

Appendix A

Analysis Tools Used:

Annual Management and Program Analysis Report FY 2011-2012

Louisiana Department of Environmental Quality Relevance and Reliability of Performance Information: Performance Audit Issued November 14, 2012

Annual Management and Program Analysis Report

Fiscal Year 2011-2012

Department:

Department: Environmental Quality

Department Head:

Name: Peggy Hatch

Title: Secretary

Undersecretary (or Equivalent):

Name: Vince Sagnibene

Title: Undersecretary

I. What outstanding accomplishments did your department achieve during the previous fiscal year?

For each accomplishment, please discuss and explain:

- A. What was achieved?
- B. Why is this success significant?
- C. Who benefits and how?
- D. How was the accomplishment achieved?
- E. Does this accomplishment contribute to the success of your strategic plan? (See Section II below.) **All of the accomplishments listed below contribute to the success of DEQ's strategic plan.**
- F. Does this accomplishment or its methodology represent a Best Management Practice that should be shared with other executive branch departments or agencies?

<u>Achievement</u>	<u>Significance</u>	<u>Benefits who/how</u>	<u>Accomplished how</u>	<u>BMP for other depart ments?</u>
<p>Performance Accountability: 100% of Program Objectives met 21 of 21 Objectives 95.92 % of Performance Indicators met 47 of 49</p>	<p>DEQ provides comprehensive environmental protection in order to promote and protect health, safety and welfare while considering sound policies regarding employment and economic development.</p>	<p>The citizens and regulated community statewide.</p>	<p>Protecting and improving the environment; increasing compliance with environmental laws that meet state and federal mandates; operating efficiently and effectively, enhancing customer service and providing regulatory flexibility.</p>	<p>This approach could be a model for other regulatory state departments/agencies.</p>
<p>Environmental Leadership Program (ELP):</p> <ul style="list-style-type: none"> • 342,785,000 pounds of pollutants removed; • 95,000,000 gallons of reduced water usage • 143,340 lbs/yr of E-waste recycled; • 715,369 gallons/year of hydrocarbon-contaminated water recycled 	<p>ELP promotes voluntary pollution prevention through improved environmental compliance and improved operating efficiencies which result from the partnership planning with DEQ to identify consistent best practice strategies.</p> <p>These are accomplished through:</p> <ul style="list-style-type: none"> • Pollution Prevention • Reduction in Water Usage • Recycling of Materials 	<p>Participating members benefit from overall improved operations; the citizens from less pollution to the environment; DEQ from improved compliance beyond regulatory requirements.</p>	<p>A voluntary pollution prevention effort among business, municipalities, non-governmental organizations, federal entities, schools and universities and community organizations designed to promote a cleaner and healthier environment for the state</p>	<p>This approach could be a model for other regulatory state agencies where voluntary efforts should be encouraged to ensure compliance through voluntary</p>

				actions.
<p>Small Business Assistance: 776 Permit Applications 1258 Compliance consultations 71 Outreach efforts 16 Tax Incentive Reviews Total assistance request: 2233</p>	<p>The Small Business/Community Assistance Program helps the entities understand complicated environmental regulations; how the regulations apply to them; and how to get into and stay in compliance with the regulations.</p>	<p>Independently owned Small Businesses (< 100 employees) and communities requesting assistance. These are identified through newsletters, mail-outs and presentations for industry and civic groups.</p>	<p>Assistance with permit applications, development of pollution prevention plans, conduct site visits as part of compliance assistance.</p>	<p>This approach could be a model for other regulatory state agencies where voluntary efforts should be encouraged to ensure compliance through voluntary actions.</p>
<p>EnviroSchool: 1157 Attendees 32 Sessions 12 Locations 9 Topics 29 DEQ Instructors</p>	<p>The "School" helps municipalities, small businesses, non-profit organizations, and the public at large better understand the agency's operations and offers compliance assistance services. EnviroSchool provides training workshops on a variety of important topics throughout the state at no cost to the recipients. EnviroSchool educates communities, municipalities, small businesses, and non-profit organizations and encourages meaningful participation in the regulatory process. Instructors for EnviroSchool are DEQ employees.</p>	<p>Anyone attending the classes can increase their understanding of the regulatory environmental compliance process.</p>	<p>Classes conducted at select locations across the state.</p>	<p>This approach could be the model for other state departments/agencies</p>
Clean Water State	The CWSRF Program	Provides	By decreasing	This

<p>Revolving Fund Base Loan Program Project: 9 loans totaling \$52,503,000</p>	<p>provides financial assistance in the form of low interest loans to finance eligible wastewater projects, bringing them into compliance with the requirements of the Clean Water Act, and in order to protect public health.</p>	<p>financial assistance in the form of low interest loans to finance eligible wastewater projects, bringing them into compliance with the requirements of the Clean Water Act, and in order to protect public health.</p>	<p>the interest rate on a 20-year pay back term from 2.95% to 0.95% and aggressively marketing the additional subsidization, more municipalities were able to borrow a loan for wastewater improvements.</p>	<p>approach may be used by other state departments/agencies with appropriate enabling legislation.</p>
<p>Clean Water State Revolving Fund: Monitoring ongoing wastewater improvement projects totaling \$43 million and funded by the American Recovery and Reinvestment Act (ARRA) funds for community wastewater system improvements</p>	<p>Increased the funding available for this program. Assists communities in wastewater improvements.</p>	<p>Monitored 55 community projects that received \$43 million in ARRA funds. Fifty-five projects represent 42 parishes. ARRA funding disbursement via zero percent interest loans with 100% principal</p>	<p>Provisions in the American Reinvestment and Recovery Act of 2009 (ARRA).</p>	<p>This approach may be used by other state departments/agencies with appropriate enabling legislation.</p>

		forgiveness		
<p>Non-Point Source Program: Managing 25 ongoing projects totaling \$5.260 million funded through Section 319 of the Clean Water Act aimed at reducing runoff pollution and monitoring resultant water quality improvements</p>	<p>Efficiently utilizes federal grant funds to implement management measures that reduce nonpoint source pollution through voluntary, non-regulatory approaches and cooperative partnerships</p>	<p>All citizens of the state benefit by having cleaner waterways for recreation, drinking, and other uses</p>	<p>Developing watershed implementation plans that identify the management measures needed to address the sources of runoff pollution in the targeted watersheds and funding projects to implement those measures</p>	<p>This approach could be a model for other regulatory state agencies where voluntary efforts should be encouraged to ensure environmental protection through voluntary actions.</p>
<p>Aquifer Evaluation and Protection (Source Water Protection Program): Established source water protection plans for 65 community water systems in 3 parishes</p>	<p>Proactively protects sources of drinking water from contamination through community-based education and planning</p>	<p>All citizens in the targeted parishes will continue to have clean drinking water</p>	<p>Drinking water protection committees are formed in the targeted communities and LDEQ works with these committees to address potential sources of contamination and develop ordinances and programs to prevent contamination</p>	<p>This approach could be a model for other regulatory state agencies where voluntary efforts should be encouraged to ensure environmental</p>

			of their drinking water	protection through voluntary actions.
100% success in defending legal challenges to DEQ actions	Judicial support of DEQ actions provides consistency, fostering (1) more secure business planning & development for regulated entities & (2) greater confidence in public safety	Human health & environment are protected when DEQ action is sustained	Use of litigation teams and legal staff development of specialty areas (e.g., Air, Water, Waste, Permits, Enforcement, Receiverships)	Other agencies could add this metric to planning and strategic indicator cycle, plan for and develop staff specialty knowledge, and use the litigation team strategy as needed
\$7.4 million collected	Ensures level playing field for all regulated entities	Contributed to DEQ's ability to remain independent of the state general fund	Implemented legal collections process efficiencies and utilized Regional Attorneys for travel cost savings	This approach could be used by other agencies

<p>Electronic DMRs</p>	<p>226 new facilities signed up to use NetDMR, 218 facilities actively using NetDMR. 6252 DMRs received using NetDMR for FY11-12. 444 total facilities have signed up for NetDMR since June 2009</p>	<p>Allows Regulated Industry to submit their Discharge Monitoring Reports electronically</p>	<p>The increase in NetDMR users was accomplished by the Department actively promoting the program in meetings, compliance assistance calls, and the Department's public website. The Department also provides free training to the regulated community on the NetDMR program</p>	<p>This could serve as a model for other state agencies regarding submission of monthly documents electronically</p>
<p>Compliance Schools for Underground Storage Tanks (UST) and Sanitary Wastewater Compliance Assistance Training (SWAT).</p>	<p>There has been 12 UST Expedited Penalty Compliance Training Schools with a total of 80 attendees for FY11-12. There has been 5 SWAT compliance schools with a total of 88 attendees for FY 11-12.</p>	<p>Benefits the regulated community, the public, and DEQ through education of the environmental regulations and compliance with those regulations.</p>	<p>The UST classes and SWAT classes held throughout the state were successful in furthering regulatory understanding. This should result in a higher statewide compliance rate, thus reducing the overall workload coming into the enforcement</p>	<p>May benefit other agencies that have regulatory compliance programs.</p>

			<p>division. Both classes have consistently received high praise from the regulated industries and have also added to our efficiency by addressing backlogged referrals. Information on the classes is available through the DEQ website. The UST class schedule was also sent with the UST tank registrations and the SWAT attendees were sent a letter requesting their attendance.</p>	
<p>DEQ Air Field Services Section restored all the air monitoring sites to working order within 21 days after Hurricane Isaac hit our state</p>	<p>Air monitoring sites are used to monitor the air throughout state to determine levels of contaminants in the air</p>	<p>This helps ensures that the people of the state are not breathing unhealthy air</p>	<p>We accomplished this through utilizing the Air field staff on a continuous basis until the project was completed</p>	<p>Specific to DEQ but other state agencies use this approach in emergency/disaster related events</p>
<p>DEQ Air Field Services Section completed all pertinent activities</p>	<p>PPG is a major funder of DEQ activities and it is required that goals and objectives as outlined are met</p>	<p>This benefits the public by providing</p>	<p>The personnel of the section are dedicated and work</p>	<p>Specific to DEQ but other state</p>

