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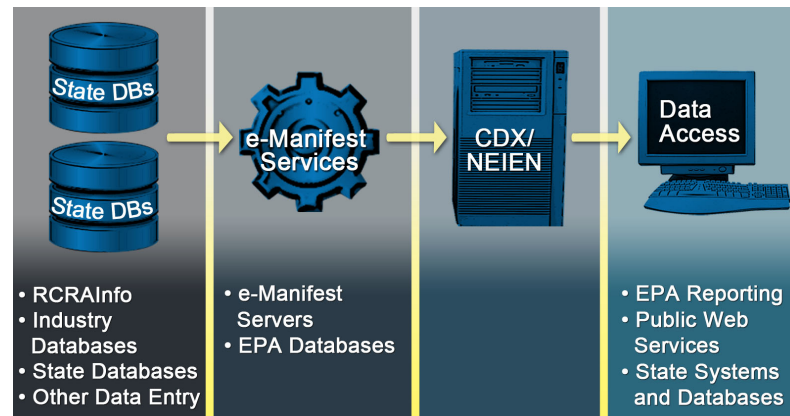
OFFICE OF INSPECTOR GENERAL

## Information Technology

# Acquisition Certifications Needed for Managers Overseeing Development of EPA's Electronic Manifest System

Report No. 17-P-0029

November 7, 2016



## Report Contributors:

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## Abbreviations

e-Manifest	Electronic Manifest
EPA	U.S. Environmental Protection Agency
FAC-P/PM	Federal Acquisition Certification for Program and Project Managers
FAC-P/PM-IT	Federal Acquisition Certification for Program and Project Managers – Information Technology
IT	Information Technology
OIG	Office of Inspector General
OMB	Office of Management and Budget
U.S.C.	United States Code

**Cover image:** e-Manifest concept of operations. (Image prepared by EPA OIG).  
[DB – Database; e-Manifest – Electronic Manifest; CDX – Central Data Exchange; NEIEN – National Environmental Information Exchange Network; RCRAInfo – Resource Conservation and Recovery Act Information System]

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# At a Glance

## Why We Did This Review

The Hazardous Waste Electronic Manifest Establishment Act of 2012 requires the U.S. Environmental Protection Agency (EPA), Office of Inspector General (OIG), to conduct an annual audit of the financial statements of activities carried out using amounts from the electronic manifest (e-Manifest) fund. As part of the mandatory audit, we conducted this additional audit to determine whether EPA management complied with applicable laws, regulations and agency guidance in the development of the e-Manifest system.

The e-Manifest system is being designed to create a means to track off-site shipments of hazardous waste from a generator's site to the site of the receipt and disposition of the hazardous waste.

### **This report addresses the following EPA goal or cross-agency strategy:**

- *Protecting human health and the environment by enforcing laws and assuring compliance.*

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Listing of [OIG reports](#).

## **Acquisition Certifications Needed for Managers Overseeing Development of EPA's Electronic Manifest System**

### **What We Found**

Program and project managers responsible for overseeing development of the e-Manifest system did not obtain the required federal certification necessary to oversee a major acquisition.

The Federal Acquisition Certification for Program and Project Managers (FAC-P/PM) outlines certification requirements that managers must meet to oversee major acquisitions. Senior management within the Office of Land and Emergency Management was aware of the FAC-P/PM requirement, but did not require the program manager to become certified because the program manager did not perform information technology (IT) work on the e-Manifest system. However, the program manager's duties include a major role in acquisition, budget formulation and goal-setting processes for the e-Manifest system development project. The EPA did not have evidence on file that either the program and/or project manager met the requirements for the FAC-P/PM. The project manager's supervisor informed the project manager that the FAC-P/PM was needed, but no action was taken to enforce completion of the requirement by the project manager.

Also, the EPA's February 2009 interim policy is outdated and does not reflect the December 2013 revisions made to the FAC-P/PM by the Office of Management and Budget. This includes defining the EPA requirements for how agency personnel obtain the FAC-P/PM-IT specialization required for managing major IT investments. As such, personnel managing the e-Manifest project lacked this specialized certification, and no date has been set for when personnel will complete the requirement.

