

STATE OF LOUISIANA LEGISLATIVE AUDITOR

Department of Environmental Quality:
Analysis of Program Authority
and Performance Data

October 1997



Performance Audit Division

Daniel G. Kyle, Ph.D., CPA, CFE
Legislative Auditor

LEGISLATIVE AUDIT ADVISORY COUNCIL

MEMBERS

Representative Francis C. Thompson, Chairman
Senator Ronald C. Bras, Vice Chairman

Senator Robert J. Barham
Senator Wilson E. Fields
Senator Thomas A. Greene
Senator Craig J. Kessore

Representative F. Charles McDaniel, Jr.
Representative Kibria K. Murray
Representative Warren J. Triche, Jr.
Representative David Viter

LEGISLATIVE AUDITOR

David G. Kyle, Ph.D., CPA, CFE

DIRECTOR OF PERFORMANCE AUDIT

David R. Green, CPA, CFE

**Department of Environmental Quality:
Analysis of Program Authority
and Performance Data**

October 1997



**Performance Audit
Office of Legislative Auditor
State of Louisiana**

**Daniel G. Kyle, Ph.D., CPA, CFE
Legislative Auditor**

Table of Contents

Legislative Auditor's Transmittal Letter	vi
Executive Summary	iv
Chapter 1: Introduction	
Audit Initiation and Objectives	1
Report Conclusions	1
Accountability Initiatives	2
Program Budgeting and Strategic Planning Focus on Outcomes	4
Executive Budget Is Basis for General Appropriation Act	7
Scope and Methodology	12
Areas for Further Study	14
Report Organization	15
Chapter 2: Department Overview	
Chapter Conclusions	17
DEQ Regulates State Environmental Affairs	19
DEQ Offices and Programs	18
Environmental Boards and Commissions	20
Department Expenditures and Staffing	22
DEQ Programs Have Legal Basis	24
Potential Duplications Within DEQ	30
Chapter 3: Analysis of Performance Data	
Chapter Conclusions	33
Overall Strategic Plan Could Benefit DEQ	33
Changes to Performance Data May Not Accurately Reflect DEQ's Performance	34
Criteria for Analyzing Performance Data	35

Chapter 3: Analysis of Performance Data (Cont.)

DEQ's Mission Statement Meets Criteria	37
Administrative Program Objectives Not Measurable	37
Air Quality Program Data Could Be Improved	40
Radiation Protection Program Objectives Need Improvement	44
Water Resources Program Performance Data Did Not Meet All Criteria	47
Hazardous Waste Program Indicators Need to Reflect Regulated Activities	50
Most Solid Waste Program Objectives Not Measurable	53
Underground Storage Tanks Program Data Could Be Improved	55
Legal and Regulatory Compliance Program Data Do Not Measure Progress	57
Inactive and Abandoned Sites Program Data Do Not Measure Progress	60
Support Services Program Objectives Not Measurable	62

Exhibits

Exhibit 3-1: Major Components of Strategic Planning Process	5
Exhibit 3-2: Executive Budget and Appropriation Processes	11
Exhibit 3-1: DEQ Organization Chart (as of August 1996)	20
Exhibit 3-2: DEQ Expenditures for Fiscal Year 1995-96 and Recommended Budget and Appropriated Amounts for Fiscal Year 1996-97	23
Exhibit 3-3: DEQ Staff Size by Office From Fiscal Year 1988 to Fiscal Year 1995	34
Exhibit 3-4: Proposed Organizational Chart for DEQ	31
Exhibit 3-1: Criteria Used to Evaluate the Fiscal Year 1996-97 Executive Budget Performance Data	36
Exhibit 3-2: Executive Budget Performance Data for the Administrative Program	38
Exhibit 3-3: Results of Comparing Administrative Program Performance Data to the Established Criteria	48
Exhibit 3-4: Executive Budget Performance Data for the Air Quality Program	43
Exhibit 3-5: Results of Comparing Air Quality Program Performance Data to the Established Criteria	44

Exhibits (Cont.)

Exhibit 3-6: Executive Budget Performance Data for the Radiation Protection Program	45
Exhibit 3-7: Results of Comparing Radiation Protection Program Performance Data to the Established Criteria	46
Exhibit 3-8: Executive Budget Performance Data for the Water Resources Program	48
Exhibit 3-9: Results of Comparing Water Resources Program Performance Data to the Established Criteria	50
Exhibit 3-10: Executive Budget Performance Data for the Hazardous Waste Program	51
Exhibit 3-11: Results of Comparing Hazardous Waste Program Performance Data to the Established Criteria	52
Exhibit 3-12: Executive Budget Performance Data for the Solid Waste Program	53
Exhibit 3-13: Results of Comparing Solid Waste Program Performance Data to the Established Criteria	55
Exhibit 3-14: Executive Budget Performance Data for the Underground Storage Tanks Program	56
Exhibit 3-15: Results of Comparing Underground Storage Tanks Program Performance Data to the Established Criteria	57
Exhibit 3-16: Executive Budget Performance Data for the Legal and Regulatory Compliance Program	58
Exhibit 3-17: Results of Comparing Legal and Regulatory Compliance Program Performance Data to the Established Criteria	59
Exhibit 3-18: Executive Budget Performance Data for the Inactive and Abandoned Sites Program	60
Exhibit 3-19: Results of Comparing Inactive and Abandoned Sites Program Performance Data to the Established Criteria	61
Exhibit 3-20: Executive Budget Performance Data for the Support Services Program	62
Exhibit 3-21: Results of Comparing Support Services Program Performance Data to the Established Criteria	64

Appendices

Appendix A: List of References	A.1
Appendix B: Boards, Commissions, and Like Entities Related to the Department of Environmental Quality	B.1
Appendix C: Department of Environmental Quality's Responses	C.1
Appendix D: Division of Administration - Office of Planning and Budget's Responses	D.1



OFFICE OF
LEGISLATIVE AUDITOR
STATE OF LOUISIANA
BAYFON HOUSE, LOUISIANA 70804-9197

BARCELLO DYLLA, JR., CPA, CFE
LEGISLATIVE AUDITOR

160 NORTH THIRD STREET
POST OFFICE BOX 74107
MONROE, LOUISIANA 70007
TELEPHONE: (504) 385-1000
FACSIMILE: (504) 385-1000

October 1, 1997

The Honorable Randy L. Ewing,
President of the Senate
The Honorable H. B. "Hank" Downs, Jr.,
Speaker of the House of Representatives

Dear Senator Ewing and Representative Downs:

This report gives the results of our performance audit of the Program Authority and Performance Data of the Louisiana Department of Environmental Quality. The audit was conducted under provisions of Title 24 of the Louisiana Revised Statutes of 1990, as amended. In addition, this audit is one step toward meeting requirements of the Louisiana Performance Audit Program (Louisiana Revised Statute 24:522).

The report represents our findings, conclusions, and recommendations. We have also identified matters for legislative consideration. Appendix C contains the Louisiana Department of Environmental Quality's response. Appendix D contains the Division of Administration - Office of Planning and Budget's response. I trust that this report will be of use to you in your legislative decision-making process.

Sincerely yours,

Daniel G. Kyle, CPA, CFE
Legislative Auditor

DGK/MI



Office of Legislative Auditor

Executive Summary

Department of Environmental Quality: Analysis of Program Authority and Performance Data

The Louisiana Environmental Quality Act of 1980 created the Department of Environmental Quality. The department has six offices that operate ten programs. For fiscal year 1997, the department was appropriated over \$90 million. Our performance audit on the department's program authority and performance data found that:

- State law authorizes all of the department's programs. However, there are some functions mandated by state law that are not being performed because these functions are not being funded.
- The department has not developed a comprehensive strategic plan that coordinates its various programs. Such a planning process would help the department to improve its performance data.
- The executive budget does not accurately reflect the missions, goals, objectives, and performance indicators of some programs within the department.
- There are instances where programs do not have stated goals, and the goals that are stated are unrelated to the program mission statement.
- Most of the performance indicators do not measure progress toward the objectives. Also, the performance indicators overall do not provide detailed information to be useful for making budgetary decisions.