<p>and met all pertinent objectives in the Performance Partnership Grant for FY2011-2012</p>	<p>each year. This also denotes that our monitoring network is robust and operating as expected</p>	<p>data on air quality on a continuous basis and highlights areas of concern to be addressed through regulation</p>	<p>ardently to maintain and improve the air monitoring network.</p>	<p>agencies could use this approach to meet grant requirements and to further work of their respective departments</p>
<p>Louisiana Agreement State Program deemed adequate to protect public health and safety and is compatible with U. S. Nuclear Regulatory Commission's (NRC's) program</p>	<p>An Integrated Materials Performance Evaluation Program (IMPEP) review of the Louisiana Agreement State Program was conducted by a team composed of technical staff members from the NRC and the State of Florida. The Louisiana Agreement State Program regulates 504 specific licenses authorizing possession and use of radioactive materials. The review focused on the radioactive materials program as it is carried out under the Section 274b. (of the Atomic Energy Act of 1954, as amended) Agreement between the NRC and the State of Louisiana.</p>	<p>This accomplishment benefits DEQ and its regulated community by allowing the Radiation Section to continue to administer the Radiation Program in the State of Louisiana.</p>	<p>By the Assessment Division– Radiation Section completing a comprehensive self-assessment questionnaire and undergoing a weeklong audit of the Louisiana Agreement State Program every four years.</p>	<p>This is specific to DEQ.</p>
<p>Completion of "Field Guide To Environmental Compliance For The Oil and Gas Exploration and Production</p>	<p>This program demonstrated increased environmental protection through implementation of compliance assistance tools for the Oil and Gas Industry</p>	<p>This program benefits the Oil and Gas industry through the</p>	<p>Through a grant from the USEPA, numerous stakeholder meetings resulted in</p>	<p>This process is effective and transferable.</p>

<p>Industry”</p>		<p>development of industry specific compliance assistance, benefits the LDEQ by providing a streamlined and efficient “Field Guide” for determining compliance and benefits the general public by demonstrating compliance techniques</p>	<p>development of the “Field Guide to Environmental Compliance for the Louisiana Oil and Gas E&P Industry”.</p>	<p>Compliance with air quality regulations improved 16% and air permitting requirements by 22.8%. Compliance with water quality regulations improved 11.7% and water permit requirements by 10%.</p>
<p>The Louisiana Environmental Results Program</p>	<p>This program demonstrated increased environmental protection through implementation of regulatory assistance tools.</p>	<p>This program benefits industry through the development of industry specific compliance assistance, benefits the LDEQ by providing a streamlined and efficient</p>	<p>Through a grant from the USEPA, numerous stakeholder meetings resulted in development of on-line air and water permit applications. Compliance inspections before and after assistance demonstrated</p>	<p>This process is effective and transferable. Budgeting resources for development and implementation of</p>

		<p>permit application process, and benefits the public by providing environmental improvements using innovative approaches.</p>	<p>success in increasing compliance rates.</p>	<p>compliance assistance measure is an effective alternative along with use of traditional civil regulatory enforcement.</p>
<p>Promulgated 6th regulatory permit: LAC 33:III.317 – Regulatory Permit for Rock, Concrete, and Asphalt Crushing Facilities</p>	<p>Regulatory permits provide a standard approach for the covered activities, thereby leveling the playing field and ensuring a “no surprises” permitting environment.</p>	<p>Benefits owners or operators of rock, concrete, and asphalt crushing facilities by streamlining the permit application process.</p>	<p>Rulemaking.</p>	<p>The regulatory permit concept could be a model for other state departments that issue permits.</p>
<p>Proposed 7th regulatory permit: LAC 33:III.319 – Regulatory Permit for Flaring of Materials Other than Natural Gas</p>	<p>Regulatory permits provide a standard approach for the covered activities, thereby leveling the playing field and ensuring a “no surprises” permitting environment.</p>	<p>Benefits those seeking permission to flare materials other than natural gas (e.g., propane, ethylene, propylene, ammonia) by streamlining the</p>	<p>Rulemaking.</p>	<p>The regulatory permit concept could be a model for other state departments that issue permits.</p>

		permit application process.		
Upgraded DEQ's Emissions Reporting & Inventory Center (ERIC)	Increases the flexibility provided to affected facilities when they submit their annual emissions reports to the department.	Enhancements to the ERIC system make it easier for facilities to comply with reporting requirements and assists DEQ by ensuring data quality.	Based on user suggestions, system programming enhancements were made to address data quality issues and provide a greater range of acceptable data.	The ERIC system is specifically designed for emissions inventory reporting and is not necessarily a good model for other departments.
Reduction in the backlog of un-reviewed stack test reports	Over the past several years, a number of experienced staff have left DEQ, resulting in backlog of un-reviewed stack test reports.	Timely reviews allow violations to be identified more expeditiously.	Air Permits received support from similarly-trained engineers in the Waste Permits Division.	Cross-training of staff could be encouraged by other departments.
Redesignation of the Baton Rouge Nonattainment Area	Attainment of the 1997 8-hour National Ambient Air Quality Standard (NAAQS) for ozone.	This action benefits all of the citizens of the area through improved air quality.	Various emissions control strategies as well as outreach and public education campaigns.	DEQ's Ozone Action Program may serve as a model for other public education

				campaigns.
Persuaded Louisiana's metropolitan planning organizations to participate in EPA's Ozone Advance program	Local participation in EPA's Ozone Advance program could potentially delay nonattainment designations for certain metropolitan areas in the state.	Avoiding or delaying nonattainment could save industry and taxpayers significant capital; voluntary reductions in emissions benefit all citizens of the area through improved air quality.	DEQ met with each of the eight regional planning districts and provided information needed for acceptance into EPA's program.	No.
Regional Haze State Implementation Plan (SIP) updated with Smoke Management Plan (SMP)	Department of Agriculture and Forestry revised the SMP to include methods on reporting prescribed burning in forested areas.	Foresters and timber farmers; also benefits the public with enhanced safety.	Combined efforts of various state and national agencies.	No.
Online Permitting Applications	Allows applicable parties to electronically submit LAG33000 (Coastal General LPDES Permits) applications to LDEQ on line.	Greatly reduce processing time required, making the process less error prone and more convenient for both DEQ and customers.	Worked with permit application processing staff to implement rules in online forms and populate the TEMPO database with submitted data, and EDMS with required documents of record.	This approach could be model for other state departments/agencies.

<p>General Permits Issued: LAG420000, and LAG870000</p>	<p>Allows relatively quick and efficient coverage for Short-Term and Emergency Discharges (LAG420000), and Applications/Discharges of Pesticides into or near Waters of the State (LAG870000). Time frames are significantly reduced compared to individual permit coverage.</p>	<p>Allows eligible applicants quicker coverage under general permits, considerable DEQ resource savings. Covers more than 2500 regulated facilities w/2 general permits.</p>	<p>Worked with stakeholders, EPA, other states and regions, DEQ staff to issue general permits mentioned.</p>	<p>This approach for general coverage could be model for other state departments/agencies.</p>
<p>Percentage of current permits highest in the Nation at 100%.</p>	<p>DEQ's water permits program has been effectively managed and streamlined. Allows for expedited processing of other new/proposed activities/facilities. Top percentage in EPA Region 6.</p>	<p>Permit applicants seeking timely permit issuance</p>	<p>Increased permit issuance rates accomplished through aggressive and effective management of permit writing tools such as TEMPO, updated templates and calculation spreadsheets.</p>	<p>This approach could be model for other state departments/agencies.</p>
<p>Streamlined reorganization of water permitting, assessment and modeling activities</p>	<p>Saves funding and expands management, administrative and program oversight, reduces costs, and synchronizes modeling, assessment and permitting processes</p>	<p>Reduction of resource requirements to meet existing and emerging budget limitations.</p>	<p>Reorganization, restructuring and consolidation of staff.</p>	<p>This approach could be model for other state departments/agencies</p>
<p>Biosolids/Sewage</p>	<p>DEQ's Biosolids/Sewage</p>	<p>Permit and</p>	<p>Increased</p>	<p>This</p>

<p>Sludge Program – 96 Biosolids/Sewage Sludge permits issued, 274 Sewage Sludge certifications issued</p>	<p>Sludge permits program has been effectively managed and streamlined. Allows for expanded coverage of other media related non permitting activities.</p>	<p>registration applicants seeking timely permit/registration issuance.</p>	<p>permit issuance rates accomplished through aggressive and effective management of permit writing tools such as TEMPO, updated templates and general permits.</p>	<p>approach could be model for other state departments/agencies</p>
<p>Issued Water Quality Certifications - 352</p>	<p>DEQ's Water Quality Certification process has been streamlined and the program has been standardized.</p>	<p>Applicants seeking timely certifications and permits.</p>	<p>Increased certification issuance rates accomplished through aggressive and effective management of tools such as TEMPO and through a streamlined review process.</p>	<p>This approach could be model for other state departments</p>
<p>Completed Water Data managed /evaluated for technical acceptability within 120 days – 99.5%. 400 water data sets (total of 68,593 records) were evaluated</p>	<p>DEQ's Data Evaluation process has been effectively managed and streamlined. DEQ is required to assure quality data are used in its decision making processes.</p>	<p>Data users seeking data evaluated in a timely manner. Stakeholders that may be affected.</p>	<p>Increased data evaluation rates accomplished through aggressive and effective management of data evaluation tools.</p>	<p>This approach could be model for other state departments</p>
<p>Developed two new QAPPs for nutrient standards data collection one approved by EPA December 8, 2011 and the other April 25, 2012</p>	<p>DEQ is required to assure quality data are used in its decision making processes. The first step to ensuring good quality data is through adequate planning of data collection efforts.</p>	<p>The environment and public benefit from appropriate protection</p>	<p>Thorough review of available data and information, from other state agencies.</p>	<p>This activity is specific to DEQ.</p>

<p>Received a \$ 506K grant from EPA and LDEQ dedicated an additional estimated \$230K of its existing grants to the nutrient standards work</p>	<p>Planned to collect and/or collected standards data at approximately 74 sites</p>	<p>of state waters. Other stakeholders benefit through protective but balanced application of water quality standards.</p>	<p>Thorough review of appropriateness of existing standards, a determination that revisions may be required, and planning data collection efforts to document/defend revisions to standards</p>	
<p>2012 Integrated Report was public noticed January 25, 2011</p> <p>Revised QAPP for water quality assessment data collection approved by EPA August 26, 2011</p> <p>Assisted in planning collection of assessment data at approximately 130 sites</p>	<p>DEQ's Integrated Report Assessment process has been effectively managed and streamlined.</p> <p>Water quality assessments are required under the Clean Water Act to be reported every two years.</p>	<p>EPA Region 6 which seeks timely submittal of the Integrated Report assessment; DEQ, Water Permits Division which seeks timely approval of the Integrated Report assessment; citizens of LA who seek water body assessment and improved water quality.</p>	<p>Integrated Report submittal accomplished through aggressive and effective management of assessment tools and through a streamlined review process.</p>	<p>This activity is specific to DEQ.</p>