**Ineffective project oversight could cause project delays that prolong the EPA's ability to provide emergency responders with data about hazardous waste shipped between generators' sites and waste management facilities.**

### **Recommendations and Planned Agency Corrective Actions**

The EPA agreed with both of our recommendations and provided planned corrective actions with estimated completion dates. Corrective actions that address the intent of Recommendation 1 were completed, and that recommendation is closed upon issuance of this report. Planned corrective actions for Recommendation 2 address the intent of that recommendation, and that recommendation will remain open with corrective actions pending.



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

THE INSPECTOR GENERAL

November 7, 2016

**MEMORANDUM**

**SUBJECT:** Acquisition Certifications Needed for Managers Overseeing Development of  
EPA's Electronic Manifest System  
Report No. 17-P-0029

**FROM:** Arthur A. Elkins Jr.

A handwritten signature in black ink, appearing to read "Arthur A. Elkins Jr.", is written over the printed name.

**TO:** Mathy Stanislaus, Assistant Administrator  
Office of Land and Emergency Management

Donna Vizian, Acting Assistant Administrator  
Office of Administration and Resources Management

This is our report on the subject audit conducted by the Office of Inspector General (OIG) of the U.S. Environmental Protection Agency (EPA). The project number for this audit was OA-FY15-0174. 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.

The Office of Land and Emergency Management and the Office of Administration and Resources Management are the program offices responsible for the issues discussed in this report.

**Action Required**

In accordance with EPA Manual 2750, your offices provided completed and planned corrective actions in response to the OIG recommendations. Therefore, a response to the final report is not required. The OIG may make periodic inquiries on your progress in implementing these corrective actions. Please update the EPA's Management Audit Tracking System as you complete planned corrective actions. Should you choose to provide a final response, we will post your response on the OIG's public website, along with our memorandum commenting on your response. Your response should be provided as an Adobe PDF file that complies with the accessibility requirements of Section 508 of the Rehabilitation Act of 1973, as amended. The final response should not contain data that you do not want to be released to the public; if your response contains such data, you should identify the data for redaction or removal along with the corresponding justification.

We will post this report to our website at [www.epa.gov/oig](http://www.epa.gov/oig).

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## Purpose

The Hazardous Waste Electronic Manifest Establishment Act of 2012 requires the U.S. Environmental Protection Agency (EPA), Office of Inspector General (OIG), to conduct an annual audit of the financial statements of the electronic manifest (e-Manifest) fund. As part of the mandatory audit, the EPA OIG conducted this additional audit to determine whether EPA management complied with applicable laws, regulations and agency guidance in the development of the e-Manifest system.

## Background

The Hazardous Waste Electronic Manifest Establishment Act was signed on October 5, 2012 (42 United States Code (U.S.C.) 6939g). Title 42 U.S.C. 6939g (b) directs the EPA to establish the e-Manifest system within 3 years of the act's enactment. Title 42 U.S.C. 6939g(d)(2)(A) directs the EPA to collect the user fees that it chose to impose as a means to fund the development and operation of the e-Manifest system—a major acquisition as defined by Office of Management and Budget (OMB) Circular A-11. Also, the EPA has designated the e-Manifest system as a major information technology (IT) investment.

**The current EPA manifest system uses a set of forms, reports and procedures to track hazardous waste from the time it leaves the generators' facilities until its arrival at off-site waste management facilities that stores, treats, and/or disposes of the waste.**

The EPA's official leadership blog indicates the e-Manifest system would provide emergency responders with access to information about the movement of hazardous waste routed to waste management facilities. The EPA estimates electronic hazardous waste shipment tracking would annually save at least 300,000 hours and annually save states and industry over \$75 million.

The EPA did not establish the e-Manifest system within 3 years (October 12, 2015) as required by the act. However, the e-Manifest Executive Steering Committee has targeted a date of March 2018 to fully deploy the e-Manifest system. The EPA's August 2016 e-Manifest project update outlined the noted major milestones (Table 1).

**The e-Manifest Executive Steering Committee consist of the Assistant Administrators for the Offices of Land and Emergency Management, Environmental Information, Administration and Resources Management, the Chief Financial Officer, Enforcement and Compliance Assurance, and General Counsel.**

**Table 1: Summary of major e-Manifest project milestones**

<b>Milestone</b>	<b>Upcoming planned actions</b>
Spring–Fall 2016	Early full-scale development.
Fall 2016–Winter 2017	Full-scale development.
Spring 2018	National deployment and collecting user fees (assuming receipt of requested appropriations).

Source: OIG-compiled data.