Audit Initiation and Objectives

The Office of the Legislative Auditor conducted this performance audit of the Department of Environmental Quality's executive budget performance data in response to certain requirements of Louisiana Revised Statute (R.S.) 14:523.

This report is one of a series of reports on all major executive branch departments addressing the following objectives:

- + Determine if the department's missions and goals as reported in the fiscal year 1986-87 executive budget are consistent with legislative intent and legal authority
- + Determine if the department's missions, goals, objectives, and performance indicators as reported in the fiscal year 1986-87 executive budget are consistent with established criteria
- + Determine if the department's objectives and performance indicators as reported in the fiscal year 1986-87 executive budget collectively provide useful information for decision-making purposes
- + Identify any programs, functions, and activities within the department that appear to be overlapping, duplicative, or unneeded

Department Background

The Louisiana Environmental Quality Act of 1983 created the Department of Environmental Quality. The department has six offices that operate ten programs. For fiscal year 1987, the department was appropriated over \$90 million. The department's staff has grown 2.5 times larger in the last ten years. For fiscal year 1987, the department has 995 authorized positions. However, 11 of these positions have been transferred to the Department of State Civil Service.

State law authorizes all of the department's programs. Each program's purpose, except for the Administrative program, is reflected in its program mission statements. However, there are some functions mandated by state law that are not being performed because these functions are not being funded. The unfunded mandates are the control of noise pollution and the investigation of pipelines as potential sources of hazardous waste.

Recommendation

- 2.1 The Department of Environmental Quality and the Office of Planning and Budget should ensure that the mission statement for the Administrative Program encompasses all functions of the program.

Matter for Legislative Consideration

- 2.1 The legislators may wish to consider reviewing R.S. 30:2054(A)(3), relating to the regulation of noise pollution by the Air Quality Program, and R.S. 30:2271 or *sup.* relating to remediation hazardous substances at pipeline compressor and meter stations by the Inactive and Abandoned Sites Program, to determine whether these functions should be:
- (1) funded;
 - (2) abolished; or
 - (3) amended to be discretionary.

**Potential
Duplication
Within DEQ**

The department is planning to consolidate the Ground Water Division from the Office of Water Resources and the Inactive and Abandoned Sites Division of the Office of Legal Affairs and Enforcement with the Office of Solid and Hazardous Waste. With the passage of Senate Bill 953 of the 1997 Regular Legislative Session, the department will group these entities into a new entity named the Office of Waste Services with separate permits, enforcement, remediation, and customer service divisions.

However, even though combining these divisions may make operations more effective and efficient, it may decrease the accountability since regulation of the three media (solid, hazardous, underground storage tanks) will be merged. The Governmental Accounting Standards Board states that disaggregated data are likely to be more useful than aggregate data. As such, the different functions within the newly created office should be reported separately in the executive budget for better accountability.

Recommendation

- 1.1 The Office of Planning and Budget and the department should work together to ensure that the operations of the newly created Office of Waste Services are reported in the executive budget such that the legislature can use the office's performance in regulating different media.

Program Budgeting in DWC

The department does not have a comprehensive strategic plan that coordinates its various programs. Such a planning process would help the department to improve its performance data.

In our review of the department's performance data, we found instances where the information in the executive budget did not accurately reflect the missions, goals, and performance indicators of some programs within the department. In addition, the department's overall mission is not distinctly presented in the executive budget. There were also cases where programs did not have stated missions or goals. In many instances, program mission statements did not reflect the purpose or identify the clients of the program. However, in those cases where a program had goals, these goals restated the program's mission. Goals should provide a general end result toward which the department's efforts are directed.

Many objectives for the department's programs met the established criteria, except for having a time frame for their achievement and being measurable. Lack of time frames could allow programs to operate with no time constraints. In those instances where objectives were measurable, the corresponding performance indicators did not measure progress toward the objective. In addition, the performance indicators as a whole do not provide enough detailed information to be useful. Consequently, the department's performance data may not be useful for budgetary decision making.

Recommendations

- 3.1 The Department of Environmental Quality should work with the Division of Administration - Office of Planning and Budget to develop a comprehensive strategic plan, and in the process, improve the quality of its performance data.
- 3.2 The Department of Environmental Quality and the Division of Administration - Office of Planning and Budget should work together to ensure that information in the executive budget is accurate.
- 3.3 The Department of Environmental Quality and the Division of Administration - Office of Planning and Budget should work together to ensure that the department mission is clearly stated in the executive budget.
- 3.4 The Department of Environmental Quality and the Division of Administration - Office of Planning and Budget should work together to ensure that all program missions and goals are clearly labeled as such in the executive budget.
- 3.5 The Department of Environmental Quality and the Division of Administration - Office of Planning and Budget should work together to ensure that the department's program mission statements in the executive budget reflect the purpose and identify its clients.
- 3.6 The Department of Environmental Quality and the Division of Administration - Office of Planning and Budget should work together to ensure that all programs have goals which provide a further sense of direction than what is stated in the mission statement.
- 3.7 The Department of Environmental Quality and the Division of Administration - Office of Planning and Budget should work together to ensure that all objectives are measurable and timebound.

- 3.8 The Department of Environmental Quality and the Division of Administration - Office of Planning and Budget should work together to ensure that the performance indicators measure progress toward achieving their related objectives.**
- 3.9 The Department of Environmental Quality and the Division of Administration - Office of Planning and Budget should work together to ensure that there are a mixture of different performance indicators to provide decision makers with complete information.**

Chapter 1: Introduction

Audit Initiation and Objectives

The Office of the Legislative Auditor conducted this performance audit of the executive budget program information for the Department of Environmental Quality (DEQ) in response to certain requirements of Act 1108 of 1995. This act amended the state audit law by adding Louisiana Revised Statute (R.S.) 24:522, which created the Louisiana Performance Audit Program.

Although the legislative auditor has been conducting performance audits since 1988, R.S. 24:522 formalizes an overall performance audit program for the state. In addition to finding solutions to present fiscal problems, the legislature created the Performance Audit Program to identify and plan for the state's long-term needs.

This report is one of a series of reports on all major executive branch departments addressing the following objectives:

- Determine if the department's missions and goals as reported in the fiscal year 1996-97 executive budget are consistent with legislative intent and legal authority
- Determine if the department's missions, goals, objectives, and performance indicators as reported in the fiscal year 1996-97 executive budget are consistent with established criteria
- Determine if the department's objectives and performance indicators as reported in the fiscal year 1996-97 executive budget collectively provide useful information for decision-making purposes
- Identify any programs, functions, and activities within the department that appear to be overlapping, duplicative, or unneeded

Report Conclusions

The Louisiana Environmental Quality Act of 1985 created DEQ. The department has six offices that operate ten programs. For fiscal year 1997, the department was appropriated over \$90 million. The department's staff has grown from 399 in fiscal year 1988 to 596 for fiscal year 1997, a 258 percent increase.

State law authorizes all of the department's programs. However, there are some functions mandated by state law that are not being performed because these functions are not being funded. The control of water pollution has not been performed since 1981. Also, the department has not investigated inactive pipelines as potential sources of hazardous waste since fiscal year 1995. Consequently, these functions may need to be re-evaluated to determine whether they are of continued use.

The department does not have a comprehensive strategic plan that coordinates its various programs. Such a plan would help the department better develop missions, goals, objectives, and performance indicators. Also, the executive budget does not accurately reflect the missions, goals, and performance indicators of some programs within the department. As a result, the executive budget may not exactly portray what the department is trying to achieve.