		The water quality assessments provide information to the public, external and internal stakeholders, and supports standards and TMDL development and permitting activities.		
<p>Revised QAPP for DO TMDL data collection approved by EPA March 27, 2011</p> <p>Public noticed 7 LDEQ TMDLs; Finalized 14 LDEQ TMDLs; and reviewed 34 EPA TMDLs</p>	<p>DEQ's TMDL development process has been effectively managed and streamlined. Allows for expanded TMDL development of other impaired water bodies.</p>	<p>Citizens of LA who seek improved water quality.</p>	<p>Increased TMDL issuance rates accomplished through aggressive and effective management of tools and through a streamlined review process.</p>	<p>This activity is specific to DEQ.</p>
<p>Produced 258 final maps (145 Standards & Assessment and 113 Modeling)</p>	<p>DEQ's map process has been effectively managed and allows for comprehensive water quality management decisions.</p>	<p>Standards & Assessment and Modeling staff seeking maps for planning purposes.</p> <p>Map users seeking maps in a</p>	<p>Increased map production rates accomplished through aggressive and effective management of mapping tools.</p>	<p>This activity is specific to DEQ.</p>

		timely manner. Stakeholders that may be affected.		
Implemented LELAP Lab Scopes of Accreditation onto LELAP webpage	The webpage queries TEMPO, the department's main database to provide up to date list of all accredited labs and lab scopes of accreditation.	Benefits DEQ, accredited labs, and the public by providing transparency for laboratory scopes of accreditation.	Use of internal staff adept with software programming expertise and LELAP program needs.	Can be provided for other departmental automation and improved data management.
Automated LELAP Lab Scopes of Accreditation data upload to TEMPO	The upload feature enables LELAP staff to upload lab scope data directly from LELAP's data management program into TEMPO activities.	Benefits DEQ, by streamlining scope data processing and management.	Use of internal staff adept with software programming expertise and LELAP program needs.	Can be provided for other departmental automation and improved data management.
Created Asbestos worker discipline training class schedules in TEMPO	Provides detailed training class information of asbestos workers available to DEQ staff and to the public via DEQ webpage.	Benefits both DEQ and the public by making class schedule information available for review.	Adapting TEMPO to accept asbestos and Lead training class schedules.	Specific to DEQ.
Created Lead worker discipline training class schedules in TEMPO	Provides detailed training class information and Lead workers available to DEQ staff and to the public via DEQ webpage.	Benefits both DEQ and the public by making class	Adapting TEMPO to accept asbestos and Lead training class schedules.	Specific to DEQ.

		schedule information available for review.		
Automated Accredited Lead Worker list to web updates from TEMPO	Streamline tasks related to providing information via the DEQ web.	Benefits DEQ, regulated community, and the public by maintaining most current information on the DEQ web.	Use of internal staff adept with software programming expertise and PPPSD program needs.	This approach could be model for other state departments/agencies.
Survey attendees at public hearings for study data to justify reducing newspaper publication requirements	Publishing and handling costs for public noticing in newspapers are constantly increasing and public notices in newspapers may be much less effective as a media for alerting the public of permitting actions.	Interested citizens benefit by receiving notices to either their personal or work computer quicker and the agency saves publishing and handling costs. Also provides data for legislative consideration.	Developed a survey for hand out at public hearings.	Other agencies that are required to public notice departmental activities.
Solicit public to receive public notices by email in lieu of USPS mail	Reduce printing and postage costs to DEQ.	Benefits DEQ by reducing operating costs and interested citizens by receiving notices to	Include a flyer in mail-outs encouraging email notification.	Other agencies that are required to public notice departmental activities

		either their personal or work computer quicker.		s.
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II. Is your department five-year strategic plan on time and on target for accomplishment? To answer this question, you must determine whether your anticipated outcomes—goals and objectives—are being attained as expected and whether your strategies are working as expected and proceeding on schedule.

- ◆ **Please provide a brief analysis of the overall status of your strategic progress.** What is your general assessment of overall timeliness and progress toward accomplishment of results targeted in your goals and objectives? What is your general assessment of the effectiveness of your strategies? Are anticipated returns on investment are being realized?

DEQ Response: The overall status of DEQ’s strategic progress is on time and progressing towards targeted results of the department’s goals and objectives. The following is excerpted from the Standard Operating Procedure of record for Strategic Planning at DEQ.

1.0 Purpose and Applicability of the Strategic Plan

The purpose of the Strategic Plan fulfills statutory requirements in Act 1465 of the 1997 Legislature. This act stipulates that state agencies will develop strategic plans as part of the performance based budgeting process. Within the parameters of the strategic plan, DEQ can determine appropriate allocation of resources for specific environmental issues. The Strategic Plan provides a systematic approach covering a five-year planning process that will guide the department in achieving its mission and responsibility to protect public health and the environment of the state.

Each budget unit of every department is required to develop a Strategic Plan; in this case that represents each of the four Offices comprising DEQ. In order to maintain consistency and uniformity department-wide, the Deputy Secretary oversees the coordination of this process. Therefore, strategic planning applies to all Offices within DEQ.

1.1 Summary of Procedure

As noted above, the strategic planning process provides a systematic approach for the department in pursuing its responsibilities to public health and protecting the environment. This approach includes several steps that occur throughout each year and are represented by the following steps: issues identification, priority

setting, direction setting, strategic plan composition and evaluation/feedback.

1.2 Strategic Plan Development Procedure

1.2.1 Environmental Issues Identification

This first step in the Strategic Plan procedure receives input regarding environmental issues from all DEQ stakeholders, both internal and external, and strives to keep continuous lines of communication open. Input will be received on an on-going basis through various media or avenues of communication: the mail, fax, and electronic media via the Internet. The department may also gather input on environmental issues from universities, federal agencies and other state agencies.

1.2.2 Priority Setting

Priorities for the DEQ are set primarily by state and federal legislation associated with certain environmental programs such the Clean Air Act, the Clean Water Act and the Resource Conservation and Recovery Act. Additionally, through meetings the executive staff solicits input on priorities from DEQ management, staff, and stakeholders, such as the regulated community, environmental groups and the general public.

1.2.3 Direction Setting

In this phase of strategic planning the strategic planning coordinator meets with the executive staff in a series of meetings and reviews information results from the priority setting phase to determine appropriate directions for the departmental strategic plan. Additional information considered in this process includes stakeholder input, copies of reference documents supporting the listed priorities, a copy of the budget listing all programs within DEQ, the previous year's Operational Plan, projected budget changes and a list of available environmental indicators for each media (air, water and waste). The strategic planning coordinator plans these meetings and provides copies of all associated documents. The coordinator develops the agenda and facilitates the working meetings, assists the executive staff through the process in order to determine the direction for the plan. The process must consider all the listed information and result in a decision outlining the executive staff's priorities. The strategic planning coordinator records the established goals and directives, which become the framework objectives for the departmental strategic plan, and provides this information to the administrators for the purpose of incorporation into DEQ's operational plans. The strategic plan coordinator records and maintains the reasons for any environmental issues from the priority list, which are not addressed in the resulting strategic plan; and these are transmitted by memorandum to the executive staff.

1.2.4 Creating the Strategic Plan

The strategic planning coordinator prepares and distributes the draft document to all Administrators for their review and completion of appropriate strategies. Administrators and/or their staff must also provide performance indicators (Input, Output, Outcome, or Efficiency) for each of the objectives in the strategic plan and corresponding indicator specification worksheets and process documentation sheets for all performance indicators. The strategic planning coordinator reviews all information for content completeness and format and notes any discrepancies. The strategic planning coordinator assembles all information in the required format, prepares transmittal letters and delivers the completed Strategic Plan to the Division of Administration, Office of Planning and Budget, Legislative Fiscal Office, Legislative Auditor, the House Natural Resources Committee and the Senate Environmental Committee.

- ◆ **Where are you making significant progress?** If you are making no significant progress, state “None.” However, if you are making significant progress, identify and discuss goals and objectives that are exceeding the timeline for achievement; identify and discuss strategies that are working better than expected. Be specific; discuss the following for each:

DEQ Response:

- **The 7th point of DEQ’s 10 Point Plan, “Investing in Community Organizations and Local Governments” focuses on outreach activities including: the Clean Water State Revolving Fund, (CWSRF), Small Business/Small Community Assistance Program, Environmental Leadership, EnviroSchool activities, the Non-Point Source Program and the Aquifer Evaluation and Protection Program (Source Water Protection Program).**
- **Significant progress is being made in increased participation in the CWSRF, which improves local communities’ wastewater infrastructure, and increased awareness of environmental regulations, thus leading to improved voluntary environmental compliance.**

1. To what do you attribute this success? For example:
 - Is progress largely due to the effects of external factors? Would the same results have been generated without specific department action? **No.**
 - Is progress directly related to specific department actions? (For example: Have you reallocated resources to emphasize excellence in particular areas? Have you initiated new polices or activities to address particular issues or needs? Have you utilized technology or other methodologies to achieve economies or improve service delivery?) **Yes. The DEQ administration has taken an aggressive approach to reach out to local communities, governments, and small businesses to assist them with**

regulatory compliance.

- Is progress related to the efforts of multiple departments or agencies? **No.** If so, how do you gauge your department's contribution to the joint success?
 - Other? Please specify.
2. Is this significant progress the result of a one-time gain? Or is progress expected to continue at an accelerated pace?

Progress is expected to continue. It is the desire of this administration to support municipalities with regulatory compliance assistance which is a win-win approach to protecting the environment and supporting local economic development efforts.

- ♦ **Where are you experiencing a significant lack of progress?** If you are experiencing no significant lack of progress, state "None." However, if you are experiencing a significant lack of progress, identify and discuss goals and objectives that may fall significantly short of the targeted outcome; identify and discuss strategies that are not working well. Be specific; discuss the following for each:

None.

1. To what do you attribute this lack of progress? For example:
 - Is the lack of progress related to a management decision (perhaps temporary) to pursue excellence in one area at the expense of progress in another area?
 - Is the lack of progress due to budget or other constraint?
 - Is the lack of progress related to an internal or external problem or issue? If so, please describe the problem and any recommended corrective actions in Section III below.
 - Other? Please specify.
 2. Is the lack of progress due to a one-time event or set of circumstances? Or will it continue without management intervention or problem resolution?
- ♦ **Has your department revised its strategic plan to build on your successes and address shortfalls?**

- Yes. If so, what adjustments have been made and how will they address the situation? **Streamlined processes and reorganization with the department will improve performance.**
- No. If not, why not?
- ◆ **How does your department ensure that your strategic plan is coordinated throughout the organizational and management levels of the department, regularly reviewed and updated, and utilized for management decision-making and resource allocation?** Use as much space as needed to explain fully.

The Strategic Plan is coordinated by the Office of the Secretary through the entire department. This is also in concert with the budget preparation activities conducted by the Office of Management and Finance. All goals, objectives, strategies, and performance indicators are reviewed by the Deputy Secretary and his staff as well as the Undersecretary and appropriate Assistant Secretary for the Offices of Compliance, Services, and Assessment.

- III. What significant department management or operational problems or issues exist? What corrective actions (if any) do you recommend?** (“Problems or issues” may include internal concerns, such as organizational structure, resource allocation, operations, procedures, rules and regulations, or deficiencies in administrative and management oversight that hinder productivity, efficiency, and effective service delivery. “Problems or issues” may be related to external factors—such as demographics, economy, condition of the state fisc, federal or state legislation, rules, or mandates—that are largely beyond the control of the department but affect department management, operations, and/or service delivery. “Problems or issues” may or may not be related directly to strategic plan lack of progress.)

