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Senate Committee on Homeland Security and Governmental Affairs
Subcommittee on Financial Management, Government Information, and
International Security

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Chairman Coburn, on behalf of the Administrator, I would like to thank you and the Members of the Subcommittee on Financial Management, Government Information, and International Security for the opportunity to testify today on the subject of “Federal Agencies and Conference Spending.”

EPA appreciates your interest in this topic. We share your concern for the efficient, effective, and appropriate use of taxpayer dollars, whether for conferences or for any other purpose.

Like all our on-the-job activities, conferences must promote EPA’s mission to protect human health and the environment. This is EPA’s overall policy, and it relates to conferences organized by EPA as well as those organized by external entities.

We carry out this mission through the work of some 17,500 employees, located in Washington, D.C., 10 major regional offices, and laboratories and other facilities across the country.

Our work is organized in terms of five long-term, strategic goals which the Agency has developed with the advice and participation of our governmental partners and stakeholders.

These goals shape the way we plan, budget, and account for our work. They are:

GOAL 1 Clean Air and Global Climate Change

GOAL 2 Clean and Safe Water

GOAL 3 Land Preservation and Restoration

GOAL 4 Healthy Communities and Ecosystems**GOAL 5 Compliance and Environmental Stewardship**

We organize our budget in terms of results and annual goals that relate to these strategic goals, consistent with the Government Performance and Results Act and with the Administration's emphasis on results-based government.

We also account for spending by these goals, with reference to specific programs and projects that may or may not involve conferences. In this way, we aim to account for spending in terms of the results of our work, rather than just the work activities themselves.

Our cost accounting system follows the structure of our strategic and annual goals. For this reason it can be difficult to produce a spreadsheet detailing conference spending across all Agency offices and programs. Instead, we have to do further analysis to produce the kind of information you have requested and identify trends in spending.

In response to your request last summer, we identified a trend in conference spending, from about \$10 million in 2002, to about \$15 million in 2003, to more than \$22 million in 2004. At that time, we estimated this trend would drop off to about \$16 million in 2005.

We recognize the importance of internal controls and ethical standards to sound decisions on conference participation.

We support participation in conferences that enable EPA employees to do a better job in supporting one or more of the Agency's goals. These could include training conferences organized by EPA as well as those sponsored by professional associations. These often involve continuing professional education programs to maintain important certifications for staff in different technical skills.

In addition, EPA has broad authority under several statutes to conduct formal conferences to deliver useful environmental information to the public and to other Federal agencies. These statutes include the Clean Air Act; Clean Water Act; Solid Waste Disposal Act; National Environmental Policy Act; the Superfund and Brownfields statutes; and the Government Employees Training Act.

A number of EPA programs rely on close coordination with community groups, intergovernmental organizations, and members of the regulated community. EPA generally supports conferences that bring together different constituencies to promote collaboration and partnerships for the Nation's environmental programs.

Many EPA conferences are designed to inform a non-Federal audience about important developments in environmental policy and promote technology transfer, cooperation between stakeholders with different perspectives, voluntary actions, and other non-regulatory approaches to protecting the environment and public health. Agency employees often comprise less than 50 percent of the audience in these conferences.

Decisions on conference attendance and support are not made centrally for the Agency. Generally, these decisions are made at the appropriate management level within individual program and regional offices. For example, Assistant Administrators or Regional Administrators may make decisions on whether to hold conferences on mission-related topics. Individuals' attendance must be approved by their supervisors.

For conferences determined to be appropriate to EPA's mission, several Agency offices provide advice and guidance on ethical and administrative matters governing participation.

For example, the Ethics Program in EPA's Office of General Counsel makes available a "Best Practices Guide for Conferences" as well as other guidance to address issues relating to conferences. These materials are part of an online resource library accessible by all EPA employees. Included here is an ethics advisory on Jointly Sponsored Conferences. This advisory is significant as it describes circumstances that allow for EPA to share costs of conferences with non profits, states, and others who co-sponsor conferences with the Agency.

Another avenue to share the burden of the costs of conferences is to collect and use fees to offset conference costs. However, the authority to collect and use fees is very limited. If EPA had greater authority to "retain and use" fees, we could offset more of the costs of conferences through "user fees" that would reduce the Federal government's expenditures.

My office, the Office of the Chief Financial Officer, is also involved in conference guidance to the extent that we implement GSA's travel regulations and are guided by Comptroller General decisions. We provide an explanation of the subset of travel regulations that pertains to conference attendance. We also assist in cost comparisons and make recommendations about the most cost-effective venues and logistics for conferences sponsored by EPA.

In closing, Mr. Chairman and members of the Subcommittee, as you know, we announced yesterday the President's Budget request for EPA for Fiscal Year 2007, in the amount of about \$7.3 billion.

Overall, the President's Budget reflects his commitment to providing critical resources for our Nation's highest priorities: fighting the War on Terror; strengthening our homeland defenses; and sustaining the momentum of our economic recovery. The President expects us to exercise fiscal discipline by focusing on priorities and targeting resources accordingly.

For EPA, this means focusing Agency efforts to accelerate the pace of environmental protection, while maintaining the country's economic competitiveness.

In the current budget climate, it is incumbent on all of us to take a hard look at spending to identify areas for greater efficiencies and reduced costs, while producing meaningful results.

Congress has recognized the importance of conferences by creating laws that encourage their use to promote effective communications and information-sharing among the many groups that make up the American community.

At the same time, we also need to be careful stewards to ensure that costs for conferences are appropriate.

I would like to thank you for this opportunity to examine how we manage conference spending and make sure that we are using these resources for the greatest benefit.

We appreciate your interest and your support for EPA's work. I would be pleased to answer any questions.

Summary of EPA Conference Costs
(dollars in thousands)

Fiscal Year	Travel & Related Costs	Staff Salaries	Contracts & Grants	Other	Total
2000	\$1,401.6	\$3,234.2	\$5,497.4	\$648.3	\$10,781.5
2001	\$1,156.7	\$2,882.8	\$6,030.6	\$638.1	\$10,708.2
2002	\$1,172.1	\$3,194.2	\$7,168.2	\$664.1	\$12,198.6
2003	\$1,632.7	\$3,908.2	\$8,229.1	\$930.5	\$14,700.5
2004	\$2,719.9	\$4,120.4	\$15,316.3	\$210.7	\$22,367.3
2005*	\$2,288.5	\$4,194.7	\$9,081.8	\$310.9	\$15,875.9

* 2005 costs were projected as of August 2005.