The EPA also stated that the agency has a user-centered software design/development methodology underway. This allows users to be actively engaged in the early phases of development and creation of the system platform and hosting environment.

In developing the e-Manifest system, EPA Office of Environmental Information representatives indicated that the EPA is deviating from the agency's established system life-cycle management policies and procedures, and adopted a new "modular system development" approach that is undocumented in the agency's current policy guidance. The agency's Chief Information Officer noted that staff within the Office of Environmental Information are working with the Office of Land and Emergency Management to help guide the development of the e-Manifest system using this new approach.

In the Federal Register (Vol. 79, No. 26, p. 7518) and the website regarding the e-Manifest system, the EPA indicates the system would:

- Track off-site shipments of hazardous waste from a generator's site to the site of the receipt and disposition of the waste.
- Make e-Manifest documents available to manifest users as an alternative to the paper manifest forms currently used to comply with federal and state hazardous waste manifest requirements.
- Facilitate the electronic transmission of the uniform manifest form and make the use of that form more cost effective and convenient for users.

## **Prevailing Federal Program and Project Management Guidance**

On April 25, 2007, OMB's Office of Federal Procurement Policy issued a memorandum, *The Federal Acquisition Certification for Program and Project Managers*. This memorandum established the Federal Acquisition Certification for Program and Project Managers (FAC-P/PM), a "...structured development program for program and project managers that will improve this partnership and our collective stewardship of taxpayer dollars." The memorandum also specified that the certification:

... is required for program and project managers that are assigned to major acquisitions as defined in OMB Circular A-11, Part 7, exhibit 300, *Planning, Budgeting, Acquisition, and Management of Capital Assets*.

On December 16, 2013, Attachment 1 and 4 to an OMB memorandum, *Revisions to the Federal Acquisition Certification for Program and Project Managers (FAC-P/PM)*, specified that:

- “FAC-P/PM applies to all executive agencies except the Department of Defense.
- “Program managers assigned to programs considered major acquisitions by their agency, and as defined by OMB Circular A-11 (IT and non-IT), must be senior-level certified unless an extension is granted... Project managers assigned to lead projects within these major acquisitions must be, at a minimum, mid-level certified.
- “P/PMs [program/project managers] managing major IT investments shall hold senior level FAC-P/PM-IT specialization.”

In February 2009, the EPA issued Interim Policy Notice 09-02, *Federal Acquisition Certification for Program and Project Managers (FAC-P/PM) Implementation*, to “implement the certification program as defined by the 2007 OMB memorandum.” The policy specifies that agency supervisors of program/project managers are responsible for ensuring employees assigned to a program or project are certified at the appropriate FAC-P/PM level.

## Responsible Offices

The e-Manifest system is a major IT investment for the Office of Land and Emergency Management. This office is responsible for implementing the e-Manifest system. The office is responsible for appointing program and project managers to oversee the e-Manifest system development activities, and ensuring assigned personnel meet FAC-P/PM requirements.

The Office of Acquisition Management, within the Office of Administration and Resources Management, is responsible for promulgating and maintaining EPA guidance for the FAC-P/PM program.

## Scope and Methodology

We performed this audit from May 2015 through August 2016. We performed this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient and appropriate evidence to provide a reasonable basis for our findings and conclusions based on the audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

This audit was conducted concurrently with the e-Manifest financial statement audit. On August 1, 2016, the OIG issued a separate report, *Audit of Financial Statements for EPA’s Hazardous Waste Electronic Manifest System Fund From Inception (October 5, 2012) Through September 30, 2014* ([Report No. 16-F-0251](#)),



