



U.S. ENVIRONMENTAL PROTECTION AGENCY  
OFFICE OF INSPECTOR GENERAL

*Catalyst for Improving the Environment*

## Evaluation Report

# Need Continues for a Strategic Plan to Protect Children's Health

Report No. 10-P-0095

April 5, 2010



**Report Contributors:**

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**Abbreviations**

EPA	U.S. Environmental Protection Agency
GPRA	Government Performance Results Act
MATS	Management Audit Tracking System
OCHP	Office of Children's Health Protection
OCHPEE	Office of Children's Health Protection and Environmental Education
OIG	Office of Inspector General

**Cover photos:** Photos courtesy EPA.



# At a Glance

*Catalyst for Improving the Environment*

## Why We Did This Review

We initiated this review to evaluate the status of corrective actions taken by the U.S. Environmental Protection Agency (EPA) in response to an Office of Inspector General report on the EPA's Office of Children's Health Protection (OCHP) issued in 2004.

## Background

OCHP was established in 1997 to formalize and integrate EPA's efforts on behalf of children. OCHP's role is to coordinate those efforts with other government agencies, and to carry out Executive Order 13045 and the National Agenda to Protect Children's Health from Environmental Threats.

To view the full report,  
click on the following link:  
[www.epa.gov/oig/reports/2010/  
20100405-10-P-0095.pdf](http://www.epa.gov/oig/reports/2010/20100405-10-P-0095.pdf)

## ***Need Continues for a Strategic Plan to Protect Children's Health***

### **What We Found**

Five years after providing OCHP with recommendations related to the strategic and annual planning processes, agreed-to corrective actions have not been completed. According to OCHP, which is now the Office of Children's Health Protection and Environmental Education (OCHPEE), corrective actions have not been implemented due to constant turnover in office directors, one of whom claimed that the corrective actions were completed prior to closing the recommendations. If these corrective actions were implemented, OCHPEE would be able to demonstrate, on an annual basis, its impact on the protection of children's health. However, OCHPEE's lack of strategic planning, identified goals, adequate measures, and quantifiable accomplishments result in its inability to demonstrate its role and value added to the protection of children's health.

We believe that the unimplemented and agreed-to recommendations are still valid. The Agency's new five-point agenda for protecting children's health requires a reevaluation of the role of OCHPEE, as well as a redefinition of its function and areas of responsibility within the Agency. If OCHPEE is unable to demonstrate its impact on children's health protection, the Agency leadership should evaluate whether these resources could be better used by other program offices that target children's environmental health challenges.

### **What We Recommend**

We recommend that the EPA Deputy Administrator implement agreed-to corrective actions, which include developing a strategic plan, improving annual planning, establishing measures, and reporting its results and outcomes toward meeting the Agency's National Agenda to Protect Children's Health from Environmental Threats; or devolve to other program offices the functions and resources of OCHPEE.

We also recommend that the Deputy Administrator verify that the current audit follow-up process is in compliance with EPA Manual 2750.

The Agency agreed with the recommendation. The Agency agreed to implement the agreed-to corrective actions upon completion of the reorganization of OCHPEE. The Agency also stated that the verification of the follow-up process has been completed.



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

OFFICE OF  
INSPECTOR GENERAL

April 5, 2010

**MEMORANDUM**

**SUBJECT:** Need Continues for a Strategic Plan to Protect Children's Health  
Report No. 10-P-009

*Wade T. Najjum*

**FROM:** Wade T. Najjum  
Assistant Inspector General for Program Evaluation

**TO:** Bob Perciasepe  
Deputy Administrator

Peter Grevatt  
Director, Office of Children's Health Protection and Environmental  
Education

This is our report on the subject evaluation conducted by the Office of Inspector General (OIG) of the U.S. Environmental Protection Agency (EPA). This report contains findings that describe the problems the OIG has identified and corrective actions the OIG recommends. This report represents the opinion of the OIG and does not necessarily represent the final EPA position. Final determinations on matters in this report will be made by EPA managers in accordance with established resolution procedures.

The estimated cost of this report – calculated by multiplying the project's staff days by the applicable daily full cost billing rates in effect at the time – is \$201,257.

