



At a Glance

Why We Did This Audit

The purpose of this audit was to determine whether the U.S. Environmental Protection Agency (EPA) has adequate policies and procedures in place for the use of administrative leave in connection with employee conduct and disciplinary actions.

We issued an early warning report on November 19, 2014, identifying eight employees who recorded significant amounts of administrative leave. Information provided by the agency showed that the administrative leave related to disciplinary actions. We initiated this audit to assess the process used and policies followed in the decisions to grant administrative leave for these eight employees.

This report addresses the following EPA goal or cross-agency strategy:

- *Embracing EPA as a high-performing organization.*

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Administrative Leave Decisions for EPA Employee Disciplinary Actions Should Be Better Documented, and Parameters on Use of Such Leave Should Be Established

What We Found

The EPA has established policies and procedures for the use of administrative leave in connection with employee conduct and disciplinary actions. However, the policies can be improved to (1) provide better guidance for documenting administrative leave, and (2) establish parameters for how much administrative leave should be approved.

EPA's use of extended administrative leave can result in unnecessary and excessive payroll costs, and lack of documentation and justification can lead others to second guess the agency's decisions.

Our analysis shows that the EPA's use of administrative leave appears disproportionate when compared to U.S. Office of Personnel Management guidance related to unacceptable performance and misconduct. According to Office of Personnel Management guidance, administrative leave should generally be limited to situations involving brief absences and not be used for an extended period of time. The cases reviewed involved administrative leave of 4 months or more for all but one of the employees included in the audit. We do not consider 4 months or more to be a brief absence. Because of limited documentation in case files, we were unable to determine the basis for the extended periods of administrative leave. Documentation was limited because EPA guidance does not provide requirements for documentation to support the basis for extended periods of administrative leave. Also, the EPA has not established parameters on the use of administrative leave or the appropriate level of authority for approval.

Without adequate guidance, the EPA may grant more administrative leave than necessary and incur excessive payroll costs. The lack of adequate documentation and justification for the extended use of administrative leave can also lead others to second guess the agency's decisions.

Recommendations and Planned Agency Corrective Actions

We recommend that the Deputy Administrator enhance the policies and procedures for disciplinary actions to ensure that administrative leave approvals are adequately documented in the case files, and establish parameters on the use of administrative leave, along with the appropriate level of authority for approval. The agency concurred and is in the process of updating its leave administration policy covering administrative leave to address our recommendations.