



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

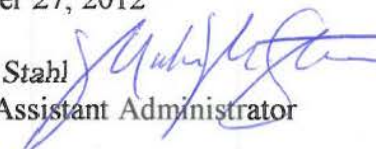
WASHINGTON, D.C. 20460

JAN 23 2013

OFFICE OF
INTERNATIONAL AND
TRIBAL AFFAIRS

MEMORANDUM

SUBJECT: Response to Office of Inspector General Final Report No. 13-P-0057, *Status of Corrective Actions in Response to 2008 Report, Framework for Developing Tribal Capacity Needed in Indian General Assistance Program*, November 27, 2012

FROM: Michael Stahl 
Deputy Assistant Administrator

TO: Arthur A. Elkins, Jr.
Inspector General

Thank you for the opportunity to respond to the issues and recommendation of the final report. We appreciate the Office of Inspector General's thorough review of our progress in implementing corrective actions under the 2008 audit. Following is the Agency's overall position and actions to date on the report's recommendation.

AGENCY'S OVERALL POSITION

The Agency accepts the recommendation in final report No. 13-P-0057, *Status of Corrective Action in Response to 2008 Report, Framework for Developing Tribal Capacity Needed in Indian General Assistance Program*. In response to the follow up review, OITA updated 3 of the corrective actions in the Agency's Management Audit Tracking System (MATS) to reflect a revised final completion date of May 2013 for the recommendations identified in the 2008 Audit Report (see attached). The corrective action for Final Report No. 13-P-0057 is complete.

Over the last several years we have been developing and implementing an improved internal control structure for the GAP in direct response to the recommendations of the original OIG 2008 audit. We implemented the corrective actions using a phased approach to allow for effective compliance with the Agency's Consultation Policy. Given the broad nature and importance of the program there was an extremely high level of interest from tribal governments in the implementation of the changes to the program. As a result, OITA has led an extensive, multi-phased approach to allow for two rounds of consultation with tribes. The final phase of the implementation for the new GAP Guidance, including the GAP Guidebook, began in November 2012; EPA will finalize the documents based on input received during the final phase of consultation, and issue the revised guidance in May 2013. The new GAP Guidance and Guidebook will apply to

assistance agreements negotiated after May 2013; the majority of these agreements will be negotiated in FY 2014 for activities to be funded and conducted in FY 2015.

OITA remains committed to improving operations of the GAP program and accountability for measuring program performance. Of significant importance to us is determining the effectiveness of the corrective actions. Given the GAP grant award and performance cycles, testing the effectiveness of the corrective actions before FY 2017 would yield information of limited value and represent an inefficient use of resources. As previously discussed with both the original Audit Team and the Status Review Team, OITA expects to make further modifications to the funding distribution after sufficient data exists under the revised program framework. We strongly recommend that the OIG consider allowing the program to fully integrate the changes, through at least two award and performance cycles, prior to conducting further follow-up reviews.

AGENCY’S RESPONSE TO REPORT RECOMMENDATIONS

No.	Recommendation	High-Level Intended Corrective Action(s)	Estimated Completion by Quarter and FY
1	Complete implementation of corrective actions initiated in response to the 2008 report and update MATS to denote May 2013 as the date to complete implementation of actions to address recommendations 2-1, 2-2, and 3-1 from the 2008 report (EPA OIG Report No. 08-P-0083).	Update MATS to denote May 2013 as the date, reflecting input from the consultation process, to complete implementation of actions that address recommendations from the 2008 report.	Completed

CONTACT INFORMATION

If you have any questions regarding this response, please contact Karin Koslow, Deputy Director of the American Indian Environmental Office on 202-564-0303 or Teresa Ruppe, Audit Follow-Up Coordinator, Office of International and Tribal Affairs at 202-564-6619.