**Action Required**

In accordance with EPA Manual 2750, you are required to provide a written response to this report within 90 days. You should include a corrective actions plan for agreed-upon actions, including milestone dates. We have no objections to the further release of this report to the public. This report will be available at <http://www.epa.gov/oig>.

If you or your staff have any questions, please contact me at 202-566-0827 or [najjum.wade@epa.gov](mailto:najjum.wade@epa.gov), or Jeffrey Harris at 202-566-0831 or [harris.jeffrey@epa.gov](mailto:harris.jeffrey@epa.gov).

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# Chapter 1

## Introduction

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### Purpose

The purpose of this review was to evaluate the status of corrective actions taken by the U.S. Environmental Protection Agency (EPA) in response to an Office of Inspector General (OIG) report issued in 2004.<sup>1</sup> Specifically, we sought to determine whether:

- EPA has developed a coordinated strategy to meet the National Agenda to Protect Children's Health from Environmental Threats and defined the role and function of the Office of Children's Health Protection and Environmental Education (OCHPEE) within the Agency.
- OCHPEE has made improvements to its annual planning process and performed an annual internal review of results or outcomes versus planned activities.

### Background

Children face significant and unique threats from environmental hazards and industrial chemicals. These hazards range from air pollution and lead-based paint in older homes to treatment-resistant microbes in drinking water. The Agency announced the National Agenda to Protect Children's Health from Environmental Threats (National Agenda) in September 1996. On April 21, 1997, Presidential Executive Order 13045, "Protection of Children from Environmental Health Risks and Safety Risks," directed federal agencies to place a high priority on protecting children from environmental and safety risks, and ensure that their policies, programs, activities, and standards address disproportionate risks to children. The Office of Children's Health Protection (OCHP) was established in 1997 to formalize and integrate EPA's efforts on behalf of children. OCHP's role was to coordinate Agency efforts with other government agencies and to carry out

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<sup>1</sup> EPA OIG, *The Effectiveness of the Office of Children's Health Protection Cannot Yet Be Determined Quantitatively*, Report No. 2004-P-00016, May 17, 2004. The status of agreed-to recommendations is in Appendix A.

Executive Order 13045 and the National Agenda. Key Agency actions regarding children's health are illustrated in Table 1-1.

**Table 1-1: Key Actions Taken by EPA Regarding Children's Health**

<b>1995: EPA issued Agency-wide policy</b> to ensure that EPA consistently and explicitly evaluates environmental health risks of infants and children.
<b>1996: EPA announced National Agenda to Protect Children's Health from Environmental Threats</b> , in which the Agency called for a national commitment to ensure a healthy future for children.
<b>1997: EPA established Office of Children's Health Protection</b> to formalize and integrate the Agency's efforts on behalf of children.
<b>1998: Office of Research and Development initiated Children's Health Research Program</b> to conduct research and provide methods to reduce uncertainties in EPA risk assessments for children.
<b>2002: OCHP named lead for Agency's Aging Initiative</b> , making the protection of the health of older persons a new priority of the Agency and OCHP.
<b>2006: Environmental Education Division added</b> under the direction of OCHP. OCHP becomes OCHPEE.
<b>2009: OCHPEE in process of being reorganized.</b> The Aging function and the Environmental Education Division will be moved to the Office of Public Affairs. According to the Director of the Office of Executive Services, the formal process is underway and is expected to be finalized in 2010. Once completed, OCHPEE's sole goal will be to protect children's environmental health.

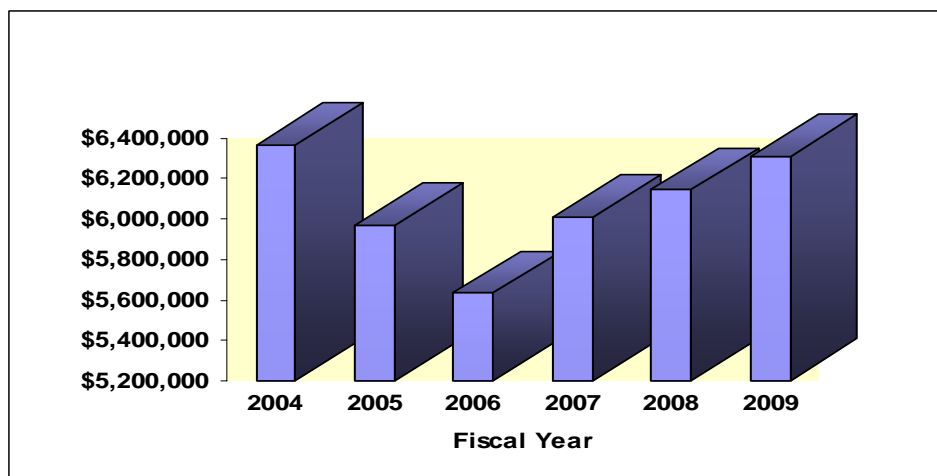
Source: OIG.