Complete Sections A and B (below) for each problem or issue. Use as much space as needed to fully address each question. If the problem or issue was identified and discussed in a management report or program evaluation, be sure to cross-reference the listing of such reports and evaluations at the end of this form.

A. Problem/Issue Description

1. What is the nature of the problem or issue?
2. Is the problem or issue affecting the progress of your strategic plan? (See Section II above.)
3. What organizational unit in the department is experiencing the problem or issue?

4. Who else is affected by the problem? (For example: internal or external customers and other stakeholders.)
 5. How long has the problem or issue existed?
 6. What are the causes of the problem or issue? How do you know?
 7. What are the consequences, including impacts on performance, of failure to resolve the problem or issue?
- B. Corrective Actions**
1. Does the problem or issue identified above require a corrective action by your department?
 No. If not, skip questions 2-5 below.
Yes. If so, complete questions 2-5 below.
 2. What corrective actions do you recommend to alleviate or resolve the problem or issue?
 3. Has this recommendation been made in previous management and program analysis reports? If so, for how long (how many annual reports)?
 4. Are corrective actions underway?
 - a. If so:
 - What is the expected time frame for corrective actions to be implemented and improvements to occur?
 - How much progress has been made and how much additional progress is needed?
 - b. If not:
 - Why has no action been taken regarding this recommendation?
 - What are the obstacles preventing or delaying corrective actions?
 - If those obstacles are removed, how soon could you implement corrective actions and generate improvements?

5. Do Corrective Actions Carry a Cost?

- No. If not, please explain.
 Yes. If so, what investment is required to resolve the problem or issue? (For

example, investment may include allocation of operating or capital resources—people, budget, physical plant and equipment, and supplies.)

Please discuss the following:

- a. What are the costs of implementing the corrective actions? Be specific regarding types and amounts of costs.
- b. How much has been expended so far?
- c. Can this investment be managed within your existing budget?

If so, does this require reallocation of existing resources?

If so, how will this reallocation affect other department efforts?

- d. Will additional personnel or funds be required to implement the recommended actions?

If so:

- Provide specific figures, including proposed means of financing for any additional funds.
- Have these resources been requested in your budget request for the upcoming fiscal year or in previous department budget requests?

IV. How does your department identify, analyze, and resolve management issues and evaluate program efficiency and effectiveness?

A. Check all that apply. Add comments to explain each methodology utilized.

- Internal audit
- External audits (Example: audits by the Office of the Legislative Auditor)
- Policy, research, planning, and/or quality assurance functions in-house
- Policy, research, planning, and/or quality assurance functions by contract
- Program evaluation by in-house staff
- Program evaluation by contract
- Performance Progress Reports (Louisiana Performance Accountability System)
- In-house performance accountability system or process
- Benchmarking for Best Management Practices
- Performance-based contracting (including contract monitoring)
- Peer review

- Accreditation review
- Customer/stakeholder feedback
- Other (please specify):

B. Did your office complete any management reports or program evaluations during the fiscal year covered by this report?

- Yes. Proceed to Section C below.
- No Skip Section C below.

C. List management reports and program evaluations completed or acquired by your office during the fiscal year covered by this report. For each, provide:

1. Title of Report or Program Evaluation
2. Date completed
3. Subject or purpose and reason for initiation of the analysis or evaluation
4. Methodology used for analysis or evaluation
5. Cost (allocation of in-house resources or purchase price)
6. Major Findings and Conclusions
7. Major Recommendations
8. Action taken in response to the report or evaluation
9. Availability (hard copy, electronic file, website)
10. Contact person for more information, including
 - Name:
 - Title:
 - Agency & Program:
 - Telephone:
 - E-mail:

DEQ Response: See table below

Table 2: Management Reports

Title of Report	Timesheet and Attendance Compliance Audit	DEQ Accounts Receivable Audit	
Date Completed	March 6, 2012	March 23, 2012	

<p>Purpose and Reason</p>	<p>To determine whether or not LDEQ’s employees, time administrators, cross-check administrators, supervisors, and managers are in compliance with established time and attendance policies and procedures.</p>	<p>To assess whether the processing, collection, and overall management of the accounts receivable deposit functions were being performed in accordance with applicable legislation, government policy, and relevant internal controls.</p>	
<p>Methodology Used</p>	<p>Tested 6 cost centers and reviewed timesheets and corresponding documentation for the Department’s compliance with their internal controls, specifically time and attendance policies and procedures.</p>	<p>Sampled 120 Pay-in – Vouchers from an adjusted population of 8,611 and reviewed 227 invoices with 190 checks. Tested for compliance with the Department’s internal controls, specifically regulations and policies addressing deposits.</p>	
<p>Cost</p>	<p>In-house</p>	<p>In-house</p>	
<p>Major Findings and Conclusions</p>	<p>There were 8 errors which required Prior Period Adjustments</p>	<p>There were 15 checks which were deposited in excess of the time allowed by the Louisiana Constitution Article VII, Section 9 (A) and LAC 4: XIII.103.C.2.</p>	

<p>Major Findings and Conclusions</p>	<p>There were 858 exceptions which did not require a Prior Period Adjustment.</p>		
<p>Major Findings and Conclusions (continued)</p>			

Major Findings and Conclusions (continued)			
Major Recommendations	<p>Audit Services recommends that the policies and procedures currently set forth be enforced. Human Resources should continue to administer periodic updates to ensure all employees are informed of on-going issues and additional procedures implemented.</p>	<p>Audit Services recommends that LDEQ adhere to the Louisiana Constitution Article VII, Section 9 (A), LAC 4:XIII.103.C.2, and LDEQ Internal Policies.</p>	
Action Taken in Response	<p>Human Resources is currently reviewing the Time Administrator's Manual; they recognized that training is an on-going process and plan to provide formalized training, especially to address all revisions or updates.</p>	<p>LDEQ financial Services concurred with the finding. They have begun investigating a service to better manage depositing.</p>	
Availability	Issued - Hard copy	Issued - Hard copy	
Contact Person	<p>Jeanne Weston Audit Manager OSEC/Audit Services (225)219-3869 Jeanne.Weston@la.gov</p>	<p>Jeanne Weston Audit Manager OSEC/Audit Services (225)219-3869 Jeanne.Weston@la.gov</p>	

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
RELEVANCE AND RELIABILITY OF
PERFORMANCE INFORMATION



PERFORMANCE AUDIT
ISSUED NOVEMBER 14, 2012

**LOUISIANA LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
POST OFFICE BOX 94397
BATON ROUGE, LOUISIANA 70804-9397**

LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

FIRST ASSISTANT LEGISLATIVE AUDITOR
AND STATE AUDIT SERVICES
PAUL E. PENDAS, CPA

DIRECTOR OF PERFORMANCE AUDIT SERVICES
NICOLE B. EDMONSON, CIA, CGAP, MPA

**FOR QUESTIONS RELATED TO THIS PERFORMANCE AUDIT, CONTACT
GINA BROWN, PERFORMANCE AUDIT MANAGER,
AT 225-339-3800.**

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge office of the Louisiana Legislative Auditor.

This document is produced by the Louisiana Legislative Auditor, State of Louisiana, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397 in accordance with Louisiana Revised Statute 24:513. Six copies of this public document were produced at an approximate cost of \$29.64. This material was produced in accordance with the standards for state agencies established pursuant to R.S. 43:31. This report is available on the Legislative Auditor's Web site at www.la.la.gov. When contacting the office, you may refer to Agency ID No. 9726 or Report ID No. 40120011 for additional information.

In compliance with the Americans With Disabilities Act, if you need special assistance relative to this document, or any documents of the Legislative Auditor, please contact Kerry Fitzgerald, Chief Administrative Officer, at 225-339-3800.



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

November 14, 2012

The Honorable John A. Alario, Jr.,
President of the Senate
The Honorable Charles E. "Chuck" Kleckley,
Speaker of the House of Representatives

Dear Senator Alario and Representative Kleckley:

This report provides the results of our performance audit on the relevance and reliability of performance information for the Office of Environmental Compliance within the Louisiana Department of Environmental Quality (LDEQ).

The report contains our findings, conclusions, and recommendations. Appendix A contains LDEQ's response to this report. I hope this report will benefit you in your legislative decision-making process.

We would like to express our appreciation to the management and staff of LDEQ for their assistance during this audit.

Sincerely,

A handwritten signature in blue ink that reads "Daryl G. Purpera".

Daryl G. Purpera, CPA, CFE
Legislative Auditor

DGP/ch

DEQ R&R 2012

Louisiana Legislative Auditor

Daryl G. Purpera, CPA, CFE



Louisiana Department of Environmental Quality Relevance and Reliability of Performance Information

November 2012

Audit Control # 40120011

Executive Summary

Louisiana Revised Statute 39:87.3 (D)(E) directs the Louisiana Legislative Auditor to provide an assessment of state agencies' performance data. In accordance with this requirement, we scheduled an audit on the relevance and reliability of performance information at the Louisiana Department of Environmental Quality (LDEQ). We selected the Office of Environmental Compliance (OEC) within LDEQ for our assessment because its mission and performance indicators focus on public health/safety. We assessed the relevance of the performance information for the following four divisions under OEC for fiscal year (FY) 2012:

1. Inspection Division (ID)
2. Assessment Division (AD)
3. Enforcement Division (ED)
4. Underground Storage Tanks and Remediation Division (USTRD)

Our reliability assessment of OEC's performance information focused on the six key outcome performance indicators for USTRD for the first quarter of FY 2012.¹ Appendix A contains LDEQ's response to the audit. Appendix B contains our scope and methodology. The audit objectives and results of our work are as follows:

Objective 1: Is LDEQ's performance information for the four divisions under OEC relevant?

Results: Overall, LDEQ's performance information for the four divisions under OEC is relevant. Using criteria from the state's performance budget manual, we found that performance information existed for all activities and that all objectives are aligned, measurable, and understandable.² However, LDEQ could improve its performance information by ensuring all objectives are time-bound. The results of our relevance analysis are summarized in the following chart.

¹ "Key outcome indicators" are used for decision-making by measuring results and gauging program effectiveness. Appendix D lists the key outcome indicators we reviewed for this audit.

² *Manageware: A Practical Guide to Managing for Results* is published by the state's Office of Planning and Budget and provides requirements for agencies related to performance measures. The criteria we used to assess relevancy is from this manual.

Summary of Relevancy Results OEC Performance Information Fiscal Year 2012	
Criteria	Results
Performance Information Exists	Yes
Aligned	Yes
Objectives are Measurable and Time-Bound	All objectives are measurable. Two (29%) of the seven objectives are not time-bound.
Outcome Indicator Exists for Each Objective	Yes
Understandable	Yes
Source: Prepared by legislative auditor's staff using results from Appendix C.	