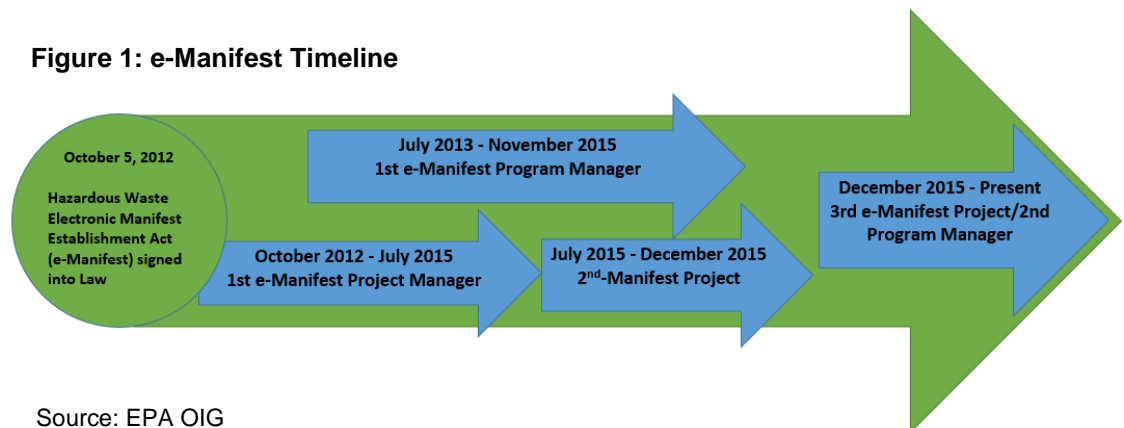
regarding whether the e-Manifest program’s financial statements were presented in all material respects in accordance with generally accepted accounting principles, and whether the EPA’s internal controls over financial reporting were in place. This report pertains to the EPA’s compliance with applicable laws, regulations and agency guidance in the EPA’s implementation of the IT system for recording e-Manifest data.

We reviewed pertinent guidance issued by OMB. Since the EPA deviated from its published system life cycle management practices, we did not review whether agency personnel were compliant with established agency practices. However, we reviewed whether agency personnel who were overseeing the e-Manifest system complied with certification requirements established by OMB. We evaluated the EPA’s implementation of FAC-P/PM requirements through inquiry, observation and review of documentation. We communicated with the agency’s Acquisition Career Manager, who is responsible for managing the EPA’s FAC-P/PM program, to obtain the acquisition certification and training on file within the Federal Acquisition Institute Training Application System for select personnel.

## Results of Review

Our analysis disclosed that the program and project managers assigned to the e-Manifest system development project lacked the required acquisition certifications outlined in the FAC-P/PM program as being necessary to oversee a major acquisition and IT investment, such as the e-Manifest system. The Office of Land and Emergency Management appointed several individuals to oversee the e-Manifest system development activities since Congress enacted the Hazardous Waste Electronic Manifest Establishment Act, as illustrated in Figure 1.

**Figure 1: e-Manifest Timeline**



Source: EPA OIG

While OMB and the EPA established requirements for personnel to meet certification requirements necessary to oversee major IT projects, supervisors did not ensure that the program and project managers were properly certified. As a result, there was uncertainty as to whether personnel overseeing the development of the e-Manifest system have the specialized skills necessary to help ensure the

project achieves the intended outcomes when system development activities become more complex later in the project.

The EPA's FAC-P/PM interim policy, issued in February 2009 by the Office of Administration and Resources Management, has not been updated, even though OMB made revisions to the program in December 2013. The 2013 OMB revisions introduced a specialized FAC-P/PM that requires additional knowledge, skills and abilities for personnel managing IT projects. As such, the EPA had not updated its process to ensure that personnel possess the required experience to complete the specialized training needed to oversee major acquisition of IT systems. This lack of specialized knowledge could result in project delays and, ultimately, prolong the EPA's plans to implement a system that provides emergency responders with data about hazardous waste shipped between generators' sites and waste management facilities.

### ***Program Manager Requires FAC-P/PM Training***

The program manager's supervisor did not require the program manager to obtain the FAC-P/PM even though he was performing the duties. The supervisor stated that the program manager did not need the certification because his duties were non-IT, and the individual leading the project (i.e., the project manager) was certified as a Project Management Professional. The first program manager held the position from July 2013 to November 2015 without seeking the FAC-P/PM. The EPA did not obtain an extension for the program manager to obtain the FAC-P/PM beyond 1 year of being assigned to the project.

***Project Management Professional is a globally recognized credential offered by the Project Management Institute. This credential demonstrates that a project manager possesses project management knowledge and experience, and recognizes the competence of the individual to perform the role of project manager.***

The 2013 OMB memorandum requires that program and project managers be certified at the appropriate level. Also, the OMB Memorandum for Chief Acquisition Officers, dated April 25, 2007, required program and project managers to obtain their FAC-P/PM within 1 year of being assigned to a major acquisition; an extension could be requested of the agency's Chief Acquisition Officer. Further, the 2007 OMB memorandum required program managers to take training to enhance their knowledge in Acquisition, Program Management, Leadership, Government-Specific Contract and Project Management Regulations, and Earned Value Management and Cost Estimates.