In our review of the department's budget data, we found instances where programs did not have stated missions or goals. However, in those cases where a program had goals, those goals mirror the program's mission statements.

Most objectives for the department's programs met only half of the established criteria. The main deficiencies noted were that most objectives did not have a time frame for achievement or were not measurable. Consequently, many of the performance indicators do not measure progress toward the objective. As a result, the program performance data may not provide useful data for legislators to make budgetary decisions about department programs.

Accountability Initiatives

Article XIV, Section 6 of the 1974 Louisiana constitution reorganized the executive branch into 20 departments. State law says that the structure of the executive branch of state government is to, in part, promote economy and efficiency in the operation and management of state government. Since the reorganization, additional efforts have been undertaken to eliminate duplication, overlapping, and unneeded programs and activities. Some of these efforts require internal reviews of programs, policies, and services of state agencies while others provide for external reviews.

R.S. 24:512 requires the legislative auditor to annually make recommendations to the legislature relative, in part, to the effectiveness and efficiency of programs and services that the various state agencies provide. In particular, it directs the auditor

to evaluate the basic assumptions underlying all state agencies, programs and services to assist the legislature in identifying those that are vital to the best interests of the people of Louisiana and those that no longer meet that goal. The act also requires state agencies to produce certain information during the budgetary process.

In July 1990, the Office of Legislative Audits issued a report that examined the performance and progress of Louisiana state government. That report followed up on all recommendations made in performance audits and staff studies issued by the legislative auditor during the previous three years. In that report, we tracked the progress of agencies in implementing recommendations contained in the performance studies and identified related legislation. We also identified a number of problem areas in state government including inadequate oversight and inadequate planning.

As part of our continuing efforts to meet the requirements of R.S. 24:522, this report examines the legal authority for the department's programs and services. This report also examines the performance data contained in the fiscal year 1986-87 executive budget and holds on the need for better planning. Similar performance audit reports are to be issued on all other executive branch departments.

State law (R.S. 49:180 *et seq.*) also requires agencies to provide the legislature with certain information to justify their continued existence. This law is referred to as the sunset review process. This process allows the legislature, through oversight committees, an opportunity and mechanism to evaluate the operations of state statutory entities.

State law also requires an annual report by department undersecretaries on their department management and program analysis. These reports, required by the provisions of R.S. 36:8, are referred to as Act 168 reports, since Act 168 of 1982 originally enacted this law. This law requires agencies to conduct evaluations and analyses of programs, operations, and policies to improve the efficiency, economy, and effectiveness of the departments.

Other performance legislation includes an accountability act for colleges and universities. Also, various agency performance-related reports are required to be submitted with the agency budget request. One of these reports is referred to as the "Sunset Review Budget Request Supplement."

Program Budgeting and Strategic Planning Focus on Outcomes

Act 814 of the 1987 Regular Legislative Session required the state to adopt a program budgeting system beginning in fiscal year 1988-89. R.S. 38-35 requires the executive budget to be in a format that clearly presents and highlights the programs operated by state government. According to *Manageware*, a publication of the Division of Administration's Office of Planning and Budget (OPB), program budgeting is a budget system that focuses on program objectives, achievements, and cost-effectiveness. *Manageware* also states that program budgeting is concerned with outcomes or results rather than with individual items of expenditure.

Strategic planning is a process that sets goals and objectives for the future and strategies for achieving these goals and objectives, with an emphasis on how best to use resources. Program budgeting involves the development of missions, goals, objectives, and performance indicators. These factors are components of the strategic planning process.

Exhibit 1-1 on the following page shows how missions, goals, objectives, and performance indicators relate to each other. As can be seen in this exhibit, the mission is the base from which goals are derived. Objectives flow from the goals, and performance indicators flow from the objectives.

Exhibit 1-1
Major Components of Strategic Planning Process



Source: Prepared by legislative auditor's staff using a similar diagram in *Management*.

Management defines the above terms as follows:

- **Mission:** a broad, comprehensive statement of the organization's purpose. The mission identifies what the organization does and for whom it does it.
- **Goals:** the general end purposes toward which effort is directed. Goals show where the organization is going.
- **Objectives:** specific and measurable targets for accomplishment. Objectives include a degree or type of change and a timetable for accomplishment.
- **Performance Indicators:** the tools used to measure the performance of policies, programs, and plans.

Furthermore, *Management* categorizes performance indicators into five types:

1. **Input indicators** measure resource allocation and demand for services. Examples of input indicators are budget allocations and number of full-time equivalent employees.
2. **Output indicators** measure the amount of products or services provided or the number of customers served. Examples of output indicators include the number of students enrolled in an adult education course, the number of vaccinations given to children, and the number of miles of roads resurfaced.
3. **Outcome indicators** measure results and assess program impact and effectiveness. Examples of outcome indicators are the number of persons able to read and write after completing an adult education course and the change in the highway death rate. Outcome indicators are the most important performance measures because they show whether or not expected results are being achieved.
4. **Efficiency indicators** measure productivity and cost-effectiveness. They reflect the cost of providing services or achieving results. Examples of efficiency indicators include the cost per student enrolled in an adult education course, the bed occupancy rate at a hospital, and the average processing time for environmental permit applications.
5. **Quality indicators** measure effectiveness in meeting the expectations of customers, stakeholders, and other groups. Examples of quality indicators include the number of defect-free reports compared to the number of reports produced, the accreditation of institutions or programs, and the number of customer complaints filed.

Management also points out the benefits of program budgeting. According to *Management*, program budgeting streamlines the budget process. *Management* also says that program budgeting supports quality management by allowing managers more budgetary flexibility while maintaining accountability for the outcomes of programs. Since appropriations are made at the program level, program managers can more easily

shift funds from one expenditure category to another to cover unanticipated needs, according to *Management*.

The need for accountability in government operations is gaining recognition both domestically and internationally. According to a recent report issued by the United States General Accounting Office, the federal government is recently implementing the Government Performance and Results Act of 1993. This act requires agencies to set goals, measure performance, and report on their accomplishments. The report also cites several states including Florida, Oregon, Minnesota, Texas, and Virginia and foreign governments such as Australia, Canada, New Zealand, and the United Kingdom that are also pursuing management reform initiatives and becoming more results-oriented.

In Louisiana, the 1996 general appropriation bill and resulting act included program descriptions for the first time. The 1997 general appropriation bill also includes key performance indicators. For fiscal year 1997-98, this information will be presented for informational purposes only. However, in the future, it will serve as a starting point for the full implementation of performance based budgeting.

Beginning in fiscal year 1998-99 and all subsequent fiscal years, key objectives and key performance indicators contained in the General Appropriation Act will be included in the agency's appropriation. Each agency will be required to provide quarterly performance program reports. The agency's appropriation will be issued conditioned upon the agency preparing and submitting these reports.

Executive Budget Is Basis for General Appropriation Act

Article VII, Section 13(A) of the Louisiana Constitution requires the governor to submit a budget estimate to the legislature that sets forth the state expenditures for the next fiscal year. This budget estimate, the executive budget¹, must include recommendations for appropriations from the state general fund, dedicated funds, and self-generated funds.

R.S. 39:36 requires the executive budget to be configured in a format that clearly presents and highlights the programs operated by state government. This statute also requires the executive budget to include:

¹ The governor also submits a capital outlay budget. However, the scope of this audit includes only the executive budget.

- (1) an outline of the agency's programmatic structure, which should include an overview of all programs with a clear description of the objectives of each program;
- (2) a description of the activities that are intended to accomplish each objective; and
- (3) clearly defined indicators of the quantity and quality of performance of these activities.

OPE develops the executive budget based on voluminous material contained in various documents prepared by the departments as part of their budget requests. The budget request packages are made up of six separate components, which are listed below. These packages contain both financial and performance data.