Objective 2: Are the performance indicators for USTRD within OEC reliable?

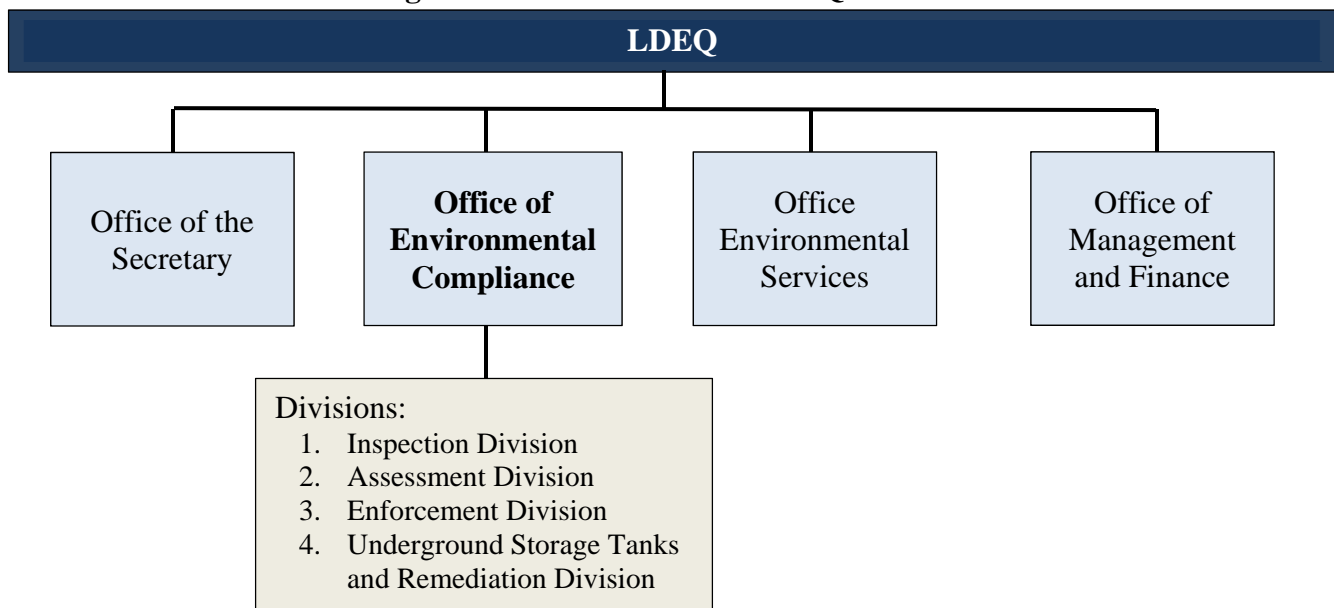
Results: We reviewed the six key outcome indicators for USTRD for the first quarter of FY 2012 and found that three (50%) indicators were reliable and two (33%) were reliable with qualifications. This means that while our calculation agreed with OEC's calculation based on the information provided, OEC's controls over data collection and reporting did not always ensure accuracy and consistency. We also found one (17%) indicator that was unreliable. This indicator was unreliable because OEC reported the performance data in the Louisiana Performance Accountability System (LaPAS) incorrectly. The results of our reliability analysis are summarized below:

Summary of Reliability Results First Quarter Fiscal Year 2012		
Category	Number of Indicators	Percentage of Indicators
Reliable	3	50%
Reliable with Qualifications	2	33%
Unreliable	1	17%
Total	6	100%
Source: Prepared by legislative auditor's staff using reliability results from Appendix D.		

Background

OEC Mission and Organizational Structure. The mission of OEC is to ensure the public health and occupational safety and welfare of the people related to the environmental resources of Louisiana by conducting inspections of permitted facilities, responding to environmental emergencies, and providing for vigorous and timely resolution of enforcement actions. OEC's mission directly impacts the protection of groundwater, which is Louisiana's primary source of drinking water, and other environmental safety issues, such as air quality. Exhibit 1 shows the location of OEC within LDEQ.

Exhibit 1
Organizational Structure of LDEQ and OEC



Source: Prepared by legislative auditor's staff using information from the FY 2012 Executive Budget.

Division Descriptions. We reviewed the performance information for the four divisions under OEC. These divisions and descriptions of their functions are summarized below.

- **Inspection Division (ID).** The function of ID is to inspect facilities for compliance with their permits or other authorizations by the department (regulations or enforcement actions) and to respond to complaints. In FY 2012, ID was appropriated approximately \$15 million and 135 authorized positions.
- **Assessment Division (AD).** The function of AD is to evaluate the overall quality of the air and water resources of the state and to respond to emergency situations, including those for radiation sources. In FY 2012, AD was appropriated approximately \$9 million and 97 authorized positions.

- **Enforcement Division (ED).** The function of ED is to ensure that the government, the private sector, and the public comply with federal and state laws designed to protect human health and the environment and sustain the environmental resources of the state. In FY 2012, ED was appropriated approximately \$4 million and 60 authorized positions.
- **Underground Storage Tank and Remediation Division (USTRD).** The function of USTRD is to protect the soil and groundwater resources of the state from unauthorized and historical releases to the environment from leaking underground storage tanks and other sources, such as old landfills and historical spills that occurred prior to environmental regulation. Remediation services investigate, evaluate, monitor, and clean up contamination. In FY 2012, USTRD was appropriated approximately \$18 million and 98 authorized positions.

Objective 1: Is LDEQ's performance information for the four divisions under OEC relevant?

Overall, LDEQ's performance information for the four divisions under OEC is relevant. We used the following criteria from the state's performance budgeting manual to determine if the performance information was relevant:³

- Performance information exists for all activities.
- Performance information is aligned (i.e., indicators answer objectives; objectives answer goals).
- Objectives are measurable and time-bound (i.e., provide a target date to accomplish).
- At least one outcome indicator exists for each program objective.
- Performance information is understandable and does not contain jargon that is not explained by explanatory notes.

We found that performance information existed for all activities and that all objectives are aligned, measurable, and understandable. However, OEC could improve its performance information by ensuring all objectives are time-bound. Exhibit 2 summarizes the results according to the relevance criteria listed above. Appendix C provides specific details on the results of our relevancy analysis.

Exhibit 2 Summary of Relevancy Results OEC Performance Information Fiscal Year 2012	
Criteria	Results
Performance Information Exists	Yes
Aligned	Yes
Objectives are Measurable and Time-Bound	All objectives are measurable. Two (29%) of the seven objectives are not time-bound.
Outcome Indicator Exists for Each Objective	Yes
Understandable	Yes
Source: Prepared by legislative auditor's staff using results from Appendix C.	

Recommendation 1: LDEQ should ensure that all of OEC's objectives contain timeframes by which each objective must be accomplished.

Summary of Management's Response: LDEQ agrees with this recommendation and will ensure that timeframes are included with the two identified objectives by including "in FY20XX-20XX" as appropriate.

³ *Manageware: A Practical Guide to Managing for Results* is published by the state's Office of Planning and Budget and provides requirements for agencies related to performance measures. The criteria we used to assess relevancy is from this manual.

Objective 2: Are the performance indicators for USTRD within OEC reliable?

We reviewed and recalculated OEC's six key outcome performance indicators for USTRD that were reported in the first quarter of FY 2012 and classified our results based on the following categories and criteria:⁴

- **Reliable** – reported performance is accurate within +/-5%, and it appears that controls for collecting and reporting data are in place.
- **Reliable with Qualifications** – reported performance is within +/-5%, but source documentation cannot be verified and/or controls cannot be tested with complete assurance.
- **Unreliable** – reported performance is not within +/-5%.
- **Reliability Undetermined** – documentation is not available and controls alone are not adequate to ensure accuracy.

Using the categories above, we found that three (50%) of USTRD's six key outcome performance indicators were reliable. We also identified two (33%) indicators that were reliable with qualifications, and one (17%) that was unreliable. Exhibit 3 summarizes our results for each category. Appendix D lists the key outcome indicators and provides specific details of our reliability analysis.⁴

Exhibit 3 Summary of Reliability Results First Quarter Fiscal Year 2012		
Category	Number of Indicators	Percentage of Indicators
Reliable	3	50%
Reliable with Qualifications	2	33%
Unreliable	1	17%
Total	6	100%
Source: Prepared by legislative auditor's staff using reliability results from Appendix D.		

Indicators Reliable with Qualifications. Two (33%) of the six indicators were reliable with qualifications for the first quarter of FY 2012. This means that while our calculations were within +/-5% of LDEQ's calculation, we determined that OEC's controls over data collection and reporting for these indicators were not adequate to always ensure accuracy and consistency of the calculation for LaPAS. For example, the internal controls for these key outcome performance indicators did not ensure that correct dates were used to calculate these indicators.

⁴ "Key outcome indicators" are used for decision-making by measuring results and gauging program effectiveness. Appendix D lists the key outcome indicators we reviewed for this audit.

Unreliable Indicator. One (17%) of the six performance indicators was unreliable for the first quarter of FY 2012. While LDEQ’s calculation for this indicator was within +/-5% of our calculation, it did not report the correct results to LaPAS. In addition, six (9%) of the 67 records had incorrect dates that should have been reported in previous quarters. Exhibit 4 provides additional details for the performance indicator that was unreliable.

Exhibit 4		
Explanation of Unreliable Performance Indicator		
First Quarter Fiscal Year 2012		
USTRD Performance Indicator	Reliability	Explanation
Percentage of soil and groundwater work plans reviewed	Unreliable	While LDEQ’s calculation was within +/-5% of our calculation (95.08%), it reported 90% to LaPAS. Additionally, 14 records had incorrect dates that still fell in the appropriate quarter and six records had incorrect dates that should have been reported in previous quarters.
Source: Prepared by legislative auditor's staff using reliability results from Appendix D.		

Recommendation 2: LDEQ should establish clear policies and procedures outlining which dates to record in its computer system as the start date and the completion date for each type of inspection or project to ensure performance data is recorded in the appropriate quarter.

Summary of Management’s Response: LDEQ agrees with the recommendation and will review and revise, as necessary, the Standard Operating Procedures (SOP) for these two indicators and ensure that the appropriate start and end dates are recorded for each type of inspection or project.

Recommendation 3: For the indicator “percentage of soil and groundwater work plans reviewed,” LDEQ should verify that performance data reported to LaPAS is correct.

Summary of Management’s Response: A data input error resulted in LDEQ underreporting the level of performance for this indicator. The margin of error for this metric being classified as “Reliable with Qualifications” is 0.65%. LDEQ agrees with the recommendation and will review and revise, as necessary, the SOP for this indicator activity and ensure the performance data is reported to LaPAS correctly.