During our interview, the program manager said he had over 8 years of experience serving as a program manager. The program manager said he plays a major role in the acquisition process for the e-Manifest system development. He said he performs budget formulation, estimation and tracking; and manages the overall program schedule and goals.

We requested that the EPA search the Federal Acquisition Institute Training Application System for agency personnel. The Acquisition Manager indicated that the program manager did not have a training record in the Federal Acquisition Institute Training Application System. We subsequently requested training information directly from the program manager. The program manager responded by stating that he does not have a FAC-P/PM. The program manager also did not provide training records demonstrating the completion of the required training. Therefore, there is no documentation that the program manager has completed training required by OMB and the EPA to obtain the FAC-P/PM.

**Federal Acquisition Institute Training Application System is the official system of records for the FAC-P/PM program. The system is the avenue for all federal civilian agency employees to electronically manage their career development, training and certifications.**

### ***Project Manager Requires FAC-P/PM Certification***

Since its inception in October 2012 until April 2016, the e-Manifest project has not been overseen by a project manager who had the required FAC-P/PM certification. Our analysis disclosed that the first project manager for the e-Manifest project (October 2012 to July 2015) was not certified even though the person was assigned to the project for more than 34 months. The second project manager (July to December 2015) also was not certified. The third, and current, project manager (December 2015 to present) was not certified until April 2016. Training records for the three project managers showed that:

- The first project manager completed training in three of the five areas required to obtain the FAC-P/PM based on the EPA's February 2009 interim policy.
- The second project manager completed training in four of the five areas required to obtain the FAC-P/PM based on the EPA's February 2009 interim policy.
- The current project manager completed all the required training, but had not applied for the certification prior to our inquiry.

EPA management neither enforced the requirement that personnel become certified by the required 1-year deadline nor obtained the required extension of time to allow personnel to complete all certification requirements for the first two project managers.

### ***EPA's FAC-P/PM Guidance Is Outdated***

The EPA's FAC-P/PM certification guidance is outdated. The EPA implemented Interim Policy Notice 09-02 in February 2009 based on the 2007 OMB guidance. OMB subsequently updated the guidance on December 16, 2013. In this guidance, OMB introduced the FAC-P/PM core plus specialized certification in information technology (FAC-P/PM-IT). OMB designated the FAC-P/PM-IT for personnel

overseeing the acquisition of major IT investments and established additional training, experience and continuous learning requirements to ensure FAC-P/PM-certified personnel possess the needed knowledge, skills and abilities to manage major IT investments. OMB requires these personnel to obtain the senior-level FAC-P/PM in addition to the FAC-P/PM-IT.

Prior to our inquiry, the EPA had not published the requirements or defined the process needed for personnel to obtain the FAC-P/PM-IT. OMB provided the minimal qualifications for the FAC-P/PM-IT. However, OMB left it up to agencies to determine whether they require personnel to possess additional competencies and/or experience to manage their agency-specific projects and programs.

According to EPA officials, based on the 2013 OMB guidance, the program and project managers must hold the FAC-P/PM and FAC-P/PM-IT. EPA officials

**The FAC-P/PM core plus IT specialization (FAC-P/PM-IT) became effective March 31, 2014. OMB requires the program and project manager to obtain the FAC-P/PM-IT certification within 1 year of assignment to a project or by October 1, 2015, whichever is later.**

stated that once the new agency policy is issued, the e-Manifest program and project managers will be required to complete the senior-level FAC-P/PM-IT specialization.

As a result, all the program and project managers overseeing the e-Manifest system development would not have been able to obtain the FAC-P/PM-IT specialization. As such, it is unknown if prior program and project managers had the knowledge, skills and abilities to perform the required

functions. Having a defined process to ensure personnel obtain specialized skills helps the EPA accomplish its mission goals to ensure that intended outcomes are achieved for a major IT investment such as the e-Manifest system.

### ***Agency Actions Influenced by OIG Work***

The current project manager submitted an application to the EPA on April 14, 2016, for certification that was subsequently approved for the FAC-P/PM senior-level certification. In addition, in July 2016, the Office of Administration and Resources Management issued updated FAC-P/PM certification guidance, along with information outlining the requirements for the FAC-P/PM-IT specialization. The current program/project manager is within the 18-month EPA policy-defined grace period for obtaining the FAC-P/PM-IT specialization.

