

EPA's Advisory Committees' Costs Increase

#6100147

EXECUTIVE SUMMARY

OBJECTIVES

Our objective was to determine how EPA was implementing Administration policy to decrease the number of Federal Advisory Committee Act (FACA) committees and to reduce the operational costs for these committees.

BACKGROUND

Executive Order 12838, **Termination and Limitation of Federal Advisory Committees**, issued in February 1993, directed executive departments and agencies to terminate at least one-third of FACA committees not required by statute. A June 1994 Vice-Presidential memorandum, Management of Federal Advisory Committees, reiterated the goals of Executive Order 12838 and directed each agency to work with Congress to reduce the number of advisory committees required by statute and to reduce advisory committee costs by at least five percent.

EPA had 24 FACA committees in existence from October 1, 1994, through July 1, 1995⁽¹⁾, with a total of 1,316 members. The Committee Management Office (CMO), located in the Office of Administration and Resources Management (OARM), administers FACA overall for the Agency. Each program office funds and operates its advisory committees, including providing a Designated Federal Officer (DFO).

PRINCIPAL FINDINGS

EPA Has Reduced The Number Of FACA Committees, But Costs Are Rising

In fiscal 1995, the Agency spent over \$9.0 million on FACA committee operations. This is a 58 percent increase over the \$5.7 million spent on committee operations in fiscal 1994 and an 84 percent increase over the \$4.9 million spent in fiscal 1993. These costs have increased dramatically even though the Agency has reduced the number of FACA committees from 31 during fiscal 1993 to 22 on July 1, 1995. Not only have costs climbed, but membership in the declining number of committees has also increased almost 60 percent.

EPA salaries and contract support comprise almost two-thirds of the FACA committees' costs. The Common Sense Initiative Council (CSIC) has been especially labor-intensive, with over \$1.0 million spent on EPA salaries and almost \$1.3 million spent for contract support. Further, most of EPA's costs in fiscal 1995 were spent for operation of committees which are not required by statute.

Cost reduction efforts to date have focused first on contract support, followed by such things as reducing the number of committee meetings and holding meetings in government space. However, these efforts have not reduced the Agency's overall FACA committee costs. For example, the operational costs for one of the committees created in fiscal 1995 (CSIC) were approximately \$3.0 million, yet the two committees terminated in fiscal 1995 only cost the Agency \$83,303 the prior year.

FACA Committee Personnel Costs Can Be Reduced

Although the number of FACA committees has been reduced, the number of Agency personnel involved has increased. We estimate that 65.22 full-time equivalent personnel (FTE) are involved in fiscal 1995 FACA

committee operations at a cost of approximately \$3.6 million. This is a significant increase over the 37.57 FTEs involved in fiscal 1993 committees' operations at a cost of \$2.2 million and 46.19 FTEs costing \$2.8 million in fiscal 1994.

GS/GM 14 and above FTEs account for 70 percent of the fiscal 1995 salary costs, even though they comprise only 50 percent of the total number of FTEs involved in committee operations. Approximately 12 FTEs are providing administrative and clerical functions solely. The decentralized operations of the Agency appear to contribute to the number and grade levels of FTEs involved. Consolidating functions may produce substantial cost savings by lowering the grade level or reducing the number of personnel involved in committee operations.

We followed up on our 1994 report on the National Advisory Council for Environmental Policy and Technology (NACEPT), and its managing Agency office, the Office of Cooperative Environmental Management (OCEM). Of the 13.5 FTEs assigned to OCEM, 6 are no longer working directly for OCEM, 5.66 are involved with FACA operations and the remaining 1.84 support other Agency projects. We believe that there may be significant opportunities for downsizing and personnel savings in OCEM.

RECOMMENDATIONS

We recommend that the Deputy Administrator assign responsibility and authority for monitoring and reducing overall costs of FACA committees. Offsetting reductions in existing committee operations should be identified prior to establishing new committees. A review should be completed to consolidate, where appropriate, administrative committee functions to reduce the number and grade level of personnel involved. The appropriate number of FTEs necessary for OCEM operations should be determined, and the six positions not currently performing OCEM functions should be reassigned or eliminated.

AGENCY COMMENTS

In his January 30, 1996, response, the Deputy Administrator did not dispute the cost growth, but stated that our report trivializes the importance of FACA to Agency operations by focusing on numbers and costs. He believed that any review of the Agency's use of federal advisory committees should include the benefits that are derived from these committees. He further stated that he and the Administrator are committed to managing all advisory committees for cost effective operations. The Deputy Administrator noted that government-wide reductions have already been achieved. Federal advisory committee costs have been reduced more than 7 percent and the number of discretionary committees has been reduced by 42 percent. The Deputy Administrator disagreed with most of our recommendations, but agreed to conduct a review of FACA administrative functions to find ways to streamline them. Other applicable Agency comments and responses to the draft report and recommendations have been incorporated in the body of the final report. The Agency response is found in [Appendix III](#). Attachments to the Agency response will be provided upon request.

OFFICE OF INSPECTOR GENERAL EVALUATION

We believe that the Agency can continue to receive advice and build consensus through the use of advisory committees and at the same time institute changes which will result in additional cost savings. The fact the federal government as a whole achieved a seven percent reduction in FACA support costs indicates that other agencies were able to do this. Citing other agencies' achievements cannot justify EPA's own substantial cost growth, which is clearly contrary to the Vice President's goal for reducing FACA committee costs.

Footnotes

1. Two of the 24 committees were disestablished by January 1995. One additional committee, the Environmental Laboratory Advisory Board, was chartered July 31, 1995, after the data collection phase of this audit was completed. Since no members were appointed or costs incurred on this committee in fiscal 1995, we did not include this committee in this audit report.

- [Report of Audit - EPA's Advisory Committees' Costs Audit Report \(6100147\)](#)