APPENDIX A: MANAGEMENT'S RESPONSE



State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF THE SECRETARY

October 16, 2012

Mr. Daryl G. Pupera, CPA, CFE
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804

RE: Louisiana Department of Environmental Quality
Performance Audit on the
Reliability and Relevance of Performance Information

Dear Mr. Pupera:

The Department is in receipt of your report dated October 2012, regarding the performance audit of performance indicators for the Underground Storage Tanks and Remediation Division, Office of Environmental Compliance (OEC) in the Louisiana Department of Environmental Quality (LDEQ). I appreciate the opportunity to respond to the report.

The Department concurs with the three recommendations in the report. Additional discussion regarding this concurrence follows:

Recommendation 1: LDEQ should ensure that all of OEC's objectives contain timeframes by which each objective must be accomplished.

Response: LDEQ agrees with this recommendation and will ensure that timeframes are included with the two identified objectives by including "in FY20XX-20XX" as appropriate.

Recommendation 2: LDEQ should establish clear policies outlining which dates to record in its computer system as the start date and the completion date for each type of inspection or project in order to ensure performance data is recorded in the appropriate quarter.

Response: LDEQ agrees with the recommendation and will review and revise, as necessary, the SOPs for these two indicators and ensure that the appropriate start and end dates are recorded for each type of inspection or project.

Recommendation 3: For the indicator "percentage of soil and ground water work plans reviewed," LDEQ should verify that performance data reported to LaPAS is correct.

Mr. Daryl G. Pupera
October 16, 2012
Page 2

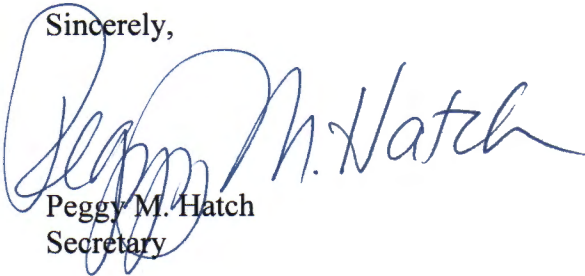
Response: A data input error resulted in LDEQ underreporting the level of performance for this indicator. The margin of error for this metric being classified as "Reliable with Qualifications" vs "Unreliable" is 0.65%.

LDEQ agrees with the recommendation and will review, and revise as necessary, the SOP for this indicator activity and ensure the performance data is reported to LAPAS correctly.

Thank you for the opportunity to respond to this report and to have the LDEQ's response included as part of the final report. We appreciate the professionalism demonstrated by the Performance Audit team. Additionally, LDEQ appreciates the feedback provided by the report.

Should you have any questions or require additional information, please contact me or Dr. Alex Appeaning, Deputy Secretary, at 225-219-3951.

Sincerely,



Peggy M. Hatch
Secretary

C: Dr. Alex Appeaning, LDEQ Deputy Secretary
Cheryl S. Nolan, Assistant Secretary, OEC
Tom Harris, Administrator, USTR Division, OEC
Elizabeth Tarver, LDEQ Strategic Planning Coordinator
Tomeka Prioleau, LDEQ Strategic Planning Coordinator

APPENDIX B: AUDIT INITIATION, SCOPE, AND METHODOLOGY

We conducted this performance audit under the provisions of Title 24 of the Louisiana Revised Statutes (R.S.) of 1950, as amended. R.S. 39:87.3 (D) (E) directs the Louisiana Legislative Auditor to provide an assessment of state agencies' performance data. To fulfill this requirement, we periodically examine the relevance and/or the reliability of performance data for various state agencies. Our audit focused on the relevance of the performance indicator data for the Office of Environmental Compliance (OEC) within the Louisiana Department of Environmental Quality (LDEQ) for fiscal year (FY) 2012. For our reliability objective, we focused on the key outcome indicators for the Underground Storage Tanks and Remediation Division (USTRD), which has similar performance indicator internal controls as the other divisions, for the first quarter of FY 2012.

We conducted this performance audit in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. To answer our objectives, we performed the following audit steps:

Objective 1: Is LDEQ's performance information for the four divisions under OEC relevant?

- Conducted background research and a risk assessment, including a review of state and federal laws relating to performance accountability.
- Identified the federal and state legal authority for OEC, including its mission, goals, and objectives.
- Reviewed and identified OEC's performance indicators, mission, goals, and objectives in the Executive Budget Documents of FY 2012.
- Reviewed 24 key OEC performance indicators of FY 2012 for relevancy by using criteria outlined in the state's performance budgeting manual.
- Reviewed *Manageware: A Practical Guide to Managing for Results*, the Office of Planning and Budget's guidance documentation on performance indicators and developed relevance criteria based on this guidance.
- Interviewed OEC staff and management to determine how they use performance data to make decisions and manage its programs.

Objective 2: Are the performance indicators for USTRD within OEC reliable?

- Assessed the control structure for the six key outcome performance indicators for USTRD for the first quarter of FY 2012.
- Researched the United States Government Accountability Office to develop our criteria for reliability. Each indicator was classified into the following categories:
 - “*Sufficiently reliable*” (defined in report as “**reliable**” or “**reliable with qualifications**”) if the results of the audit provide assurance that (1) the likelihood of significant errors or incompleteness is minimal and (2) the use of data would not lead to an incorrect or unintentional message.
 - “*Not considered sufficiently reliable*” (defined in report as “**unreliable**”) if (1) significant errors or incompleteness exists in some of or all the key data elements and (2) if using the data would probably lead to an incorrect or unintentional message.
 - “*Undetermined reliability*” (defined in report as “**reliability undetermined**”) if specific factors are present – such as limited access to the data source, a wide range of data that cannot be examined with current resources, data limitations that prevent an adequate assessment, short time periods, the deletion of original computer files, or a lack of access to needed documents.
- Interviewed OEC’s staff and management on performance indicators, their processes and calculations, and use of their results.
- Conducted a survey and interviewed management to assess performance indicator input, process, and review controls.
- Examined OEC’s policies and procedures relating to our audit objectives.
- Compared OEC’s performance indicators in the Executive Budget Documents to the Louisiana Performance Accountability System (LaPAS).
- Obtained and analyzed performance indicator source data for accuracy and completeness, including database report coding.
- Analyzed method of calculation of performance indicators used by LDEQ for accuracy.
- Recalculated the performance indicators based on established calculation methodology.
- Reviewed LaPAS reported results for entry errors.
- Assessed performance indicator names and data for clarity.
- Calculated the percentage difference between the actual performance and reported performance; if the percentage difference was more than 5% we considered the value to be inaccurate.

APPENDIX C: OEC PERFORMANCE DATA - RELEVANCY RESULTS

Performance Information		Aligned	Easy to Understand	Objectives are Measurable and Time-Bound	Outcome Indicator Exists for Each Objective
Inspection Division (ID):		Mission: The function of ID is to inspect facilities for compliance with their permits or other authorizations by the department (regulations or enforcement actions) and to respond to complaints.			
Objective: Through the Inspections Activity, inspect regulated facilities related to air emissions, solid and hazardous waste, waste tires, water discharges, radiation and asbestos statewide following procedures outlined in the Compliance Monitory Strategy in FY 2011-2012.		Yes	Yes	Yes	N/A
1.	Percentage of air facilities inspected (LAPAS CODE – 9756)	Yes	Yes	N/A	Yes
2.	Percentage of treatment, storage, and/or disposal hazardous waste facilities inspected (LAPAS CODE – 9757)	Yes	Yes		
3.	Percentage of solid waste facilities inspected (LAPAS CODE – 9758)	Yes	Yes		
4.	Percentage of major water facilities inspected (LAPAS CODE – 6886)	Yes	Yes		
5.	Percentage of significant minor water facilities inspected (LAPAS CODE – 6887)	Yes	Yes		
6.	Percentage of tire dealer facilities inspected (LAPAS CODE – 9759)	Yes	Yes		

Performance Information		Aligned	Easy to Understand	Objectives are Measurable and Time-Bound	Outcome Indicator Exists for Each Objective
7.	Percentage of radiation licenses inspected (LAPAS CODE – 9760)	Yes	Yes	N/A	Yes
8.	Percentage of x-ray registrations inspected (LAPAS CODE – 9761)	Yes	Yes		
9.	Percentage of mammography facilities inspected (LAPAS CODE – 9762)	Yes	Yes		
10.	Percentage of top-rated asbestos projects inspected (LAPAS CODE – 6882)	Yes	Yes		
Objective: Through the Inspections Activity, to monitor and sample 25% of the 481 named waterbody subsegments statewide annually.		Yes	Yes	Yes	N/A
11.	Percent of waterbody subsegments monitored and sampled (LAPAS CODE – 9751)	Yes	Yes	N/A	Yes
Objective: Through the Inspections Activity, to address 85% of reported environmental incidents and citizen complaints within 10 business days of receipt of notification.		Yes	Yes	Yes	N/A
12.	Percent of environmental incidents and citizen complaints addressed within 10 business days of notification (LAPAS CODE – 9764)	Yes	Yes	N/A	Yes

Performance Information		Aligned	Easy to Understand	Objectives are Measurable and Time-Bound	Outcome Indicator Exists for Each Objective
Assessment Division (AD):		Mission: The function of AD is to evaluate the overall quality of the air and water resources of the state and to respond to emergency situations, including those for radiation sources.			
Objective: Through the Assessment Activity, to assess and protect the general public's safety regarding ambient air analysis, the operation of nuclear power plants, the use of radiation sources and radiological and chemical emergencies statewide in FY 2011-2012.		Yes	Yes	Yes	N/A
13.	Percent of data capture from ambient monitoring equipment measuring criteria pollutants (LAPAS CODE – 23150)	Yes	Yes	N/A	Yes
14.	Percent of emergency planning objectives demonstrated (LAPAS CODE – 3672)	Yes	Yes		
15.	Process 97% of radioactive material applications for registration, licensing, and certification within 30 business days of receipt (LAPAS CODE – 9767)	Yes	Yes		
Enforcement Division (ED):		Mission: The function of ED is to ensure that the government, the private sector, and the public comply with federal and state laws designed to protect human health and the environment and sustain the environmental resources of the state.			
Objective: Through the Enforcement Activity, to increase compliance with environmental laws and regulations statewide by implementing a comprehensive enforcement process including regulatory awareness in FY 2011-2012.		Yes	Yes	Yes	N/A
16.	Percent of enforcement actions addressed within the prescribed timelines (LAPAS CODE – 9765)	Yes	Yes	N/A	Yes