1. **Operational plans** describe the various programs within state agencies. They also give program missions, goals, objectives, and performance indicators. Operational plans are derived from long-range strategic plans. Operational plans tell what portions of strategic plans will be addressed during a given operational period.
2. **Existing operating budgets** describe the initial operating budgets as adjusted for actions taken by the Joint Legislative Committee on the Budget, the Interim Emergency Board, the legislature, and/or the governor.
3. **Continuation budgets** describe the level of funding for each budget unit that reflects the resources necessary to carry on all existing programs and functions at the current level of service in the coming fiscal year. These budget components include any adjustments necessary due to the increased cost of services or materials as a result of inflation and increased workload requirements resulting from demographic or other changes. Continuation budgets contain performance data.
4. **Technical/other adjustment packages** allow for the transfer of programs or functions from certain agencies or departments to other agencies or departments. However, total overall revenues and

expenditures cannot be increased. The Technical/Other Adjustment Packages also contain program information.

5. **New or expanded service requests** are designed to provide information about the cost of new and/or expanded services that departments will provide. These service changes can come about as a result of regulation or procedural changes that are/were controlled by the agency or by the addition of services that were not previously provided. The new or expanded service requests also contain program information.
6. **Total request summaries** provide a cross-check of the total budget request documents. These forms are designed to provide summaries of all the requested adjustments made to arrive at the total budget requests.

According to *Homogeneity*, the total budget request must be accompanied by the *Smart Review Budget Request Supplement* (i.e., BRS forms). The BRS forms list all activities that a budget unit has been directed to administer (through legislatively authorized programs and acts of the legislature) for which no implementing funds were appropriated in the existing operating budget. The BRS forms must be submitted to OPR, the Legislative Fiscal Office, and the Joint Legislative Committee on the Budget.

For the 1996-97 fiscal year, OPR prepared and published several volumes of a two-part executive budget using the departments' budget request packages. One part of the executive budget contains financial information, and the other part contains program information. The program information includes program descriptions, missions, goals, objectives, and performance indicators related to the services and products of each department resulting from spending state revenues.

According to R. S. 39-27, the governor must submit the executive budget to the Joint Legislative Committee on the Budget. The governor must make a copy of the executive budget available to each member of the legislature. The constitution requires that the governor submit a general appropriation bill for proposed ordinary operating expenditures in conformity with the executive budget documents that was submitted to the legislature.

The general appropriation bill moves through the legislature similar to any other bill. The Appropriations Committee in the House of Representatives initially hears the bill. It then moves to

the full House, then to the Senate Finance Committee, and then the full Senate. Both the House and Senate may amend the bill. The bill is voted upon in its final form by the full membership of both chambers. OED monitors any amendments the legislature makes to the bill.

After the general appropriation bill passes the legislature, it is forwarded to the governor. Once the governor signs the bill, it becomes law in the form of the General Appropriation Act. After the governor signs the bill, OED reports to the state departments any amendments made by the legislature. The state constitution allows the governor to veto any line item in the appropriation bill. A veto can be overridden by a two-thirds vote of the legislature. Exhibit 1-2 on page 11 illustrates the executive budget and appropriation processes.

Kahler 1-2

Executive Budget and Appropriation Process



² The governor has line-item veto power.

Source: Prepared by legislative auditor's staff using the state constitution, state law, *Intelligence*, and *Missouri Legislative Services - State and Local Government in Missouri: An Overview* (December 1995).

Scope and Methodology

Overview. This performance audit of the Department of Environmental Quality's performance data was conducted under the provisions of Title 24 of the Louisiana Revised Statutes of 1993, as amended. All performance audits are conducted in accordance with generally accepted government auditing standards as promulgated by the Comptroller General of the United States. Work on this audit began in August 1996.

This section provides a summary of the methodology used in this audit. Based on planning meetings held by legislative audit staff, we formulated audit objectives that would address issues specific to the program information contained in the executive budget. The audit focused on the fiscal year 1996-97 executive budget program information.

References Used. To familiarize ourselves with performance measurement, program budgeting, and accountability concepts, we reviewed various publications including the following:

- *Manuals* published by the Office of Planning and Budget (1991 and 1990 editions)
- *Research Report - Service Efforts and Accomplishments Reporting: No Time Has Come, An Overview* published by the Governmental Accounting Standards Board (GASB) (1990)
- *Executive Guide: Effectively Implementing the Government Performance and Results Act* published by the U.S. General Accounting Office (June 1996)
- Various reports by the Canadian Comprehensive Auditing Foundation
- Reports from various states related to program budgeting and strategic planning

These publications are listed in detail in Appendix A. We also conducted interviews with personnel of the Urban Institute, the Federal Office of Management and Budget (FOMB), and GASB. These individuals represent both the theoretical and practical sides of current performance measurement and accountability efforts.

To gain an understanding of the state's budget process, we reviewed state laws regarding program budgeting. In addition, we interviewed staff of DPB and DEQ regarding their budget processes.

Legal Basis for Missions and Goals. We searched state and federal laws to determine whether there is legal authority for missions and goals of the department and its programs. We also reviewed applicable laws to determine legislative intent related to the creation of the department and the functions that the department and its programs are intended to perform. In addition, we reviewed and organized data obtained from the department on its structure, functions, and programs. We interviewed key department personnel about these issues. We also prepared a listing, which is contained in Appendix B, of all related boards, commissions, and like entities we identified, regardless of whether funding was recommended through a specific line item.

Comparison of Performance Data to Criteria. We developed criteria against which to compare the department's missions, goals, objectives, and performance indicators as reported in the fiscal year 1996-97 executive budget. To help develop these criteria, we gathered information from GASE, OMB, the Urban Institute, and *Altogether*. During our criteria development process, we obtained input from GASE. We also obtained concurrence from GASE on our final established criteria. We then compared the missions, goals, objectives, and performance indicators to the established criteria.

In addition, we evaluated the objectives and performance indicators to determine if they collectively provide useful information to decision-makers. When deficiencies or other problems were identified, we discussed them with appropriate personnel of the department and OPB. We did not assess the validity or reliability of the performance indicators.

Although other documents contain performance data on the department, we only compared the missions, goals, objectives, and performance indicators contained in the 1996-97 executive budget to the criteria. This decision was made because the executive budget is the culmination of OPB's review and refinement of the budget request components. It also represents the governor's official recommendation to the legislature for appropriations for the next fiscal year.

Potential Overlapping, Duplicative, or Outmoded Areas. Finally, we reviewed the program descriptions and legal authority for the department's programs and related boards, commissions, and like entities to identify areas that appeared to be overlapping, duplicative, or outmoded. We defined these terms as follows:

- **Overlapping:** instances where two or more programs appear to perform different activities or functions for the same or similar purposes
- **Duplicative:** instances where two or more programs appear to conduct identical activities or functions for the same or similar purposes
- **Outmoded:** those programs, activities, or functions that appear to be outdated or are no longer needed

We did not conduct detailed audit work on the areas we identified as potentially overlapping, duplicative, or outmoded. We only identified them for further review at another time.

Areas for Further Study

During this audit, we identified the following areas that require further study:

- As previously mentioned, assessing the validity and reliability of performance indicators was not within the scope of this audit. However, if the legislature intends to include performance indicators in future appropriation bills and acts, validity and reliability become increasingly important. Consequently, in the future, the legislature may wish to direct a study of the validity and reliability of performance indicators included in appropriation bills.
- The programs, functions, and activities that appear to be overlapping or outmoded should be assessed in more detail to determine whether they are truly overlapping or outmoded. Once these assessments are completed, the legislature may decide whether any of these programs, functions, or activities should be altered, expanded, or eliminated.
- The availability of management information systems that can readily integrate data from a variety of sources is essential to a successful program budgeting system. Capturing accurate and meaningful performance data is important, in part, because of the increased emphasis the legislature is placing on performance data. Therefore, the capabilities of the department's management information system as related to program data should be addressed.