The scope of OCHP's mission expanded when the environmental education function was added in FY 2006. OCHPEE's current mission is "to make the health protection of children and the aging a fundamental goal of public health and environmental protection in the United States and around the world." OCHPEE's goal is that:

Every individual, government agency, corporation, community, and organization will: 1) understand the link between children's health and the environment; and 2) take positive action to improve children's environmental health.

To meet its mission and goal, OCHPEE supports and facilitates EPA's efforts to protect children from environmental health threats. The Agency's funding for children and other sensitive populations for Fiscal Years 2004 through 2009 is illustrated in Figure 1-1.

**Figure 1-1: Agency Budget for Children & Other Sensitive Populations, Fiscal Years 2004-2009**



Source: OIG.

## Scope and Methodology

We conducted this performance evaluation in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the evaluation to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based upon our objectives. We performed our follow-up evaluation from August 2009 through February 2010.

We reviewed the status of the implementation of agreed-to corrective actions from our previously issued report. Our review focused on the four recommendations related to improving OCHPEE's role and presence within the Agency, as well as its annual and strategic planning processes. Specifically, the scope of our review included a review of recommendations 2-1, 2-2, 3-1, and 3-2.

To complete our review, we met with OCHPEE's director and staff and analyzed support documents to determine the status of implementation of the report's recommendations. We also spoke with other internal and external stakeholders, including the Director of the Office of Executive Services. We reviewed EPA's Audit Management Process Manual 2750 and discussed the report's final action data with the Audit Follow-up Coordinator.



## Prior Audit Coverage

The OIG initiated a series of reviews in 2002 to determine how the EPA planned, prioritized, coordinated, implemented, and evaluated activities related to children's health protection and the environment. During this review, we sought to determine:

- EPA's agenda for fostering children's health and how OCHP ensures its achievement
- The impediments to OCHP ensuring the achievement of the Agency's National Agenda to Protect Children's Health from Environmental Threats
- How well OCHP planned and coordinated children's health activities within the Agency

While OCHP was responsible for implementing the National Agenda, it was not directly responsible for many of the goals outlined in the National Agenda. OCHP's mission was not a task that could have been undertaken in isolation; a full and active partnership with stakeholders was needed. However, we found that there was no overall, coordinated strategy integrating children's environmental health efforts into the Agency as a whole and no active communication process in place among the program offices and OCHP. Further, at the time of our report issuance in 2004, OCHP had been without a permanent director since April 2002. We recognized that the lack of a permanent director could have a negative impact on OCHP's ability to collaborate and partner with stakeholders, which was necessary to implement the National Agenda.

We found that OCHP had no formal mechanism in place to ensure performance results or assess the relationships between program costs, activities, and results. OCHP had a strategic planning process that included an annual office planning meeting followed by a mid-year meeting to assess the status of the current year's plan and to begin consideration of potential focus areas for the following year. However, there was no formal tracking to ensure that goals set at these meetings were met. More specifically, data and information systems were not available to measure, analyze, and demonstrate overall performance specific to the National Agenda on a continuing basis.

We issued several recommendations to the then-Acting Deputy Administrator to improve OCHP's role and presence within the Agency, as well as OCHP's annual and strategic planning processes. The Agency concurred with our recommendations that OCHP develop a strategic plan and improve its annual planning process.