## **Conclusion**

Having skilled, competent and professional program and project managers is essential to successfully developing critical agency systems that rely heavily on the federal acquisition process. The EPA faced the potential that key project outcomes of the e-Manifest system development will not be achieved due to personnel lacking the specialized certifications evidencing the skills associated with competencies required for managing federal IT acquisition projects. This could result in the EPA being unable to effectively manage project costs and

schedules, and there could be a lack of effective project oversight to ensure that established practices are followed to reasonably achieve desired project outcomes.

## **Recommendations**

We recommend that the Assistant Administrator for Administration and Resources Management:

1. Update, issue and implement the EPA's Federal Acquisition Certification for Program and Project Managers program guidance to include requirements and processes for obtaining specialized certifications.

We recommend that the Assistant Administrator for Land and Emergency Management:

2. Implement internal controls to enforce the requirement that the e-Manifest system program and project managers obtain the Federal Acquisition Certification for Program and Project Managers – Information Technology specialized certification once the agency issues the new EPA Federal Acquisition Certification for Program and Project Managers program guidance.

## **Agency's Response and OIG Evaluation**

The EPA agreed with all recommendations and provided planned corrective actions with estimated completion dates.

In response to Recommendation 1, the EPA updated its FAC-P/PM program guidance to include requirements and processes for obtaining specialized certifications. Recommendation 1 is thus closed upon issuance of the final report.

For Recommendation 2, the Office of Land and Emergency Management indicated that it will implement controls for program and project managers to obtain the FAC-P/PM-IT specialized certification. This recommendation will remain open with corrective action pending. The agency's planned completion date is December 30, 2016.

The agency's full written response, and OIG comments, are in Appendix A.

## **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
1	8	Update, issue and implement the EPA's Federal Acquisition Certification for Program and Project Managers program guidance to include requirements and processes for obtaining specialized certifications.	C	Assistant Administrator for Administration and Resources Management	9/13/16		
2	8	Implement internal controls to enforce the requirement that the e-Manifest system program and project managers obtain the Federal Acquisition Certification for Program and Project Managers – Information Technology specialized certification once the agency issues the new EPA Federal Acquisition Certification for Program and Project Managers program guidance.	O	Assistant Administrator for Land and Emergency Management	12/30/16		

<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 unresolved with resolution efforts in progress.

## ***Agency's Full Response and OIG Comments***

September 26, 2016

### **MEMORANDUM**

**SUBJECT:** OARM/OLEM response to OIG Draft Report: Acquisition Certifications Needed for Managers Overseeing Development of EPA's Electronic Manifest System (Draft Report OA-FY15-0174)

**FROM:** Mathy Stanislaus, Assistant Administrator  
Office of Land and Emergency Management

Donna J. Vizian, Acting Assistant Administrator  
Office of Administration and Resources Management

**TO:** Rudolph M. Brevard, Director  
Information Resources Management Audits  
Office of Inspector General

The Environmental Protection Agency (EPA)'s Office of Administration and Resources Management (OARM) and the Office of Land and Emergency Management (OLEM) thank you for the opportunity to respond to the subject audit *Acquisition Certifications Needed for Managers Overseeing Development of EPA's Electronic Manifest System*.

OARM and OLEM concur with the OIG's findings and proposed recommendations, although OLEM points out certain factual inaccuracies in the report.

**Recommendation 1:** Update, issue, and implement the EPA's Federal Acquisition Certification for Program and Project Managers program guidance to include requirements and process for obtaining specialized certifications.

**OAM Response:** The Office of Acquisition Management (OAM) recently issued EPAAG Subsection 1.6.6 "Program and Project Managers' Federal Acquisition Certification Program (July 2016)", which implements the Federal Acquisition Certification for Program and Project Managers (FAC-P/PM) pursuant to OFPP Memorandum, "Revisions to the Federal Acquisition Certification for Program and Project Managers" dated December 16, 2013. This program is applicable to individuals performing Federal IT program and project management duties and responsibilities (including policy and planning, enterprise architecture, application software, security, systems analysis, operating systems, networks services, data management, internet management, system administration, and customer service). EPAAG Subsection 1.6.6 establishes training, experience, and continuous learning requirements for certification of P/PMs at EPA,

including an additional information technology (IT) core-plus specialization certification for those P/PMs responsible for Agency IT requirements requiring specialized knowledge, skills and abilities. This policy is located on the OAM homepage at <http://oamintra.epa.gov/node/521>.