Report Organization

The remainder of this report is divided into the following chapters and appendices:

- **Chapter 1** describes the Louisiana Department of Environmental Quality. This chapter gives the legal authority for the department and its programs as well as other information that describes the department and related boards and commissions. Chapter 1 also compares the missions and goals of the department as reported in the fiscal year 1996-97 executive budget to their legal authority. In addition, this chapter discusses potentially overlapping, duplicative, or outmoded programs, functions, and activities.
- **Chapter 2** gives the results of our comparison of the department's missions, goals, objectives, and performance indicators as reported in the fiscal year 1996-97 executive budget to established criteria. In addition, this chapter discusses whether the objectives and performance indicators collectively provide useful information for decision-making purposes.
- **Appendix A** contains a list of references used for this audit.
- **Appendix B** contains a listing of related boards, commissions, and like entities that we identified.
- **Appendix C** contains DEQ's response to this report.
- **Appendix D** is OPE's response to this report.

Chapter 2: Department Overview

Chapter Conclusions

Act 97 of 1983 created the Department of Environmental Quality. The department is divided into six offices that operate ten programs. For fiscal year 1993, the department was appropriated over 398 million. The department's staff has grown 2.5 times larger in the last ten years.

All of the department's programs are authorized by state law. However, there are some functions mandated by state law that are not being performed because they are not being funded.

The department is currently reorganizing one of its six offices. Department officials say this reorganization will eliminate duplication among some divisions. GASB states that disaggregated data are likely to be more useful than aggregate data. As such, the different functions within the newly created office should be reported separately in the executive budget for accountability purposes.

DEQ Regulates State Environmental Affairs

Act 97 of the 1983 Regular Legislative Session created the Department of Environmental Quality (DEQ) to be in charge of the environmental affairs of the state. Effective February 1, 1984, numerous state environmental entities were terminated and their powers and duties transferred to DEQ.

According to R.S. 38:231(B), DEQ is to ensure a healthful and safe environment in Louisiana by regulating and controlling air quality, water quality, radiation, and solid and hazardous waste. R.S. 38:239 abolished and transferred the powers and duties of the following entities to DEQ:

- Governor's Council on Environmental Quality
- Citizen's Advisory Board to the Governor's Council on Environmental Quality
- Office of Science, Technology, and Environmental Policy
- Environmental Control Commission
- Hazardous Waste Advisory Board

The following entities and their functions were also transferred to the department:

- Louisiana Litter Reduction and Public Action Commission—The commission is funded through the Keep Louisiana Beautiful Fund (R.S. 39:2532). A percentage of fees issued by law enforcement agencies for littering are deposited into this fund. It is administered through the Solid Waste Program.
- Board of Certification and Training for Solid Waste Management System Operators
- Louisiana Resource Recovery and Development Authority
- Louisiana Small Business Compliance Advisory Panel

The Environmental Trust Fund (established by R.S. 39:2015) ensures that all funds generated by the department are used to fulfill and carry out its powers, duties, and functions. Money for this fund comes from fees assessed by the department. Money in excess of that required to fully fund the Hazardous Waste Site Cleanup Fund, donations, and grants.

DEQ Offices and Programs

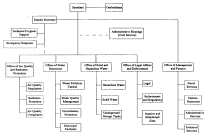
Six Offices Operate Ten Programs

In accordance with state law, DEQ is divided into six offices. Exhibit 2-1 on page 19 shows DEQ's organization chart. In the executive budget, each office is divided into one or more programs as follows:

- The Office of the Secretary includes the:
 - Administrative Program
- The Office of Air Quality and Radiation Protection includes the:
 - Air Quality Program
 - Radiation Protection Program
- The Office of Water Resources includes the:
 - Water Resources Program

- **The Office of Solid and Hazardous Waste includes the:**
 - **Hazardous Waste Program**
 - **Solid Waste Program**
 - **Underground Storage Tanks Program**
- **The Office of Legal Affairs and Enforcement includes the:**
 - **Legal Affairs and Regulatory Compliance Program**
 - **Inactive and Abandoned Sites Program**
- **The Office of Management and Finance includes the:**
 - **Support Services Program**

Exhibit B-1
Department of Environmental Quality
Organization Chart
(as of August 1994)



Source: Prepared by legislative auditor's staff from information provided by the Department of Environmental Quality.

Environmental Boards and Commissions

Many Environmental Boards and Commissions Involved in Environmental Management

There are several boards/commissions that are involved with the state's environment. Some are located within the department while others are located within the Office of the Governor. Appendix B lists the boards and commissions that are involved in the management and regulation of Louisiana's environment. The entities that are located within the department are:

1. **The Louisiana Litter Reduction and Public Action Commission** advises the litter reduction and public action portion of the department on litter reduction in the state.
2. **The Louisiana Resource Recovery and Development Authority** conducts a comprehensive program for solid waste disposal and resource recovery. The authority also seeks sources for energy generation other than lignite or nuclear fuel.
3. **The Louisiana Small Business Compliance Advisory Panel** advises the department on the effectiveness of the Small Business Stationary Source Technical and Environmental Compliance Assistance Program. The program assists small business owners who may not have the financial or technical ability to comply with the requirements of the Federal Clean Air Act. The department is a member of the panel.
4. **The Solid Waste Management Systems Operators Board of Certification and Training** certifies solid waste facility operators for the solid waste industry. The secretary of the department appoints the board members.

Other entities that are related to DEQ, but located within the Governor's Office, are as follows:

1. **The Louisiana Environmental Education Commission** develops, reviews, and transmits a plan for environmental education to the governor, the legislature, and the public. The commission also advises the governor, DEQ, and other state agencies on policies and practices for providing environmental education to the public.
2. **The Project Restore Task Force** researches and analyzes the potential of using non-hazardous waste materials for coastal restoration projects. This task force advises the Governor's Office and DEQ on the actions, roles, and responsibilities that the department should have in fulfilling the purpose of Project Restore. The DEQ secretary co-chairs this task force.
3. **The Task Force on Environmental Protections and Preservation** facilitates discussion among environmentalists, conservationists, business interests, and industrialists on environmental concerns.

Although the task force is involved in facilitating environmental discussions, the department is not represented on this task force.

4. The **Environmental and Natural Resources Council** is directed to develop an overall environmental and natural resources policy and strategic plan for the state and to serve as an advisory body to the governor.
5. The DEQ secretary rotates on and off of the **Louisiana Database Committee**.

Department Expenditures and Staffing

DEQ Expenditures and Staffing Have Grown in Past Years

For fiscal year 1986-87, DEQ was appropriated over \$80 million. Exhibit 2-2 on the following page lists the department's expenditures for fiscal year 1985-86. This exhibit also gives the recommended budget and appropriated amounts for fiscal year 1986-87.