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## **Chapter 2**

### **Corrective Actions Not Implemented**

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OCHPEE did not implement the agreed-to corrective actions from the previous OIG report. OCHPEE prepared a draft strategic plan; however, it was never completed. Additionally, OCHPEE has neither made substantial changes in the annual planning process, nor incorporated measures to track outputs or outcomes, as recommended. The Office of the Administrator's audit management follow-up process did not follow the prescribed policy, which contributed to the corrective actions not being completed. Five years later, most of these agreed-to corrective actions have not been implemented, though they continue to be both relevant and valid to OCHPEE.

#### **OCHPEE Lacks a Strategic Plan**

OCHPEE does not have a strategic plan, nor has it developed a coordinated strategy, to meet the National Agenda as we recommended in 2004. OCHPEE developed a draft strategic plan in early 2005 in direct response to our recommendation; however, it was never completed or finalized. The 2005 draft is now outdated and not reflective of the current environment of the office. For example, the addition of the Environmental Education Division in 2006 was not incorporated. Additionally, the 2005 draft does not reflect the new OCHPEE Director's "Five Point Agenda for Children's Environmental Health," issued on July 28, 2009.

#### **Annual Planning Process Has Not Improved**

OCHPEE did not implement the recommendations to improve and enhance its annual planning process. The report contained these recommendations to improve and enhance the annual planning process:

- Establishing measures for project completion
- Identifying quantifiable goals and targets
- Planning for potential resources use
- Establishing a methodology for prioritizing resources to problems posing greatest risks to children
- Performing an annual review of results or outcomes compared to planned activities

The completion of these recommendations would have brought OCHPEE into compliance with the requirements of Government Performance Results Act of

1993 (GPRA).<sup>2</sup> GPRA Section 4 provides instructions for Annual Performance Plans and Reports. OCHPEE staff advised that their annual planning process has remained largely unchanged and the agreed-to corrective actions were not implemented.

After the 2004 OIG report was issued, OCHPEE experienced several changes in leadership. Because of these changes, momentum for implementing the recommendations was lost. The current office director believes the recommendations are still valid and relevant.

## **Corrective Actions Incorrectly Entered into MATS as Completed**

Contrary to EPA's Audit Management Process Manual (EPA Manual 2750), the EPA Action Official and the Audit Follow-up Coordinator entered into the Management Audit Tracking System (MATS) that corrective actions were completed, though some remained open. EPA Manual 2750 specifies the documentation requirements and staff responsibilities regarding entering this report in MATS with a final action date.<sup>3</sup> The principal objectives of EPA Manual 2750 are to detail the process by which:

1. EPA officials<sup>4</sup> respond to OIG reports
2. OIG and EPA officials resolve findings and recommendations contained in reports
3. EPA officials implement follow-up corrective actions

The Action Official did not certify that the actions and milestone dates were achieved as required by EPA Manual 2750. The Action Official sent an e-mail authorizing the Audit Follow-up Coordinator to enter the final action date into MATS. In the e-mail, the Action Official stated, "... I believe we don't have any additional follow-up on this." The Action Official also stated in the e-mail that the Inspector General was briefed on the strategic plan and how the plan responded to a number of the recommendations. A briefing, however, is insufficient to verify that corrective actions have been completed. Nonetheless, a final action date was entered into MATS in 2005.

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<sup>2</sup> GPRA requires federal agencies, including EPA, to prepare performance plans containing annual performance goals and measures to help move them toward managing for results. Performance measurement is the monitoring and reporting of program accomplishments, particularly progress toward pre-established goals. Performance measures may address the type of program activities conducted, the direct products and services delivered by a program (outputs), and the results of those products and services (outcomes). Effective performance measurement enables an agency to establish baselines; identify and prioritize problems; and evaluate, manage, and improve programs.

<sup>3</sup> The final action date indicated the completion and documentation of all actions specified in the Management Decision.

<sup>4</sup> The Action Official is responsible for implementing the corrective actions and meeting the milestone dates contained in the OIG-accepted Management Decision. The Action Official keeps documentation on the implementation of corrective actions. Chapter 2 of EPA Manual 2750 provides that the Audit Follow-up Coordinator's duties are to maintain documentation from the Action Official confirming that corrective actions are complete and for maintaining the Action Official's certification that corrective actions are complete.

