



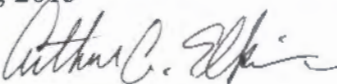
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

NOV 30 2015

THE INSPECTOR GENERAL

MEMORANDUM

SUBJECT: Analysis of Office of Environmental Information Response to the Office of Inspector General Report No. 15-P-0292, *EPA Needs to Improve Recording Information Technology Investments and Issue a Policy Covering All Investments*, Issued September 22, 2015

FROM: Arthur A. Elkins Jr. 

TO: Ann Dunkin, Chief Information Officer
Office of Environmental Information

Thank you for providing your comments to our final report and noting areas your office believes are inaccurate. We agree with the purpose of the Registry of the Environmental Applications and Data Warehouse (READ) and that it should only include applications, data warehouses and models that meet the inclusion criteria. We stated that the U.S. Environmental Protection Agency (EPA) is at risk of not managing taxpayer dollars properly because the EPA's management of the Capital Planning and Investment Control process is not compliant with its current policy, which is still under revision. Also, during our audit, it was unclear whether regions and program offices should include the EPA's infrastructure investments in READ. Per your response, the Office of Environmental Information is working to get this clarified over the next several months. While we both struggled with terminology in reference to the applications or systems in READ, we agree with your latest definition of READ as stated in your response.

Overall, we believe the concerns you have highlighted do not constitute a need for us to make any changes to our final report. Attached is your response to our report in which we inserted an OIG analysis in specified areas. Your response will be posted on the OIG's public website, along with this memorandum commenting on your response.

We will post this memorandum to our website at www.epa.gov/oig.

Attachment

OIG Responses to OEI Comments to OIG Final Report

MEMORANDUM

SUBJECT: Response to Office of Inspector General Final Report No.15-P-0292, "EPA Needs to Improve Recording Information Technology Investments and Issue a Policy Covering All Investments," dated September 22, 2015

FROM: Ann Dunkin /s/
Chief Information Officer

TO: Arthur A. Elkins, Jr.
Inspector General

Thank you for the opportunity to respond to the issues and recommendations in the subject audit report. Following is a summary of the agency's overall position. Although we have reached agreements on corrective actions, we still have concerns about comments in the report that we believe are not accurate.

AGENCY'S OVERALL POSITION:

While we agree with many of the comments that the OIG has made in this report, we believe there is still a fundamental misunderstanding of the purpose of the Registry of Environmental Applications and Data Warehouses (READ) tool. The READ database is designed to track all applications, data warehouses and models that meet the inclusion criteria. It was created to reduce data calls by providing a variety of information to OEI on an ongoing basis. Regions and program offices use READ to report their portfolio of applications, data warehouses and models. READ also collects information to allow certain EPA programs, such as Enterprise Architecture and Records programs, to track relevant information about applications for their programmatic needs.

READ was not designed to track the Agency's financial investments in Information Technology (IT). This information is instead managed and tracked through the budget and the Capital Planning and Investment Control (CPIC) process. Therefore, CPIC is the process by which the EPA manages individual investments.

To say that missing entries in READ would put "EPA at risk of not managing taxpayer dollars properly" is not accurate. While it is true that we intend to use READ as an aid in looking at the Agency's portfolio going forward, there are existing processes as part of the development lifecycle and the CPIC process, including evaluation by the Agency's IT Investment review board, that are expressly designed to ensure that the Agency makes the right investments and that they are properly managed.

OIG Response 1: The EPA is at risk of not managing taxpayer dollars properly because EPA's management of the CPIC process is not compliant with its current policy, which is still under revision. During our audit, it was unclear whether regions and program

offices should include the EPA's infrastructure investments in READ. Taxpayer's dollars are used to manage both the READ and CPIC processes and clarification is needed to ensure that there are controls in place.

The IG report makes a statement that "The EPA needs to require that its CPIC process include investments that are recorded in READ, provided they meet the READ inclusion criteria. The EPA does not review its registered systems in READ for any information that may be missing or not reported by program offices." This sentence should have been removed based on the information provided by OEI in response to the draft report.