Exhibit 2-4
Department of Environmental Quality
Expenditures for Fiscal Year 1995-96 and
Recommended Budget and Appropriated
Amounts for Fiscal Year 1996-97

Program	Fiscal Year 1995-96 (Actual)	Fiscal Year 1996-97 (Recommended)	Fiscal Year 1996-97 (Appropriated)
Office of the Secretary			
Administrative Program	\$3,019,000	\$3,605,042	\$3,560,797
Subtotal	3,019,000	3,605,042	3,560,797
Office of Air Quality and Radiation			
Protection			
Air Quality	9,304,000	10,630,705	10,602,149
Radiation Protection	1,894,000	2,156,485	2,199,655
Subtotal	11,198,000	12,787,190	12,801,804
Office of Water Resources			
Water Resources	13,932,000	17,913,835	18,091,574
Subtotal	13,932,000	17,913,835	18,091,574
Office of Solid and Hazardous Waste			
Hazardous Waste	4,852,000	5,851,158	5,776,623
Solid Waste	7,753,000	8,560,848	8,560,988
Underground Storage Tanks	11,150,000	14,482,379	14,482,374
Subtotal	23,755,000	28,894,385	28,820,585
Office of Legal Affairs and Enforcement			
Legal and Regulatory Compliance	3,713,000	3,183,774	3,157,000
Inactive and Abandoned Sites	2,908,000	6,821,897	6,821,697
Subtotal	6,621,000	10,005,671	9,978,697
Office of Management and Finance			
Support Services	8,954,000	11,640,115	11,750,181
Subtotal	8,954,000	11,640,115	11,750,181
Department Total	\$66,458,000	\$84,839,176	\$80,812,913

Source: Prepared by Legislative Auditor's staff from Comprehensive Annual Financial Report for the year ended June 30, 1996, Fiscal Year 1996-97 Executive Budget, and Fiscal Year 1996-97 appropriations in the Executive Summary.

DEQ's staff size has increased from 295 in fiscal year 1988 to 946 for fiscal year 1997, or 2.5 times greater. Exhibit 2-3 below shows staff growth by office since fiscal year 1988.

Exhibit 2-3
DEQ Staff Size by Office
From Fiscal Year 1988 to Fiscal Year 1997

Office	FY 88	FY 88	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
Secretary	31	31	33	39	42	38	28	38	31	38
Air Quality and Radiation Protection	108	120	158	174	185	214	241	256	255	255
Water Resources	88	125	158	178	180	211	250	290	290	291
Solid and Hazardous Waste	94	142	168	214	190	218	217	220	235	231
Legal Affairs and Enforcement	18	37	64	94	94	104	104	94	91	91
Management and Finance	36	73	102	105	110	112	116	120	118	124
Total	295	509	697	824	824	957	960	981	987	946

Source: Prepared by legislative auditor's staff from information received from the Department of Environmental Quality and from Act 17 of the 1996 Regular Legislative Session.

• *Appropriated*—However, 11 positions in the Office of Secretary, Administrative Law Section were transferred to the Division of Administrative Law within the Department of State Civil Service.

DEQ Programs Have Legal Basis

State Law Authorizes All DEQ Programs

As part of our review of the executive budget program section, we determined whether the department's missions and goals were consistent with legislative authority. In our analysis, we found that all of the missions and goals as presented in the 1996-97 executive budget of the department's programs are consistent with legislative authority. That is, the missions and goals reflect the intent of state law. However, some activities, mandated by state law, are not being performed by the department. These activities may need to be re-evaluated to determine whether they should be funded, terminated, or transferred to another agency for their performance.

Office of the Secretary

In the executive budget, the Office of the Secretary has only one program, the Administrative Program. The Administrative Program is responsible for the administration of the department. The mission of this program is "to provide administrative services to the programs of the department and to provide a mechanism to resolve interdepartmental disputes in a fair and timely manner." However, not all statutory functions of the Administrative Program are encompassed by the program's mission statement.

Some functions within the Administrative Program are not reflected in its mission. For example, the program is responsible for such things as disseminating information to the public on environmental matters (R.S. 30:2011(D)(9)(9)), for emergency response (R.S. 30:2041(D)(15)), and administrative hearings (R.S. 30:2011(D)(17)). The emergency response facet of the Administrative Program is not addressed in the program's mission. In addition, R.S. 49:990-999 transferred the administrative hearings function from DEQ to the Department of Civil Service in October 1996. Consequently, the program's mission statement should be amended to reflect these changes.

Office of Air Quality and Radiation Protection

The mission of the program is "to enhance the air quality." R.S. 30:2054(A) calls for the office to prepare and develop a general plan for the control of the state's air resources. In the executive budget, the Office of Air Quality and Radiation Protection is divided into two programs, the Air Quality Program and the Radiation Protection Program. R.S. 30:2051 et seq., titled the Louisiana Air Control Law, authorizes the activities of the Air Quality Program. This law also requires this office to investigate any violations of the Louisiana Air Control Law. According to data from DEQ, this program regulated the activities of approximately 5,000 different entities for fiscal year 1996.

Potentially Omitted Function within Air Quality Program. State law provides for one function included in this program that is not being performed and could be considered omitted. According to R.S. 30:2054(A)(3), the department is also responsible for preparing and developing a general plan for the proper control of noise in the state. The department's master budget supplement for June 1996 shows that the noise control function, promulgated in 1980, has not been implemented. Although requested by DEQ, the legislature has not funded this function.

The Radiation Protection Program is also within the Office of Air Quality and Radiation Protection. According to R.S. 30:2301 et seq., titled the Louisiana Nuclear Energy and Radiation Control Law, the program performs the legally required functions of the proper control of nuclear energy and all sources of radiation within the state. The mission of the program is "to establish and maintain a comprehensive radiation regulatory program to protect public and occupational safety of citizens and protect the environment." According to data from DEQ, this program regulated the radioactive producing activities of approximately 4,800 sources for fiscal year 1996.

Office of Water Resources

The functions of the Water Resources Program, within the Office of Water Quality, are authorized by R.S. 30:2071 et seq., titled the Louisiana Water Control Law. This law directs the secretary of the department to develop a general plan for a system to control and regulate the discharge of waste materials, pollutants, and other substances into the waters of the state. The mission of the program is "to protect the quality of surface and ground water." According to data from DEQ, this program regulated the waste activities of approximately 6,723 sources for fiscal year 1996.

R.S. 30:2073(7) defines the waters of the state to mean both surface and underground waters. This program also operates the Municipal Facilities Revolving Loan Fund program as authorized by R.S. 30:2011(A)(2). According to R.S. 30:2079(A), this fund is to continue to provide funds to municipalities and other political subdivisions for the planning, design, construction, and rehabilitation of wastewater treatment facilities. Funding is derived from federal grants and state matching sources.

Office of Solid and Hazardous Waste

The Office of Solid and Hazardous Waste is comprised of three divisions. These are the Hazardous Waste Division, the Solid Waste Division, and the Underground Storage Tanks Division.

R.S. 30:2371 et seq. authorizes the Hazardous Waste Program. The law authorizes DEQ to develop, implement, and enforce a comprehensive state hazardous waste control program. This includes establishing a framework for regulating, monitoring, and controlling generators and transporters of hazardous waste as well as treatment, storage, and disposal facilities for generators of hazardous wastes. The program's mission is "to protect human health and the environment by ensuring the proper management of hazardous waste." According to DEQ, this program regulated the

hazardous-waste activities of approximately 9,000 entities for fiscal year 1996.

Second, the Office of Solid and Hazardous Waste operates the **Solid Waste Program**. R.S. 30:2155 et seq., titled the Louisiana Solid Waste Management and Resource Recovery Law, authorizes the functions of this program. This law states that the safety and welfare of the people of Louisiana require efficient and reasonable regulation of solid waste disposal practices as well as a coordinated statewide resource recovery management program. This program administers and regulates such entities as landfills, waste tire processors, and recycling programs. The mission of the program is "to protect public health and the environment by ensuring the effective management of solid waste." According to DEQ, this program regulated the activities of approximately 300 entities for fiscal year 1996.

Through the Solid Waste Program, the department administers the **Waste Tire Management Fund** (R.S. 30:2416), which was created solely to solve the state's waste tire problem. The fund pays for cleaning sites where used tires have been dumped. Fees collected from the sale of new tires are deposited into this fund to defray the cost of cleaning areas where used tires have been illegally disposed.

The program also administers the **Used Oil Recycling Trust Fund** (R.S. 30:2417). This fund is supposed to provide for technical assistance, grants, and loans for programs to encourage collection, reuse, and proper disposal of used oil, and for public education and research. However, we found no statute that provides for the collection of fees or other funding mechanism for this fund. Department officials stated that this fund has no legal authority to receive funds from fees collected by the department.