Regarding specialized certifications:

**Reference:** Section: **1.6.6.5 Policy**, defines major and non-major Capital IT Investments’ program and project managers, as well as appropriate FAC P/PM levels for certification, pages 3 - 6.

**Reference:** Section **1.6.6.7 FAC-P/PM Framework, (b) Program Structure** provides descriptions of the three FAC-P/PM certification levels, page 7.

**Reference:** Section **1.6.6.7 Core-Plus Specialization Certification**, contains information on this certification, pages 12 – 13. The FAC-P/PM-IT core-plus specialization certification is not mandatory for all P/PMs; however, it must be held in conjunction with a FAC-P/PM Level II and Level III certification by P/PMs responsible for managing major and medium IT investments as described in the policy.

OAM completed posting of the entire EPAAG Subsection 1.6.6. policy on 9/13/16.

**OIG Response 1:** The OIG considers Recommendation 1 resolved.

**Recommendation 2:** Implement internal controls to enforce the requirement that the e-Manifest system program and project managers obtain the Federal Acquisition Certification for Program and Project Managers – Information Technology specialized certification once the agency issues the new EPA Federal Acquisition Certification for Program and Project Managers program guidance.

**OLEM/ORCR Response:** OLEM concurs with the recommendation for OLEM to implement internal controls to enforce the requirement that the e-Manifest system Program and Project managers obtain the Federal Acquisition Certification for Program and Project Managers – Information Technology specialized certification. The Office of Resource Conservation and Recovery (ORCR) will work with OLEM to ensure that e-Manifest system Program and Project managers obtain the referenced certification to satisfy the requirements of the guidance.

OLEM notes that the Office of Acquisition Management recently issued EPAAG Subsection 1.6.6 “Program and Project Managers’ Federal Acquisition Certification Program (July 2016). The guidance states the following as to Program/Project managers’ certification requirements, “required completion date for a core-plus specialization certification is 18 months from the date of assignment to a program or project requiring a FAC-P/PM and a core-plus specialization certification, effective with this policy.” The current e-Manifest Program/Project manager has been at his position since December 2015. Consequently, he has always been in compliance and has until June 2017 to obtain the core-plus specialization certification.

To address OIG’s Recommendation 2 and ensure continued compliance, ORCR will amend the position descriptions of personnel covered by the OIG’s recommendation to reflect the



requirement for the Federal Acquisition Certification for Program and Project Managers – Information Technology. In addition, ORCR will add this requirement as a performance measure to the Performance Appraisal and Recognition System Performance Standards of covered personnel. This will allow ORCR to conduct a midyear and yearly evaluation of compliance with the certification requirements of the guidance. ORCR commits to add this requirement to pertinent performance agreements that will be put in place for FY 2017. Lastly, ORCR will submit revised position descriptions for covered personnel to OARM by December 2016.

To maintain compliance in the future, ORCR will implement the above corrective actions for any new employees it hires for the e-Manifest Program and Project Manager position.

**OIG Response 2:** The OIG agrees to December 30, 2016, as the completion date. The OIG considers Recommendation 2 resolved.

**While accepting the overall findings of this audit, ORCR has identified several areas of concern with regards to OIG’s analysis and statements under the draft report:**

**e-Manifest Summary of major e-Manifest project milestones:** Table 1: Summary of major e-Manifest project milestones and text under “Background,” page 1, 3<sup>rd</sup> paragraph, note that spring 2018 will be the national deployment of the system. This launch date is contingent upon receiving requested funding in FY 2017 and 2018. If this funding is received, ORCR anticipates full system launch in FY 2018.

**OIG Response 3:** The OIG updated the table with information from a more recent project update, to indicate that the national deployment and collecting of user fees is contingent on receipt of requested appropriations.

**e-Manifest System Capabilities:** The following language on page 5, which states that e-Manifest will provide “emergency responders with timely data about hazardous waste shipped between generator’s sites and waste management facilities” gives the impression that e-Manifest will provide real-time shipment tracking. This is incorrect. The e-Manifest system will only register the status of shipments each time a handler signs the manifest, but not during the time shipments are in transit between one handler and another. The e-Manifest system will provide more timely waste shipment tracking services, however not real time (e.g. minute-by-minute) tracking. An additional benefit is that users will no longer need to wait 30 days or more for paper copies to be mailed and processed before they can determine if their hazardous waste shipments have been delivered.