Performance Information		Aligned	Easy to Understand	Objectives are Measurable and Time-Bound	Outcome Indicator Exists for Each Objective
17.	Percent of SWAT class invitees that will resolve their violation with no further enforcement action (LAPAS CODE – 23143)	Yes	Yes	N/A	Yes
Underground Storage Tank and Remediation Division (USTRD):		Mission: The function of USTRD is to protect the soil and groundwater resources of the state from unauthorized and historical releases to the environment from leaking underground storage tanks and other sources, such as old landfills and historical spills that occurred prior to environmental regulation. Remediation services investigate, evaluate, monitor, and clean up contamination.			
Objective: Through the Underground Storage Tanks and Remediation Activity, to investigate and clean up uncontrolled contamination and/or monitor ongoing cleanup of abandoned properties, active facilities, and underground storage sites; and to restore 335 sites by making them safe for reuse, available for redevelopment, and ensuring the integrity of the UST system by inspecting 20% of the UST sites.		Yes	Yes	Yes, measurable. No, time-bound.	N/A
18.	Number of sites evaluated and closed out (LAPAS CODE – 23147)	Yes	Yes	N/A	Yes
19.	Percentage of closed out sites that are ready for continued industrial/commercial/residential use or redevelopment (LAPAS CODE – 23697)	Yes	Yes		
20.	Cumulative percentage of General Performance Result Act (GPRA) facilities with remedies selected for the entire facility (LAPAS CODE – 22206)	Yes	Yes		
21.	Cumulative percentage of GPRA facilities with remedy completed or remedy construction completed for the entire facility (LAPAS CODE - 22208)	Yes	Yes		
22.	Percentage of registered underground storage tank sites inspected (LAPAS CODE – 3694)	Yes	Yes		

Performance Information		Aligned	Easy to Understand	Objectives are Measurable and Time-Bound	Outcome Indicator Exists for Each Objective
Objective: Through the Underground Storage Tanks and Remediation Activity, to direct the determination of the extent of contamination both laterally and vertically at sites with pollution and to protect the soil and groundwater resources of the state by reviewing 85% of the soil and groundwater investigation work plans and corrective action work plans received.		Yes	Yes	Yes, measurable. No, time-bound.	N/A
23.	Percentage of soil and groundwater investigation work plans reviewed (LAPAS CODE – 9773)	Yes	Yes	N/A	Yes
24.	Percent of soil and groundwater corrective action work plans reviewed (LAPAS CODE – 9774)	Yes	Yes		
Source: Prepared by legislative auditor’s staff using results from LaPAS.					

APPENDIX D: USTRD PERFORMANCE DATA (within OEC) - RELIABILITY RESULTS First Quarter Fiscal Year 2012

Underground Storage Tanks and Remediation Division (USTRD) Objectives and Key Outcome Performance Indicators		Amount in LaPAS	Our Calculation	Variance	Assessment	Explanation
Objective: Through the Underground Storage Tanks and Remediation Activity, to investigate and clean up uncontrolled contamination and/or monitor ongoing cleanup of abandoned properties, active facilities, and underground storage (UST) sites; and to restore 335 sites by making them safe for reuse, available for redevelopment, and ensuring the integrity of the UST system by inspecting 20% of the UST sites.						
1.	Percentage of closed out sites that are ready for continued industrial/commercial/residential use or redevelopment (LAPAS CODE – 23697)	100%	100%	None	Reliable	This indicator is always reported as 100% because, by definition, all closed out sites are ready for continued reuse.
2.	Cumulative percent of General Performance Result Act (GPRA) facilities with remedies selected for the entire facility (LAPAS CODE – 22206)	47%	46.88%	-0.27%	Reliable	N/A
3.	Cumulative percent of GPRA facilities with remedy completed or remedy construction completed for the entire facility (LAPAS CODE – 22208)	38%	37.50%	-1.32%	Reliable	N/A

Underground Storage Tanks and Remediation Division (USTRD) Objectives and Key Outcome Performance Indicators		Amount in LaPAS	Our Calculation	Variance	Assessment	Explanation
4.	Percentage of registered underground storage tank sites inspected (LAPAS CODE – 3694)	4%	3.89%	-2.78%	Reliable with Qualifications	<ul style="list-style-type: none"> • 8 records had incorrect dates that still fell in the appropriate quarter • 12 records had incorrect dates that should have been reported in previous quarters
Objective: Through the Underground Storage Tanks and Remediation Activity, to direct the determination of the extent of contamination both laterally and vertically at sites with pollution and to protect the soil and groundwater resources of the state by reviewing 85% of the soil and groundwater investigation work plans and corrective action work plans received.						
5.	Percent of soil and groundwater investigation work plans reviewed (LAPAS CODE – 9773)	90%	95.08%	5.65%	Unreliable	<ul style="list-style-type: none"> • OEC under-reported this indicator to LaPAS • 14 records had incorrect dates that still fell in the appropriate quarter • 6 records had incorrect dates that should have been reported in previous quarters
6.	Percent of soil and groundwater corrective action work plans reviewed (LAPAS CODE – 9774)	84%	84.09%	0.11%	Reliable with Qualifications	<ul style="list-style-type: none"> • 10 records had incorrect dates that still fell in the appropriate quarter • 2 records had incorrect dates that should have been reported in previous quarters
Source: Prepared by legislative auditor’s staff using analysis results.						

Appendix B

Process Documentation:

Strategic Plan Checklist

STRATEGIC PLANNING CHECKLIST



Planning Process

- General description of process implementation included in plan process documentation
- Consultant used
- If so, identify: _____
- Department/agency explanation of how duplication of program operations will be avoided included in plan process documentation
- Incorporated statewide strategic initiatives
- Incorporated organization internal workforce plans and information technology plans



Analysis Tools Used

- SWOT analysis
- Cost/benefit analysis
- Financial audit(s)
- Performance audit(s)
- Program evaluation(s)
- Benchmarking for best management practices
- Benchmarking for best measurement practices
- Stakeholder or customer surveys
- Undersecretary management report (Act 160 Report) used
- Other analysis or evaluation tools used
- If so, identify: _____

Attach analysis projects, reports, studies, evaluations, and other analysis tools.



Stakeholders (Customers, Compliers, Expectation Groups, Others) identified

- Involved in planning process
- Discussion of stakeholders included in plan process documentation



Authorization for goals

- Authorization exists
- Authorization needed
- Authorization included in plan process documentation



External Operating Environment

- Factors identified and assessed
- Description of how external factors may affect plan included in plan process documentation



Formulation of Objectives

- Variables (target group; program & policy variables; and external variables) assessed
- Objectives are SMART



Building Strategies

- Organizational capacity analyzed
- Needed organizational structural or procedural changes identified
- Resource needs identified
- Strategies developed to implement needed changes or address resource needs
- Action plans developed; timelines confirmed; and responsibilities assigned



Building in Accountability

- Balanced sets of performance indicators developed for each objective
- Documentation Sheets completed for each performance indicator
- Internal accountability process or system implemented to measure progress
- Data preservation and maintenance plan developed and implemented



Fiscal Impact of Plan

- Impact on operating budget
- Impact on capital outlay budget
- Means of finance identified for budget change
- Return on investment determined to be favorable

Appendix C

Records Retention:

Agency Records Retention Policy

POLICY NUMBER: 0021-12

SUBJECT: RECORDS MANAGEMENT POLICY

EFFECTIVE DATE: June 25, 2012

INQUIRIES TO: Records Management Section
Office of Management & Finance
602 N. Fifth Street
Baton Rouge, LA 70802

P. O. Box 4303
Baton Rouge, LA 70821-4303
(225) 219-3172

POLICY COMPONENTS

- I. Records Management General Policy Statement
- II. Public Records Request Policy
- III. Email Management
- IV. Maintenance of Confidential Information
- V. Legal Preservation
- VI. Disposition
- VII. Compliance

I. Records Management General Policy Statement

The purpose of this policy is to establish responsibilities for managing LDEQ's records, to ensure compliance with state and federal laws and regulations and best practices. This policy addresses all records made or received by LDEQ related to official business. This policy applies to LDEQ Headquarters, Regional Offices, and all locations where LDEQ employees may create, receive, store, or manage records.

In accordance with La. R.S. 44:412(A), the Department's delegated Records Manager shall oversee the Records Management program in accordance with LAC 4:XVII.101, *et seq.* All LDEQ employees, officials, and organizations are to comply with this policy and all policies and procedures issued by the LDEQ Records Management Section.

The LDEQ Records Management Section creates, implements, and manages a Departmental Records Management Program that:

1. Fills public records requests, however made, including requests made via subpoena or other court order, and through the discovery methods provided by law;
2. Develops and implements Department-wide policies, procedures and training on the identification, classification, and handling of records;
3. Manages the storage and security of inactive records and oversees the disposition of records that have met the requisite retention period;
4. Protects security sensitive information in the control of the Department and manages the security of documents granted confidentiality by the Department Secretary or his/her designee;
5. Works with the Legal Division to implement legal or litigation holds required by law, typically to prevent the alteration or destruction of records relating to investigations and pending or anticipated litigation.

All LDEQ employees are responsible for the day-to-day maintenance and handling of records that they create, receive, and access as part of official Departmental business. LDEQ employees fulfill this responsibility by:

1. Forwarding all public records requests and inquiries to the Records Management Section upon receipt;
2. Identifying, organizing, and handling records according to Records Management policies, procedures, and retention schedule;
3. Maintaining electronic records, including email, according to Records Management policies, procedures and retention schedule;
4. Submitting all original records documenting official agency business to the Electronic Document Management System, or copies when originals must be sent to outside parties;
5. Contacting the Legal Division upon receipt of notice of any investigation and pending or anticipated litigation that involves or could involve the Department or any current or

former employee in the course of his or her duties.

II. Public Records Request Policy

All employees shall abide by this policy when responding to requests for public records.

The LDEQ Records Custodian may appoint one or more designees to ensure a prompt response to all requests.

A. Requesting Copies of Public Records

1. All requests for copies of public records, including discovery requests and subpoenas duces tecum for production of public records, shall be made using one of the following forms to be submitted to the Custodian of Records:
 - a. [LDEQ Form ISD-0005-01](#). This form may be submitted only by mail, fax, or personal delivery. No email attachments of this form will be accepted for any public records request.
 - b. [LDEQ Online Public Records Request Form](http://www.deq.louisiana.gov/prr), accessible at <http://www.deq.louisiana.gov/prr>.

A certification on [LDEQ Form ISD-0005-02](#) must be submitted with the request for free or reduced rate copies. This form may be submitted only by mail, fax, or personal delivery. This form will not be accepted by email for any public records request.

2. Payment shall be made in accordance with the rates established by law or regulation.
3. Advance payment for copies of public records is required
4. To ensure the preservation of Department records, no records shall leave the premises for duplication, unless copies are required for which the Department does not have suitable copying equipment. In this case, the records may leave the premises by approval of the LDEQ Custodian of Records and shall be accompanied by an official, employee, agent, or contractor of the Department who shall remain with the records until their return. The requester shall be responsible for all costs of reproduction. The requester shall make payment or arrangements for payment with the outside source copy provider in advance of the request for the exception, and shall include a written statement of such arrangements as part of the request. The Department reserves the right to refuse the release of public records to an outside source copy provider for any reason.

