



# At a Glance

## What Are Management Challenges?

According to the Government Performance and Results Act Modernization Act of 2010, major management challenges are programs or management functions, within or across agencies, that have greater vulnerability to waste, fraud, abuse and mismanagement, where a failure to perform well could seriously affect the ability of an agency or the federal government to achieve its mission or goals.

As required by the Reports Consolidation Act of 2000, we are providing issues we consider as the U.S. Environmental Protection Agency's (EPA's) major management challenges for fiscal year 2016.

This report addresses all of the EPA's strategic goals and cross-agency strategies.

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## EPA's Fiscal Year 2016 Management Challenges

Attention to agency management challenges could result in stronger results and protection for the public and increased confidence in management integrity and accountability.

### *The EPA Needs to Improve Oversight of States, Territories and Tribes Authorized to Accomplish Environmental Goals:*

- We found the absence of robust oversight of entities authorized to implement environmental programs. Oversight requires establishing and maintaining consistent national baselines and monitoring programs to determine whether they meet federal standards. While the EPA has made changes in response to some of our recommendations, corrective actions to which the agency has agreed remain pending in various areas (e.g., permits, inspections).

### *The EPA Needs to Improve Its Workload Analysis to Accomplish Its Mission Efficiently and Effectively:*

- The EPA's offices have not conducted a systematic workload analysis or identified workforce needs for budget justification purposes; such analysis is critically important to mission accomplishment. The EPA currently plans to apply workload analysis tools to task-driven agency functions, such as grants and contracts. While we understand the difficulty in applying such tools to the EPA's highly variable and non-linear activities, the EPA still needs to more broadly quantify what its full workload entails, so that it can more effectively prioritize and allocate limited resources to accomplish agency work.

### *The EPA Needs to Enhance Information Technology Security to Combat Cyber Threats:*

- The EPA faces information security challenges of long-standing program weaknesses, lack of corrective actions by management, lack of follow-up on remediation actions taken, and emerging challenges in managing contractors. We acknowledge that the EPA has initiated actions to further strengthen or improve its information security program. However, our audit work from the past 5 years continues to highlight actions that remain for the EPA to address cybersecurity challenges (e.g., weaknesses within the EPA's information security program, and managing contractors that provide key support in operating or managing systems on behalf of the agency).

### *The EPA Continues to Need Improved Management Oversight to Combat Waste, Fraud and Abuse:*

- We identified agency inaction among some supervisors regarding time and attendance controls, segregation of duties for key financial transactions, real property management, and employee travel. The agency's size necessitates effective communication, oversight and management. While the EPA has taken many corrective actions to address prior audits, improvements are still needed. Issues recently identified demonstrate continued deficiencies in the commitment by personnel to management policies and internal control.