The Action Official did not certify in the e-mail that actions were complete. Not complying with the audit follow-up process requirements contributed to the corrective actions not being implemented but reported as complete. The Audit Follow-up Coordinator advised that the process changed within the last 2 years and the follow-up process is now in compliance with EPA Manual 2750.

## Conclusion

Five years after providing OCHPEE with recommendations related to the strategic and annual planning processes, the corrective actions were not completed. If these corrective actions were implemented, OCHPEE would be able to demonstrate, on an annual basis, its impact on the protection of children's health. The lack of strategic planning, identified goals, adequate measures, and quantifiable accomplishments result in OCHPEE's inability to demonstrate its role and value added to the protection of children's health.

We believe that the unimplemented and agreed-to recommendations are still valid. The Agency's new five-point agenda for protecting children's health requires reevaluating the role of OCHPEE, as well as redefining its function and areas of responsibility within the Agency. If OCHPEE is unable to demonstrate its impact on improving children's health protection, the Agency leadership should evaluate whether these resources could be better used by program offices that have activities that target children's environmental health challenges.

## Recommendations

We recommend that the EPA Deputy Administrator:

- 2-1. Implement agreed-to corrective actions from Report No. 2004-P-00016, which include developing a strategic plan, improving annual planning, establishing measures, and reporting its results and outcomes toward meeting the Agency's National Agenda to Protect Children's Health from Environmental Threats; or devolve to other program offices the functions and resources of the Office of Children's Health Protection and Environmental Education.
- 2-2. Verify the current audit follow-up process is in compliance with EPA Manual 2750 as follows:
  - a. Action Officials ensure that corrective actions are documented, tracked, and implemented; and certify that corrective actions are complete.
  - b. Audit Follow-up Coordinators maintain official files containing the record of management decisions and certifications of completed corrective actions.

## **Agency Comments and OIG Evaluation**

EPA concurred with each of the recommendations. The Agency stated that upon completion of a reorganization of OCHPEE, it will implement recommendation 2-1 which fully addresses the intent of the recommendation. The Agency also stated that the verification of the follow-up process called for in recommendation 2-2 has been completed. We consider recommendation 2-2 closed. The Agency's complete response is included in Appendix B.

## ***Status of Recommendations and Potential Monetary Benefits***

RECOMMENDATIONS						POTENTIAL MONETARY BENEFITS (in \$000s)	
Rec. No.	Page No.	Subject	Status <sup>1</sup>	Action Official	Planned Completion Date	Claimed Amount	Agreed To Amount
2-1	7	Implement agreed-to corrective actions from Report No. 2004-P-00016, which include developing a strategic plan, improving annual planning, establishing measures, and reporting its results and outcomes toward meeting the Agency's National Agenda to Protect Children's Health from Environmental Threats; or devolve to other program offices the functions and resources of the Office of Children's Health Protection and Environmental Education.	O	Deputy Administrator			
2-2	7	Verify the current audit follow-up process is in compliance with EPA Manual 2750 as follows: a. Action Officials ensure that corrective actions are documented, tracked, and implemented; and certify that corrective actions are complete. b. Audit Follow-up Coordinators maintain official files containing the record of management decisions and certifications of completed corrective actions.	C	Deputy Administrator	3/5/10		

<sup>1</sup> O = recommendation is open with agreed-to corrective actions pending  
C = recommendation is closed with all agreed-to actions completed  
U = recommendation is undecided with resolution efforts in progress

