up in file selection and review to obtain more information. To do this, enter *Supplemental Review* in either of the newly created columns

Step 3: Using the Initial Findings

9) When finished, **submit the DMA** with initial findings to your HQ liaison for review before starting the file selection and review process
10) Once the DMA is submitted and reviewed, focus attention on findings of *area for attention, area for improvement,* or those flagged for *Supplemental Review*.
    o Check-in with the agency to make sure the values are accurate
    o If so, in the file selection process make sure to select files pertaining to potential areas of concern. (s*ee File Selection section on pages 12-15*)

- o During the file review, or whenever possible, discuss the DMA results with the agency to try to gather any additional information that could be helpful in making and substantiating findings in the report

Reviewers may want to share the DMA with the state or local agency as part of the kick-off letter or meeting. This will allow for agencies to provide any feedback or corrections of the data before conducting the review.

Note: The DMA and initial findings along with the results from the file review will be used later in the process to make findings in the report

Appendix F: File Selection Procedures

<u>Representative File Selection Step-By-Step</u>

1.) Enter the following EPA web site address in your Internet web browser (preferably Google for full functionality of the file selection tool): http://echo.epa.gov

2.) In the upper right-hand corner, click on the **ECHO Gov Login** link

3.) Enter your LAN user id and password; this is the same user id and password that you use to log into your computer. This is not the numeric PIN for your smartcard.

4.) At the bottom of your screen, click on the blue icon at right called **"Oversight"**

5.) Next, click on the link at the bottom of the page called **"State Review Framework"**

6.) Scroll down and click on the **File Selection** tab in the gray box in the middle of the page

7.) Select the media you are reviewing (CAA, CWA, or RCRA)

8.) Select the fiscal year of frozen data (select the most recent fiscal year). Reviewers in the first year of Round 4 will selection FY 2017 frozen data for example.

9.) Select **State Only** as the Agency to be reviewed

10 Select the state or local agency from the Jurisdiction drop down box.

11 Click on the **Submit Without Flags** button

12 Click the arrows below the Informal Action header twice to bring facilities with informal actions to the top.

13 Select at least five facilities with informal actions at random by clicking on the checkboxes on the left. Click the checkboxes twice to indicate that the facilities are part of the representative selection. You will see a green checkmark next to all selected files. (Beginning with enforcement actions is an efficient way to conduct files selection. These facilities are the most likely to have inspections, violations and penalties reported. To assist with random selection, the File Selection Tool only identifies facilities by program ID number.)

14 Use the same methodology to select at least 5 formal actions, penalties, non-HPV/ non-SNC violations, SNC/HPV violations, and inspections.

15 Select at least 10 facilities with inspections. (some of the facilities already selected will have inspections. These count toward the 10 inspection files.) For CAA, click the up arrow in the FCE column; for CWA and RCRA files, choose the Inspection

column

16 Select additional facilities as needed so at least five are selected in each of the
    violation categories.

17 Review the number of files required to be selected based on comparison of the total number of
    records returned in the top lef- hand portion of the file selection tool to the number of files
    required to be reviewed in Table 1 [page 13]. If more files need to be selected to meet
    minimum file selection requirements, identify activities in greatest need of additional facilities
    to make a proper evaluation. Randomly select facilities for those activities until you have
    selected at least the minimum number of total files. Review the file selection criteria on pages
    14-15 to ensure that all factors such as geographic distribution and other criteria are met.

Appendix G: Checklist of Key Items for Conducting File Review

1. Hard copies:

    List of selected facilities

    Detailed Facility Reports (DFRs) for each facility reviewed

    File review checklists for each facility reviewed

    Contact information for point-of-contact and others at state agency

    Copy of the DMA

2. Electronic copies:

    File review worksheet

    Completed CWA CMS metric spreadsheet (metrics 4a1 – 4a11)

3. Either hard or electronic copies:

    Plain Language Guide

    Previous SRF reports & recommendation status

    NPDES Program MOA or any other relevant state-EPA agreement

    This guidance document

    Enforcement response policies

    Penalty policies

    Inspection Manual

    State compliance monitoring or inspection policies

Appendix H: SRF Draft Report Completeness Checklist

When creating a draft report, be advised that the DMA, File Selection List, CWA inspection coverage table, File Review Worksheet, and any other documents used for the SRF review process must be submitted to the HQ SRF Liaison for him/her to determine completeness and perform an accurate review of the report. These should also be uploaded to the SRF Manager database which serves as a central repository and official record for the review.

