



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

FEB 7 2012

THE INSPECTOR GENERAL

**MEMORANDUM**

**SUBJECT:** Evaluation of Agency Response to OIG Report No. 11-P-0722, *EPA Should Prepare and Distribute Security Classification Guides*, September 29, 2011

**TO:** Bob Perciasepe  
Deputy Administrator

Thank you for your December 22, 2011, response to the subject report, which we received on January 3, 2012. We appreciate the Agency's efforts to be responsive to our report recommendations.


Your response neither agreed nor disagreed with the two recommendations in the report, but indicated that the Agency will prepare an initial classification guide within 90 days and, following the Administrator's approval, distribute that guide. These planned actions are steps in the right direction. However, we request clarification and additional information, as described below, on the "evolving information-sharing initiatives for classified EPA products" and how the U.S. Environmental Protection Agency (EPA) defines "materials most recently originally classified."

We are concerned about the content of the proposed classification guide. The Code of Federal Regulations (CFR), in 32 CFR 2001.15(d)(1), states, "Agencies shall incorporate original classification decisions into classification guides as soon as practicable." You state in your response that the planned initial classification guide will address "materials most recently originally classified." However, because the regulation does not limit classification guides to "materials most recently originally classified," the planned classification guide should cover all materials classified by the Agency. This approach would ensure that EPA complies with Executive Order (EO) 13526, *Classified National Security Information*, Section 2.2(a), which states, "Agencies with original classification authority shall prepare classification guides to facilitate the proper and uniform derivative classification of information." Please confirm that the initial guide will cover all previously classified EPA material.

Your response states that "the current EPA procedures for managing classified materials are within the intent of Executive Order 13526." We believe this interpretation of EO 13256 is not in keeping with EO 13526, Section 5.1(a), which states, "[t]hese directives shall be binding on the agencies."

We consider the recommendations unresolved. EPA should agree or disagree with each of the recommendations and describe the actions taken or planned, if any. In accordance with Office of Management and Budget Circular A-50, we would like to receive your response and resolve all open issues within 180 days of the report issuance date of September 29, 2011.

Attached is a copy of your memorandum, which we received on January 4, 2012. We appreciate your commitment to address our report recommendations and the effort, resources, and attention that EPA has devoted to the findings presented in our report. If you or your staff have any questions, please contact Elizabeth Grossman, Acting Assistant Inspector General for Program Evaluation, at (202) 566-0832, or Eric Lewis at (202) 566-2664.



Arthur A. Elkins, Jr.

Attachment

cc: Craig Hooks, Assistant Administrator for Administration and Resources Management  
Debbie Dietrich, Associate Administrator for Homeland Security  
Barbara Bennett, Agency Follow-Up Official (Chief Financial Officer)  
Bernadette Dunn, Agency Follow-Up Coordinator  
Scott Fulton, General Counsel  
Sandy Womack, Audit Follow-Up Coordinator, Office of Administration and Resources Management  
Renee Page, Director, Office of Administration, Office of Administration and Resources Management  
Elizabeth Grossman, Acting Assistant Inspector General for Program Evaluation, Office of Inspector General  
Eric Lewis, Director, Special Reviews, Office of Program Evaluation, Office of Inspector General  
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