**OIG Response 4:** The OIG removed the word “timely” from the final report.

**Current e-Manifest Program/Project Manager:** In the section titled “EPA’s FAC-P/PM Guidance is Outdated,” the report states that e-Manifest’s current Program/Project manager “lacks the OMB specialized FAC-P/PM-IT.” While this is correct, as noted above, the Agency’s guidance that was adopted in July 2016 allows covered personnel eighteen months from the time they assume a position to obtain the required certification. The current e-Manifest Program/Project manager has been in his position since December 2015. Consequently, he has

always been in compliance with the requirements of the guidance and has until June 2017 to obtain the core-plus specialization certification. As a result, ORCR is also in compliance with all training requirements applicable to the current e-Manifest Program/Project Manager.

To maintain compliance with the updated OARM guidance, the e-Manifest Program/Project manager will obtain the required certification as soon as practicable, or, at a minimum, within the time period specified in the guidance. The current Program/Project manager was certified in April 2016 as a senior-level FAC-P/PM (among other IT-focused FAITAS certifications) in compliance with existing EPA requirements. He achieved this certification due to his IT-specific education, training and career experience. Based on a review of the OMB guidelines and the current Program/Project manager's background, obtaining the IT specialization could be met in short order.

The draft report also states that “[q]uestions exist as to whether the person serving in this key position has the knowledge, skills and abilities to perform the required function.” As noted above, since joining EPA in December 2015, the current e-Manifest Program/Project manager has always been in compliance with all Agency requirements for FAC-P/PM certifications. Under the July 2016 guidance, covered personnel have eighteen months from the date of assignment to a program or project requiring a FAC-P/PM and a core-plus specialization certification to come into compliance. The current e-Manifest Program/Project manager has been at his position since December 2015 and has until June 2017 to obtain the core-plus specialization certification.

There is no justification to call into question the e-Manifest Program/Project manager's professional capabilities based on a certification the Agency did not require prior to the issuance of the July 2016 guidance, and as to which he has always been in compliance, by the terms of the very same guidance. Furthermore, the current Program/Project manager, through his performance on the job and prior experience, has a proven track record and has demonstrated he possesses the qualifications to steer this important project. Consequently, if the OIG through this report should question the current Program/Project Manager's knowledge, skills and abilities, it should reveal the information upon which it bases its assertion. If it is unable to do so, it should withdraw the statement from this report.

**OIG Response 5:** The OIG adjusted the wording of the report to indicate that the current project/program manager has the FAC-P/PM certification and is within the 18-month policy-defined grace period for obtaining the FAC-P/PM-IT specialization. As a result, we limited the statement questioning the knowledge, skills and abilities to perform the project/program manager duties to individuals who previously held those positions.

Agreements

No.	Recommendation	High-Level Intended Corrective Action(s)	Estimated Completion by Quarter and FY
1	Update, issue and implement the EPA’s Federal Acquisition Certification for Program and Project Managers program guidance to include requirements and process for obtaining specialized certifications.	The Office of Acquisition Management (OAM) issued EPAAG Subsection 1.6.6 “Program and Project Managers’ Federal Acquisition Certification Program (July 2016)”, which implements the Federal Acquisition Certification for Program and Project Managers (FAC-P/PM) pursuant to OFPP Memorandum, “Revisions to the Federal Acquisition Certification for Program and Project Managers” dated December 16, 2013	Completed 9/13/16
2	Implement internal controls to enforce the requirement that the e-Manifest system program and project managers obtain the Federal Acquisition Certification for Program and Project Managers – Information Technology specialized certification once the agency issues the new EPA Federal Acquisition Certification for Program and Project Mangers program guidance.	2.1 ORCR will amend the position descriptions of personnel covered by the OIG’s recommendation to reflect the requirement for the Federal Acquisition Certification for Program and Program Mangers – Information Technology.	December 30, 2016
		2.2 ORCR will add this requirement as a performance measure to the Performance Appraisal and Recognition System Performance Standards of covered personnel.	December 30, 2016
		2.3 ORCR will submit revised position descriptions for covered personnel to OARM by December 2016.	December 30, 2016

## CONTACT INFORMATION

If you have any questions regarding this response, please contact Stephen Donnelly of the Office of Resource Conservation and Recovery on (703) 308-7294 or Lisa Maass of Office of Acquisition Management on (202) 564-2498.

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