

US EPA ARCHIVE DOCUMENT

**JOINT STATEMENT ON MEASURING
PROGRESS UNDER THE NATIONAL ENVIRONMENTAL
PERFORMANCE PARTNERSHIP SYSTEM**

August 14, 1997

States and EPA entered into a joint commitment on May 17, 1995, to implement the National Environmental Performance Partnership System (NEPPS). This system is creating an enhanced partnership between states and EPA for protecting our environment and operating the nation's environmental protection programs. This system emphasizes managing our programs to achieve the best environmental results and continuous improvement of our nation's environment. To ensure accountability to Congress and the public, the system calls upon EPA's national program managers, working with the states, to designate a manageable set of core performance measures.

Through this joint statement, we reaffirm our commitment to use core performance measures as tools to track progress in achieving environmental results. In particular, we recognize the attached hierarchy for core performance measures--comprised of core environmental indicators, core program outcome measures, and core program output measures--as an important management tool for strategic planning and program planning. This hierarchy emphasizes the linkages between the ultimate environmental outcomes we are trying to achieve and the programmatic outcomes and key program outputs that will help us reach our environmental goals. As shown in the hierarchy, core environmental indicators are the most preferred measures and, thus, are placed at the top of the hierarchy. Core program outcome measures are placed in the middle, and core program output measures at the bottom as the least preferred measures. Over time, we intend to move our measurement capabilities up the hierarchy as much as possible.

We expect to rely primarily on environmental indicators and program outcome measures to gauge program performance and to reduce the need for numerous program output measures. FY 98 is the beginning of a transition in the shift of emphasis to outcome-based measures. EPA and the states will strive to reduce the number of core program output measures in favor of outcome measures and environmental indicators.

Each EPA national program office has worked with representative states to identify a set of core performance measures for FY 98. These measures reflect the most important national program priorities. In some instances, program offices have acknowledged that more work is needed to develop these measures, especially at the environmental outcome level. In other instances, program offices and states have gained enough experience in FY 96 and 97 to specify appropriate environmental and programmatic measures for FY 98.

The presumption is that states will use these core performance measures in their performance partnership agreements. If a particular core performance measure does not fit a state's or region's situation, that measure may be modified, substituted, or eliminated in a given year as agreed to by both the state and EPA. For example, if a state is in the process of implementing a program, and the data needed to report on the related measure are not yet available, the state and the region can negotiate a modification to the measure that reflects data or information the state is currently able to report. If the work related to a particular core performance measure is not a

priority in a state, EPA and the state can negotiate an appropriate level of investment or disinvestment in achieving progress under that measure.

States may use core measure information to track environmental and program performance and to explain their accomplishments to the public. EPA will use the core measures information for the same general purpose at both the regional and national levels and to comply with the requirements of the Government Performance and Results Act (GPRA).

EPA and the states are committed to continuing to work together to refine the measures developed for FY 98 for use in FY 99 and to solicit stakeholder and public input on these core performance measures. EPA and the states will jointly develop a process to solicit stakeholder and public input into the core performance measures. In addition, experience gained from using the FY 98 measures will contribute to revisions for FY 99. We also agree to establish a process to periodically review and revise core performance measures over the long term, based on experience in working with these new measures and public input.

As we start using more outcome measures, we want to insure that we do not ultimately increase the overall state reporting burden. We are committed to working together to reduce the overall reporting burden placed on states, especially that created by reporting on outputs. We have formed a state-EPA reporting burden reduction workgroup to develop principles, policy, and procedures for reducing the reporting burden on states. Over time, we hope to reduce unnecessary reporting and activity counting and streamline necessary reporting so that our time is spent sharing information on the nation's environmental and pollution problems. EPA and the states encourage each state and Region, during FY 98 negotiations, to identify and implement agreed-upon burden reduction initiatives in their FY98 PPAs. These state-specific burden reduction experiments and candidates for nation-wide burden reduction will be compiled and utilized to inform the development of national burden reduction initiatives for FY99. During FY 99, we plan on implementing suitable reporting and activity counting reductions.

Beyond core performance measures, there are other program output and fiscal reporting requirements we must use to document our various program activities. This information about activities (e.g., permitting) is routinely reported each year and maintained in national databases which we recognize must be maintained through existing comprehensive data systems. Tracking of these activity-based outputs will continue until otherwise agreed but will be considered reporting and/or data system access requirements. For enforcement and compliance assurance activities, reporting of this information will be the basis for accountability measures that will be used to analyze program outcomes and outputs and to review patterns and trends in noncompliance.

As we gain experience with core performance measures, states and EPA believe that we can reduce our emphasis on traditional output reporting requirements as the primary performance indicator of a state or federal program. We believe that progressive core measures that chart environmental progress and program outcomes will help us reduce our dependence on simply counting the things we do.

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