The third program in the Office of Solid and Hazardous Waste is the **Underground Storage Tanks Program**. The Hazardous Waste Control Law, specifically R.S. 30:2094(C), requires the DEQ secretary to develop rules and regulations for the regulation of underground storage tanks. This law also requires the DEQ secretary to establish requirements for ensuring sound underground storage tank management to prevent, control, remediate, and abate actual or potential ground water or subsurface contamination. The mission of the program is "to protect and preserve the ground waters, surface waters, and air quality of the state from contamination from leaking underground storage tanks."

Owners of registered tanks pay \$65 per year into the Environmental Trust Fund. At the end of each fiscal year, any unspent monies deposited into the Environmental Trust Fund from the fees assessed by the underground storage tank program are transferred into the Motor Fuel Tank Trust Fund (R.S. 30:2185). The Motor Fuel Tank Trust Fund pays for the cleanup of underground motor fuel storage tanks that have leaked their contents. According to DEQ, approximately 400 different entities registered underground storage tanks with the department for fiscal year 1996.

Office of Legal Affairs and Enforcement

The Office of Legal Affairs and Enforcement is comprised of two programs. These are the Legal and Regulatory Compliance Program and the Inactive and Abandoned Sites Program.

The Legal and Regulatory Compliance Program provides legal services to the other offices of the department as per R.S. 30:2013(C)(1)(d). The mission of the program is "to ensure the effectiveness of Louisiana's environmental laws and regulations through the development, enforcement and prosecution of Louisiana's environmental laws and regulations. R.S. 30:216(E) and R.S. 30:2007 give the office responsibility for the enforcement of state environmental laws. The office provides legal consultation and representation to the various DEQ offices in regard to permitting, enforcement, grants, contracts, personnel, legislation, and intergovernmental agreements.

R.S. 30:2222 authorizes the **Inactive and Abandoned Sites Program**. This law authorizes the program to control, prevent, abate, and clean inactive and abandoned hazardous waste sites through administrative or legal action. The mission of the program is "to protect the public health and environment through the discovery, identification and remediation of inactive and abandoned hazardous waste sites in Louisiana in a fair and consistent manner." The program, however, has not cleaned hazardous substance spills at pipeline compressor and meter stations, as mandated by R.S. 30:2271 *et seq.*, since fiscal year 1994-95. The funding for this function was eliminated at that time.

Office of Management and Finance

The Office of Management and Finance contains one program, the Support Program. The Support Program's mission is "to provide resources and services to the Department of Environmental Quality in support of its mission "to maintain and protect the health, safety and welfare of the people of Louisiana." R.S. 34:234(B) gives the undersecretary responsibility for the functions of accounting and budgetary control, procurement and contract management, data processing, management and program analysis, personnel management and grants management. The undersecretary may also perform additional duties and functions as assigned by the secretary.

According to DRQ, besides the functions specified in state law, the support program also provides laboratory services to the department. There are four laboratories that assist the department in its regulatory and enforcement activities. This program also provides information services to the department by data collection, information management, and decision support.

Recommendation

- 2.1 OPE and the department should ensure that the mission statement for the Administrative Program encompasses all functions of the program.

Matter for Legislative Consideration

- 2.1 The legislature may wish to consider reviewing R.S. 34:2854(A)(2), relating to the regulation of noise pollution by the Air Quality Program, and R.S. 34:2271 *et seq.*, relating to remediation of hazardous substances at pipeline compressor and meter stations by the Inactive and Abandoned Sites Program, to determine whether these functions should be:
 - (1) funded;
 - (2) abolished; or
 - (3) amended to be discretionary.

Potential Duplication Within DEQ

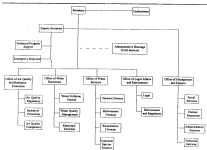
DEQ Moving to Restructure Department to Eliminate Potential Duplication

Our fourth audit objective was to determine if any potential overlap or duplication exists within the department being audited. Within the Office of Solid and Hazardous Waste and each of its three divisions, there are sections that perform permitting, surveillance, and enforcement functions. Currently, the department is planning to restructure to consolidate these functions. The Ground Water Division, from the Office of Water Resources, and the Inactive and Abandoned Sites Division, from the Office of Legal Affairs and Enforcement, will be restructured and combined with the Office of Solid and Hazardous Waste. With the passage of Act 27 (Senate Bill 951) of the 1997 Regular Legislative Session, the department will combine these entities into a new entity named the Office of Waste Services with one Permits Division, one Enforcement Division, one Remediation Division, and one Customer Service Division.

According to department officials, this restructuring will eliminate duplications within the Hazardous Waste, Solid Waste, and Underground Storage Tanks divisions. The restructuring will allow for a "one-stop shop" for those seeking permits from Waste Services, as well as giving consistency to enforcement. Also, with the addition of the Customer Services Division, there will be a more pro-active effort to deal with customers of these programs. Exhibit 2-4 on page 21 shows the proposed organizational structure of the department.

However, even though combining of functions may make operations more effective and efficient, it may decrease the accountability of these operations since the regulation of the three media (solid, hazardous, underground storage tanks) will be merged. GAOB states that disaggregated data are likely to be more useful than aggregate data. As such, the different regulated functions within the newly created office should be reported separately in the executive budget for accountability purposes. For instance, the department should report the number of inspections for each of these media instead of one aggregate number so that decision makers can determine the level of oversight for each regulated media.

**Exhibit 2-4
Proposed Organizational Structure for DEQ**



Note: Functions of the Closed Water Division and the Inactive and Abandoned Sites Division will be performed within the various divisions of the newly created Office of Waste Services.

Source: Organizational chart prepared by legislative auditor's staff from information provided by the Department of Environmental Quality.

Recommendation

- 1.1 **CPB and the department should work together to ensure that the operations of the newly created Office of Waste Services are reported in the executive budget each that the legislature can determine the office's performance in regulating different media.**

Chapter 3: Analysis of Performance Data

Chapter Conclusions

The department does not have a comprehensive strategic plan to coordinate the activities of its various programs. Such a plan would help the department develop better goals, objectives, and performance indicators.

In our review of the department's performance data, we found instances where OPR changed the wording of performance indicators subsequently changing their meaning. Also, OPR lacks adequate documentation to support these changes. Consequently, some performance indicators reported in the executive budget do not accurately reflect the department's activities.

Some program mission statements were not clearly identified in the executive budget. Furthermore, some missions do not identify the program's customers. Few program goals provide a sense of direction or reflect the destination toward which the program is striving. Some goals were very close in wording to their mission statements.

Most objectives for the department's programs are not measurable and lack time frames for their achievement. Without measurable objectives, decision makers cannot determine what will be achieved. Also, the lack of time frames could allow programs to operate with no time constraints.

Finally, some performance indicators do not provide enough information to be useful to decision makers. While most indicators are consistent with their objectives and are easily understood, over three-fourths of the indicators do not measure progress toward their objectives. For these reasons, the department's performance data may not be useful for budgetary decision making.

Overall Strategic Plan Could Benefit DEQ

Strategic Planning Could Improve the Department's Performance Data

DEQ does not have an overall strategic plan to coordinate the activities of its various programs. According to 44CSG0000000000, strategic planning provides many benefits for departments in setting and achieving program goals and objectives. Strategic plans lay the foundation for program budgeting.

According to department officials, strategic planning is done on an office by office basis, but no departmentwide strategic planning is done. The department presented us with its strategic plan for 1994. However, this plan did not provide comprehensive strategies for achieving stated objectives.

Management states that strategic planning enables organizations to make the best use of existing resources to provide quality services to customers. Strategic plans also amplify the governor's vision, policies, priorities and goals. Management also states that strategic planning can help organizations to develop and report goals, objectives, and performance measurements. Annual operating plans indicate how the strategic plan will be operationalized.