OIG Response 2: *For the first sentence, we updated our report from the draft version based on OEI's response to the draft report that stated the following:*

For those instances in which an IT investment supports the management and/or development of a system or multiple systems, those systems, provided they meet the criteria, should have records in READ. READ is the agency's system inventory; IT investments are managed through the CPIC process.

A more accurate recommendation would be: "We recommend the Assistant Administrator for Environmental Information:

- 1. "Update CPIC policy and procedures to require all systems that are supported via a CPIC investment be registered in the agency system inventory—READ—and validated by program offices, provided the system meets the READ inclusion criteria."*

For the second sentence, OEI stated in a meeting with staff in August 2014 that READ depends on regions and program offices voluntarily responding to these data calls for including systems or applications in READ and updating information. OEI's draft report response stated:

...the READ program cross-walks, annually, the list of investments in CPIC with READ. The cross-walk between CPIC and READ did not result in the addition of RSTI [Research Science Technology Infrastructure] because RSTI is an investment, not a system...

During our audit, when we identified that RSTI was not in READ, OEI subsequently requested the program office place it in READ, and later concluded it should not be in READ; see OIG Response 3.

As mentioned, READ has inclusion criteria and not all applications and models meet the required conditions for inclusion. Infrastructure investments, which are a collection of physical equipment, do not meet the criteria for inclusion in READ. Physical hardware is inventoried in a physical inventory database. If we include items that do not meet the READ inclusion criteria, we clutter the database and

make it difficult for OEI or the regions and programs to use the database when information about applications, data warehouses and models is needed.

It is not accurate for the OIG report to say that the EPA reversed its stance on the inclusion of RSTI and TIM. RSTI was incorrectly added to READ. It is not the intention of the Agency that infrastructure investments be included. Upon review of READ, OEI staff were instructed to remove all infrastructure investments. OEI staff will work with regions and programs to accomplish this over the next several months.

OIG Response 3: During our audit, OEI stated:

... [j]ust for ease, we go ahead and create records in READ for the CPIC projects. And then we can create parent-child relationships between the CPIC investment record and the individual systems that are part of that record.

The program office for RSTI stated to us in an email:

... [it] consulted with OEI regarding the applicability of READ to the RSTI investment. OEI requested that we create a READ entry to establish parallelism with the TIM [Technology Infrastructure Modernization] investment and the other CPIC investments....

Also, OEI stated in the response to the draft report:

... [w]hile there has been a record in READ for TIM, neither RSTI nor TIM are systems and thus neither should have records in READ. The data elements in READ are relevant for systems and generally are not applicable for an investment such as TIM or RSTI....

The statements lead us to conclude that the EPA reversed its stance on the inclusion of RSTI and TIM in READ. We appreciate that OEI has clarified its stance and is working with regions and programs to remove infrastructure investments from READ over the next several months.

OEI is concerned with the IG's interpretation of the definition of "an application or system" in reference to READ. While we have not always been precise in our terminology, we should be. READ includes applications, not systems. We should all be using the accurate definition of READ as a tool that includes applications, data warehouses and models. For READ, we define an application as: "a discrete set of elements or components (e.g., software or computer programs) organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information"

OIG Response 4: OEI's response to our draft report referred to READ as having "systems." Specifically, OEI stated:

... [f]or those instances in which an IT investment supports the management and/or development of a system or multiple systems, those systems, provided they meet the criteria should have records in READ.

Also, as of January 2015, the READ website noted:

Applications/systems serve a range of functions at EPA. One application collects air emission data for air pollutants. Another system is the warehouse for data about water monitoring tests. Another tracks Freedom of Information Act requests received from the public.

While we both have struggled with terminology in reference to the applications or systems in READ, we agree with your latest definition of READ as stated in your response.

If you have any questions regarding this response, please contact Judi Maguire, OEI's Audit Follow-up Coordinator at maguire.judi@epa.gov or (202)564-7422.