Attachment

cc:

JoAnn Chase, Director, AIEO
 Teresa Ruppe, Audit Follow-Up Coordinator, OITA
 Karin Koslow, Deputy Director, AIEO
 Luke Jones, Senior Advisor, Grant and Technical Assistance Team, AIEO

MATS recommendations and corrective actions for Audit Report No. 08-P-0083, Framework for Developing Tribal Capacity Needed in Indian General Assistance Program:

Rec. 1: (OIG Report 2-1) Require the American Indian Environmental Office to develop and implement an overall framework for achieving capacity, including valid performance measures for each type of tribal entity, and provide assistance to the regions for incorporating the framework into the IGAP workplans.

C.A. 1-1: *Status:* Complete

Planned: 2008-09-30 *Revised:* 0000-00-00 *Completed:* 2008-09-30

Develop comprehensive GAP framework document to include the following components: (a) Standardized online workplan process and documentation, (b) Method to ensure negotiation of tribal plans with long-term and interim goals and, (c) Method to allow measure of tribal progress toward meeting plan goals.

UPDATE: We have completed items a) – c) by incorporating those features into GAP Online and ensuring that all GAP recipients will be using the system by FY 2010.

C.A. 1-2: *Status:* Adhering

Planned: 2011-09-30 *Revised:* 2013-05-31 *Completed:* 0000-00-00

(d) Revision of the 2000 GAP Guidelines to comport with the framework.

NEW UPDATE: Per OIG Status of Corrective Actions Report No. 13-P-0057, dated November 27, 2012, - The Agency has updated MATS to denote May 2013 as the date, reflecting input from the consultation process, to complete implementation of actions that address recommendations from the 2008 report.

OLD UPDATE: All GAP recipients will be required to include intermediate and long-term goals in their work plans in FY 2010. Each work plan component will have a specific link to EPA strategic plan goals, and will include measures where feasible. Revision of the GAP Guidelines will need to be concurrent with the revisions included in CA 3-1 below.

Rec. 2: (OIG Report 2-2) Require regions to (a) negotiate with tribes to develop environmental plans that reflect intermediate and long-term goals, (b) link those plans to annual IGAP work plans, and (c) measure tribal progress in meeting plans and goals.

C.A. 2-1: *Status:* Adhering
Planned: 2011-03-31 *Revised:* 2013-05-31 *Completed:* 0000-00-00

Develop comprehensive GAP framework document anticipated to include the following component:

(a) Approach to assist tribes in environmental planning

NEW UPDATE: Per OIG Status of Corrective Actions Report No. 13-P-0057, dated November 27, 2012, - The Agency has updated MATS to denote May 2013 as the date, reflecting input from the consultation process, to complete implementation of actions that address recommendations from the 2008 report.

OLD UPDATE: We will be working with EPA and tribal stakeholders to develop a comprehensive guide for tribes to use in developing environmental management capacity. The contract for services to support this effort was put in place by the second quarter of FY 2010.

Rec. 3: (OIG Report 3-1) Revise how IGAP funding is distributed to tribes to place more emphasis on tribes' prior progress, environmental capacity needs, and long term goals.

C.A. 3-1: *Status:* Complete
Planned: 2011-09-30 *Revised:* 0000-00-00 *Completed:* 2011-09-30

Develop adjustments to funding formula, allocations, distributions, and award decisions as appropriate based on the revised GAP Guidance.

UPDATE: To be developed upon completion of activities under 2-1.

C.A. 3-2: *Status:* Adhering
Planned: 2011-09-30 *Revised:* 2013-05-31 *Completed:* 0000-00-00

Institute provisions of revised GAP Guidance as a basis for program activities and award decisions.

NEW UPDATE: Per OIG Status of Corrective Actions Report No. 13-P-0057, dated November 27, 2012, - The Agency has updated MATS to denote May 2013 as the date, reflecting input from the consultation process, to complete implementation of actions that address recommendations from the 2008 report.

OLD UPDATE: To be developed upon completion of activities under 2-1.