A draft report is complete if all required sections listed below are uploaded into the SRF Manager database or emailed to the Liaison.

Report Components and Attachments	Complete?	
	Yes	No
Report Components for Each Element for Each Media Chapter (CWA, CAA, and/or RCRA) See Example in Appendix I	☐	☐
Finding (number and level)	☐	☐
Summary	☐	☐
Explanation	☐	☐
Relevant metrics	☐	☐
Recommendations	☐	☐
Attachments	☐	☐
Data Metric Analysis spreadsheet*	☐	☐
File Selection spreadsheet*	☐	☐
CWA inspection coverage table* and/or alternative CMS plans	☐	☐
File Review spreadsheet*	☐	☐
* These documents can be uploaded on the Administration Information page of the SRF Manager. They will appear in the Attachments table when the report is finalized		

Appendix I: Sample Finding and Recommendation

CWA Element 4 — Enforcement	
Finding 4-1	**Area for State Improvement**
Summary	SNC violations are not addressed in a timely or appropriate manner.
Explanation	For two of the eight SNC violations reviewed, the violations did receive appropriate follow-up action. However, in six instances, these violations received neither informal nor formal enforcement action. The state does not have a formal policy in place for taking enforcement against SNC violators. Metric 10a shows that the state was not consistently taking timely enforcement action. This can be traced to the failure to complete inspection reports in a timely manner.
Relevant metrics	(see table below)

Metric ID Number and Description	Natl Goal	Natl Avg	State N	State D	State % or #
10a Major facilities with timely action	98%	-	1	8	13%
10b Enforcement responses reviewed that address violations in an appropriate manner	100%	-	5	15	33%

State response	The state agrees that this is a problem and has agreed to work with EPA to resolve it.
Recommendation	1) The state will develop a Standard Operating Procedure (SOP) for taking enforcement action against SNC violators within 90 days of finalization of this report, and will send a copy to EPA for approval. 2) The state will immediately begin taking enforcement action against SNC violators in accordance with the SOP developed under item 1. 3) EPA will monitor performance via quarterly conference calls and annual SRF data metric analyses. EPA will close this recommendation after approving the state's SOP and observing three consecutive quarters of performance that meets national goals.

Appendix J: Establishing Finding Levels

The table below provides a definition of each finding level and offers suggested metric value ranges for help in deciding on a finding level. These value ranges are simply a guide in selecting an appropriate finding level. Other factors may be considered (e.g., universe size of metric) in choosing an appropriate level.

Suggested Metric Value Ranges	Finding Level
~85-100%	**Meets or Exceeds Expectations: T**he base level is met, and no performance deficiencies are identified, or the program is performing above national expectations
~71-84%	**Area for Attention:** An activity, process, or policy that one or more SRF metrics show as a minor problem. Where appropriate, the state should correct the issue without additional EPA oversight. EPA may make suggestions to improve performance, but it will not monitor these suggestions for completion between SRF reviews. These areas are typically not highlighted as priority areas to address in an executive summary.
~70% and below	**Area for Improvement: A**n activity, process, or policy that one or more SRF metrics under a specific element show as a significant problem that the agency is required to address. Recommended activities to correct the issues should be included in the report and must have well-defined timelines and milestones for completion, and, if possible, should address root causes. EPA will monitor recommendations for completion between SRF reviews in the SRF Manager database and provide any necessary updates in the EPA Manager database.

Additional Factors

Sample Size
In cases where there is a small universe for a metric or a low number of activities to review, the small sample size means greater variability in metric values which can make it difficult to establish a reliable finding on performance.

Though the review focuses on a one-year period of activity, the reviewer can select additional files from prior years of activity to increase the sample size and have a more robust set of files. Reviewers can also use multi-year trend data to help make a decision when performance is on the edge of two finding levels Otherwise, follow the general range unless there is evidence to support a different conclusion. If such evidence exists, include that information in the explanation section of the finding which will be reviewed by HQ.

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