## Appendix A

**Status of Agreed-to Corrective Actions**

Recommendation	Agreed-to Corrective Action	Status of Corrective Action
<b>2-1:</b> Develop a coordinated strategy that ties specific measures, milestones, and targets toward meeting the Agency's National Agenda to Protect Children's Health from Environmental Threats.	The Agency responded that it was working to refine OCHP's strategic plan and to develop strategic targets and performance measures that would largely track with the National Agenda.	Implementation incomplete. A draft strategic plan was developed in 2005; however, it was not finalized. Additionally, the draft plan does not incorporate the newly developed five-point agenda for the Agency regarding protecting children's health and does not reflect the addition of the Environmental Education Division in 2006.
<b>2-2:</b> Reevaluate the role of OCHP and redefine its function and areas of responsibility within the Agency.	EPA leadership agreed to reiterate the role of OCHP to EPA senior managers so that OCHP can continue to be an effective participant in all of the Agency's programs that affect children.	Initiated in the development of the draft strategic plan. However, over the last 8 years, the responsibilities and areas of focus have changed three times.
<b>3-1:</b> Make improvements to its annual planning process to include, at a minimum: a. More complete and measurable details on how planned activities are projected to be completed, identifying quantifiable attainable goals and targets; b. A plan of what potential resources, either internally within OCHP or externally within EPA or other stakeholders, are to be used; c. Projected allocations of these resources and what the end products will be; and d. A methodology to set priorities to ensure resources are being allocated to those problems that pose the greatest environmental risks to children, recognizing that OCHP has limited resources.	The Agency agreed to continue to revise its strategic plan, which would be used to guide OCHP's decisions and resource allocation. The Agency advised that OCHP would work with an expert consultant to develop quantitative measures for each strategic target. The results of both of these activities were to be used to inform decisions and priority setting on an annual basis.	Not fully implemented. The strategic plan was not finalized. Strategic targets for many of the measures are still identified as "to be determined." No changes or improvements were made to the annual planning process.
<b>3-2:</b> Perform an annual internal review of results or outcomes versus planned activities.	The Agency agreed to include a review and analysis of the strategic targets and projects in the annual planning process to determine whether the results and outcomes identified have been met, and if not, why and whether additional efforts are required to meet them; and lessons learned. The Agency also agreed to work with a consultant to develop measures for each target.	Not implemented. No such reviews were conducted.

Source: OIG.

**Appendix B*****Agency Comments on Draft Report***

*The response from the Deputy Administrator was received on March 5, 2010.*

**MEMORANDUM**

**SUBJECT:** Draft Evaluation Report: The Need Continues for a Strategic Plan to Protect Children's Health

**FROM:** Robert Perciasepe  
Deputy Administrator

**TO:** Jeffrey Harris  
Office of the Inspector General  
Director for Program Evaluation, Cross Media Issues

We appreciate the work of the Inspector General's office (OIG) in preparing draft Evaluation Report No. 2009-947 "The Need Continues for a Strategic Plan to Protect Children's Health". The report is factually accurate in that the Office of Children's Health Protection and Environmental Education currently lacks a strategic plan and additional enhancements to the annual planning process are necessary in order to be fully responsive to the recommendations in OIG's 2004 report on children's health at EPA.

EPA concurs with the recommendations in the draft report:

- 2-1. Implement agreed-to corrective actions from Report No. 2004-P-00016, which include developing a strategic plan, improving annual planning, establishing measures, and reporting its results and outcomes toward meeting the Agency's National Agenda to Protect Children's Health from Environmental Threats; or devolve to other program offices the functions and resources of the Office of Children's Health Protection and Environmental Education.
- 2-2. Verify the current audit follow-up process is in compliance with EPA Manual 2750 as follows:
  - a. Action Officials ensure that corrective actions are documented, tracked, and implemented; and certify that corrective actions are complete.
  - b. Audit Follow-up Coordinators maintain official files containing the record of management decisions and certifications of completed corrective actions.



As indicated in the draft report, EPA is currently in the process of reorganizing the Office of Children's Health Protection and Environmental Education. Upon completion of the reorganization, EPA will implement recommendation 2-1 in the draft report.

EPA has verified that recommendation 2-2 has been completed. Action Officials in the Administrator's Office ensure that corrective actions are documented, tracked, and implemented; and certify that corrective actions are complete. Audit Follow-up Coordinators in the Administrator's office also maintain official files containing the record of management decisions and certifications of completed corrective actions.

We look forward to receiving your final report.

cc: Peter Grevatt, OCHPEE

**Appendix C**

***Distribution***

Office of the Administrator  
Deputy Administrator  
Director, Office of Children's Health Protection and Environmental Education  
Agency Follow-up Official (the CFO)  
Agency Follow-up Coordinator  
General Counsel  
Associate Administrator for Congressional and Intergovernmental Relations  
Associate Administrator for Public Affairs  
Audit Follow-up Coordinator, Office of the Administrator  
Acting Inspector General