B. Employee Responsibilities Regarding Public Records Requests

1. All records related inquiries received by employees shall be forwarded immediately to Records Management staff at publicrecords@la.gov. Employees shall not reply directly to requests for records unless specifically authorized by the LDEQ Records Custodian.
2. When an employee is notified by Records Management staff that they may have records which are responsive to a request, the employee shall respond to Records Management within three business days. Within this timeline, the employee shall either provide all responsive records or give a firm date by which the records will be provided.

C. LDEQ Custodian of Records Responsibilities for Public Records Requests

The LDEQ Custodian of Records shall:

1. Enter each public records request into the public records database upon receipt. Requests received via the online request form are automatically entered into the database.
2. Respond to all public records requests within three (3) business days of the Department's receipt of the request.
3. Send any responsive records which are not already in the EDMS to the Legal Division for review before providing them in response to a records request.
4. Ensure that all necessary forms have been fully completed and payment has been received in advance unless an exception has been approved by the LDEQ Records Custodian.
5. Forward all payments received to the Financial Services Division daily.
6. Forward all delinquent bills to the Financial Services Division for follow-up or referral to the Legal Division for collection.
7. Maintain public records requests and responses in accordance with approved retention schedules.
8. When the Agency receives inquiries about or requests for copies of public records that are not on [LDEQ Form ISD-0005-01](#), instruct the requester to complete [LDEQ Form ISD-0005-01](#).

III. Email Management

Definitions: For the purposes of this Policy:

1. **Email:** A document created or received via an electronic message system, including brief notes, formal or substantive narrative documents, and any attachments, such as word processing or other electronic objects, that may be transmitted with the message along with its descriptive transmission metadata. For the purpose of this policy, email also includes text messages, instant messages and PIN to PIN messages.
 - a. **PIN to PIN messaging:** Each BlackBerry device is assigned a unique eight-digit number called a personal identification number (PIN). PIN to PIN messages are not routed through the email account.
 - b. **Instant Messaging (IM):** An electronic messaging system that allows users to determine whether a certain party or parties are connected to the messaging system and allows them to exchange text messages and files with those parties in real time.
 - c. **Text Message:** An electronic communication sent and received by cellular phone.
2. **Legal or Litigation Hold:** A communication issued as a result of current or anticipated litigation, audit, government investigation or other such matter that suspends the normal disposition, processing or retention of records.
3. **Electronic Document Management System (EDMS):** The Web-based search tool that allows users to search, retrieve, view and print public records online. The EDMS serves as the electronic repository of official records for the Louisiana Department of Environmental Quality (LDEQ). All employees are responsible for ensuring official records are routinely submitted to the EDMS.

Purpose: This Policy addresses guidelines and restrictions for the official business and incidental limited personal use of email by LDEQ employees. It is the policy of LDEQ to provide resources to its employees for the purpose of fulfilling their responsibilities and job duties. At all times, users have the responsibility to use Agency resources in a professional, ethical, and lawful manner. To further this objective, the following policy is established:

Statement of Policy:

1. Email is to be used primarily for official business purposes in furtherance of the LDEQ Agency mission. Incidental limited personal use is a privilege, and not a right of employment, and must not: (1) interfere with LDEQ Agency business; (2) interfere with the user's work performance; (3) interfere with any other user's work performance; (4) have undue impact on the operation of the computer system or computer resources; or (5) violate any law, any other provision of this policy, or any other policy, guideline, or standard of LDEQ. The personal use of email privilege may be revoked at any time. Abuse of email may subject an employee to disciplinary action.

2. For prohibitions regarding email and computer usage, please see [Computer System Usage Policy](#), PPM 6006-04. Users are also prohibited from disclosing confidential, enforcement sensitive, or other legally protected information such as attorney client privileged information. For more information on what may be considered confidential or security sensitive according to LDEQ regulations, please see [LAC 33:I.501-511](#) and [LAC 33:I.601-609](#).
3. Employees shall not include confidential disclaimers in their signature blocks, unless executive approval has been granted. As a state Agency subject to public records laws, LDEQ employees shall expect no confidentiality or privacy applied to email except as previously described.
4. Email messages shall be handled in the same way as paper documents. An email message is a record if it records a business activity or decision, and the activity or decision is not documented elsewhere. In this case, based on the content of the email, it shall be kept for the amount of time specified in the approved LDEQ [Environmental](#) or [Administrative](#) Retention Schedules. Email fitting this description shall be submitted to the EDMS to be maintained for the appropriate amount of time.
5. Many LDEQ employees have been issued mobile devices or use personal mobile devices to access email or send other types of electronic messages. Regardless of format, the content of the message shall determine how long the message shall be maintained and where the message shall be stored. For guidance, consult the Environmental Retention Schedule, Administrative Retention Schedule and the [Nonrecords Guidelines](#).
6. Employees shall avoid using text messages, instant messages, personal email accounts other than the state-issued la.gov account, and/or PIN to PIN messages to communicate a business activity or decision that is not documented elsewhere. These methods of communication are acceptable only in an emergency situation in which there is no other reasonable means of communication. Should such a situation arise, the employee shall submit the message to the EDMS as soon as possible. To submit the message to the EDMS, the employee will either need to save and print the message or forward the message to an email address. Once available in either a print or email format, submit the message to the EDMS using either the Online or Paper Delivery Method. It is incumbent upon each employee to learn how to perform this task when necessary using the applicable specific service(s) and device(s). Text messages, instant messages and PIN to PIN messages are acceptable for any communication which does not document a business activity or decision, and which therefore does not need to be submitted to the EDMS.
7. To avoid unnecessary costs to the Agency, email users shall move email that needs to be temporarily retained out of the inbox and into personal folders. Users shall periodically review and organize their sent and deleted items to keep their inbox size to a minimum. Any size over 100MB results in additional charges to the Agency.
8. All LDEQ business related email however transmitted or received and wherever located is the property of LDEQ and not the property of the employee. As such, any email relevant to a public records request or subpoena for records shall be provided upon request.

9. If LDEQ issues a legal or litigation hold, all related email and other records in whatever form they exist, including drafts and copies shall be retained regardless of whether the items would normally be eligible for deletion according to the LDEQ [Nonrecords Guidelines](#) or an approved retention schedule. All employees are responsible for following specific instructions given with regard to all responsive items relating to the subject of a legal or litigation hold.
10. Departing employees shall work with their supervisor to ensure that their email and other items are handled according to this policy. This may involve creating a .pst file. Contact the LDEQ Helpline for assistance with creating .pst files.
11. Failure to comply with this policy may result in disciplinary action, up to and including termination, as well as possible civil and/or criminal liability.

References:

1. ARMA. *Requirements for Managing Electronic Messages as Records*. Second Printing. ARMA International, 2009. eBook.
2. Nonrecords Guidelines:
<http://intranet/records/user/editinfo/files/NonrecordsGuidelines.pdf>
3. Administration Retention Schedule:
<http://intranet/records/user/editinfo/files/ARSfinal.pdf>
4. Environmental Retention Schedule:
<http://intranet/records/user/editinfo/files/EnvironmentalRetentionSchedule.pdf>
5. Computer System Usage Policy: <http://intranet/ppms/6006-04.pdf>
6. Confidential Information and Security Sensitive Information Regulations:
<http://www.deq.louisiana.gov/portal/LinkClick.aspx?fileticket=vU-4wQYIBGo%3d&tabid=1674>

IV. Maintenance of Confidential Information

PURPOSE

To establish a Department policy and procedure in compliance with the “Confidential Information Regulations” ([LAC 33:I.Chapter 5](#)), and the Confidential Information ([La. R. S. 30:2030](#)), and Water Quality Control laws ([La. R. S. 30:2074 \(D\)](#)).

POLICY

Each Division shall abide by this policy and its procedures when responding to requests for confidentiality and requesting access to confidential documents.

According to the Louisiana Public Records Law ([La. R. S. 44:1, et seq.](#)), all information or records created or received by the Department are considered public records, unless declared confidential or deemed confidential by operation of law.

The Secretary or Secretary’s designee shall determine if confidentiality is necessary based on criteria identified in “Confidential Information Regulations” ([LAC 33:I.Ch.5](#)).

Department employees may access confidential information or records to perform work-related tasks with approval from their Division administrator; however, the Secretary or Secretary’s designee must authorize access to confidential information or records for any officer or employee of local, state, or federal government.

A. Procedures for responding to requests for confidentiality

The following procedures shall apply to Department staff who may receive requests for confidentiality and to records awaiting a confidentiality determination:

1. All requests for confidentiality, including internal requests, shall be delivered immediately to the Confidentiality Request Clerk, Office of the Secretary, Legal Division.
2. All LDEQ employees receiving requests for confidentiality by email shall forward the email requests immediately to the Confidentiality Request Clerk, Office of the Secretary, Legal Division.
3. Until the Department’s confidentiality determination is final, information or records for which a complete confidentiality request has been submitted shall be held confidential by the Confidentiality Request Clerk.

B. Procedures for maintaining confidential information or records

1. Once information or records are classified as confidential, the Custodian of Records shall restrict them from viewing in the EDMS.
2. Confidential information or records in any format shall be maintained in a secure location.

C. Procedures for accessing confidential information or records

The following procedures shall apply to persons requesting access to confidential information or records:

1. Confidential information or records shall be made accessible to the following qualified individuals:
 - Duly authorized officers or employees of local, state, or federal government while carrying out their responsibilities under the environmental quality act or other applicable federal law, upon the authorization of the Secretary or the Secretary's designee. These persons must request access to the information or reports in writing and must state in the request the reason that access is needed; and
 - Department staff may be authorized to view confidential information or records by email request from the appropriate administrator. Access to such items is strictly granted on a business need to know basis, which means that the requester demonstrates a need for access to perform specific work-related tasks.
2. Upon verification of a written request, the Department's Custodian of Records, as the Secretary's designee, shall authorize access to confidential information or records as appropriate.

D. Procedures for declassifying confidential information or records

The following procedures shall apply to declassifying confidential information or records:

1. If no period of time was specified in the grant of confidentiality, the submitter shall notify the Custodian in writing of any information or record for which confidentiality is no longer needed by the submitter. If such notification is received, Records Management will remove the documents from the secure location within the Inactive Records Center and return them to public viewing in the EDMS.
2. Confidential information or records shall also be returned to public access if the investigation leading to the declaration of confidentiality has concluded. Program staff requesting confidentiality for records involved in an ongoing investigation is responsible for alerting the Legal Division and Records Management of the conclusion of the investigation. Once notification is received, Records Management, in consultation with the Legal Division, will take the appropriate steps to return the documents to public status.

V. Legal Preservation

(Reserved)

VI. Disposition

(Reserved)

VII. Compliance

(Reserved)