



At a Glance

Why We Did This Review

This report addresses the progress of the U.S. Environmental Protection Agency (EPA), Office of Inspector General (OIG), in achieving its workforce restructuring goals. In fiscal year 2014, the OIG applied for and was granted the authority to execute two programs to increase voluntary attrition:

- Voluntary Early Retirement Authority (VERA), which temporarily lowers the age and service requirements for retirement (“early-out”).
- Voluntary Separation Incentive Payment (VSIP), which allows agencies to offer up to \$25,000 per employee to incentivize separation from federal service (“buyout”).

We separately issued a report on the progress of other EPA offices in accomplishing workforce restructuring using the VERA-VSIP authority (see Report No. [17-P-0140](#)).

This report addresses the following EPA OIG goal:

- *Contribute to improved business practices and accountability.*

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Early-Outs and Buyouts Aided OIG Workforce Reduction, but Weak Management Controls Led to Misused Authority

What We Found

With its VERA-VSIP authority, the OIG achieved its goal to reduce the size of its workforce but did not achieve its other workforce restructuring goals.

The OIG’s VERA-VSIP goals were consistent with those outlined by other EPA offices. The OIG sought to increase the numbers of staff per supervisor, obtain staff with new skill sets, eliminate surplus positions, and reduce the number of employees.

In total, 23 employees separated from the OIG under the VERA-VSIP program. However, the OIG’s weak management controls resulted in 11 of these 23 employees receiving separation payments even though their positions were not included in the OIG’s VERA-VSIP plan approved by the U.S. Office of Personnel Management (OPM). The cost of these 11 VSIP buyouts was approximately \$347,000, which included payment for unused annual leave that employees were entitled to upon separation from their positions. Furthermore, the OIG did not abolish from its workforce profile the 23 positions vacated after the buyouts, as its OPM-approved plan stated it would.

In addition, the OIG provided quarterly VERA-VSIP reports to OPM but did not provide a final report as required in OPM instructions.

Recommendations and Planned Corrective Actions

We made four recommendations to the Assistant Inspector General for the Office of Management to permanently abolish positions identified in the OIG’s VERA-VSIP plan; update the OIG’s restructuring plan as appropriate; develop internal controls to prevent future buyouts to staff in positions not approved by OPM; and ensure adherence to VERA-VSIP obligations, including reporting requirements. The OIG concurred with these recommendations and provided acceptable corrective actions. Two corrective actions are closed, and two have pending corrective actions.

The OIG should implement management controls for high-risk operations such as a VERA-VSIP program to prevent future noncompliance and support improved workforce outcomes.