Recommendation

- 1.1 The Department of Environmental Quality should work with the Division of Administration - Office of Planning and Budget to develop a comprehensive strategic plan and in the process, improve the quality of its performance data.

Changes to Performance Data May Not Accurately Reflect DEQ's Performance

Executive Budget May Misstate Some DEQ Program Information

OPB has the authority to change or add information to the department's performance data in the executive budget. We found instances where differences exist between performance data in the department's operational plan and that of the executive budget. However, we could not determine the validity of these indicators in the executive budget that are not found in the department's operational plan since OPB could not provide us with adequate documentation to show how these indicators were derived.

Differences between performance data presented in the executive budget and that prepared by DEQ has the potential for misinforming the legislature about the activities of the department. According to an OPB official, the potential for differences exist since OPB may change some of the department's performance data

to fit the format of the previous year's executive budget to make the executive budget consistent through time. However, OPS could not provide us with adequate documentation to show the source of those indicators that are not found in the department's operational plan. According to the OPS official, most changes are made through phone calls to the agency and consequently no documentation exists.

There are instances where performance indicators in the executive budget differ from those in the department's operational plan. For instance, there is one indicator for the Air Quality Program in the executive budget that shows the number of "permits backlogged." However, the operational plan worded the indicator as "most permits in review process." In discussions with department officials, they said that the meaning between the indicators is different. A permit "in the review process" does not necessarily mean that it is "backlogged."

In another instance, the indicator "number of days exceeding standards" in the executive budget for the Air Quality Program is not found in the operational plan. According to DEQ officials, the department does not know what information makes it into the executive budget until they receive the final copy.

Recommendation

- 3.2 The Office of Planning and Budget and the Department of Environmental Quality should work together to ensure that the performance data in the executive budget are accurate.

Criteria for Analyzing Performance Data

Exhibit 3-1 on the following page shows the criteria we used to analyze the department's missions, goals, objectives, and performance indicators as they appear in 1996-97 executive budget. The results of our specific program analysis follow this exhibit.

Exhibit 3-1
Criteria Used to Evaluate the
Fiscal Year 1996-97 Executive Budget
Performance Data

MISSION: A broad, comprehensive statement of purpose

- ✓ Identifies overall purpose for the existence of the organization, department, office, institution, or program as established by constitution, statute, or executive order
- ✓ Identifies clients/customers of the organization or external and internal users of the organization's products or services
- ✓ Organizationally acceptable

GOALS: The general end purpose toward which effort is directed

- ✓ Consistent with department, program, and office missions
- ✓ Provides a sense of direction as to how to address the mission; reflects the destination toward which the entity is striving

OBJECTIVE: A specific and measurable target for accomplishment

- ✓ Consistent with goals
- ✓ Measurable
- ✓ Timetabled
- ✓ Specifies desired end result

PERFORMANCE INDICATOR: Tool used to measure performance of policies, plans, and programs

- ✓ Measures progress toward objective or contributes toward the overall measurement of progress toward objective
- ✓ Consistent with objective
- ✓ Clear, easily understood, and non-technical

Note: The criteria were established based on input from management, OAGM, the Federal Office of Management and Budget, and the Urban Institute.

Source: Prepared by legislative auditor's staff to show established criteria used to evaluate the department's performance data.

**DEQ's Mission
Statement Meets
Criteria**

The mission statement for the department identifies the overall purpose of the department. The mission of the department is "to maintain a healthful and safe environment for the people of Louisiana." However, the department's mission statement is not clearly presented in the executive budget. It is located within the mission statement of the Support Services Program. Having a department mission statement presented in the executive budget provides a point of reference that legislators and others can use when making budgetary decisions.

The department's mission statement meets all of the criteria in Exhibit 1-1. It identifies the overall purpose of the department. The mission statement also identifies the department's clients, namely, the people of Louisiana. Furthermore, the mission statement is organizationally acceptable because it can be found in the department's operational plan.

**Administrative
Program
Objectives Not
Measurable**

The Administrative Program's mission meets some of the established criteria. However, the goal does not provide any further sense of direction for the program than what is provided by the mission statement. Also, none of the objectives are measurable and timebound to give program managers specific targets for accomplishment. Lastly, the performance indicators do not measure progress toward achieving the objectives because the objectives have no targets. Consequently, the performance data do not enable executive budget users to determine what the program is attempting to accomplish or to make budgetary decisions about this program. The performance data for the Administrative Program are presented in Exhibit 1-2 on the following page.

**Exhibit 3-3
Executive Budget Performance Data for the
Administrative Program**

Mission: To provide administrative services to the programs of the department and provide a mechanism to resolve environmental disputes in a fair and timely manner.

Goal: To protect and enhance the environment.

Objective #1: This program will ensure that other programs in the department meet their objectives.

Performance Indicators

- Recycling equipment tax exemption applications reviewed
- Pollution control equipment tax exemption applications reviewed
- Number of requests answered by Callcenter

Objective #2: To continue to resolve administrative hearing requests in a fair, consistent, and timely manner.

Performance Indicators

- Number of hearing requests received
- Cases resolved as a percentage of hearings requested
- Average number of such administrative law judge
- Number of hearings held
- Number of cases closed

Objective #3: To respond to chemical emergencies and assist other agencies in managing the emergency in a successful conclusion.

Performance Indicators

- Number of spill notifications handled
- Total number of citizen complaints investigated
- Number of citizen complaints handled by program

Source: Prepared by legislative auditor's staff using the 1996-97 executive budget.

Mission. The Administrative Program's mission includes some major functions. It identifies the clients of the program. It is also organizationally acceptable to the department. However, there are other functions of the Administrative Program that are not encompassed by the program's mission statement. Some of these functions are disseminating public information and emergency response. Because the program includes such varied functions, the mission needs to be broadened to include them. This change will give legislators a better understanding of the purpose and functions of this program.

Goal. The goal of the Administrative Program is not clearly identified as such in the executive budget. OPIB staff assisted us in identifying this program's goal. This goal, although consistent with the program mission, does not provide a sense of direction on how to address the mission and does not reflect the destination toward which the program is striving. Without clearly identified goals, legislators may not be able to determine where program managers are concentrating their efforts.

Objectives. None of the Administrative Program's objectives meet all of the established criteria. The first objective meets only one of the four criteria. This objective is not consistent with the goal, measurable or timebound. However, it does specify an end result. According to a GASE official, the performance of administrative programs should not be measured by the performance of other programs operated by the department. Instead, administrative programs should measure their performance related to activities for which they are directly responsible.

The second objective is consistent with the program's goal but does not specify a desired end result. It is also not measurable. Furthermore, even though timeliness may be defined, the objective does not present a target time period.

Though consistent with the program goal, the third objective is not measurable and timebound. However, it does specify a desired end result.

Performance Indicators. The first objective's performance indicators do not measure the program's progress toward achieving it because the indicators are not related to the objective. For example, the first objective says the program will ensure that other programs in the department meet their objectives. However, the performance indicators measure such things as the number of recycling equipment tax exemption applications reviewed and the number of requests answered by the ombudsman.

Although the second objective (resolve administrative hearing requests) has input, output, and efficiency performance indicators, there is no indicator that measures the timeliness for resolving hearing requests.

The performance indicators for the third objective only measure outputs. An additional performance indicator that shows average response time for emergencies would enhance the quality of the performance data. Also, two performance indicators, "the total number of citizen complaints investigated" and "number of citizen complaints handled by the program," may need further clarification to differentiate between the two.

program has good objectives, performance indicators do not measure progress toward their respective objectives. This deficiency could hinder legislators from making informed decisions about the program. Exhibit 3-4 below shows the performance data for the Air Quality Program.

Exhibit 3-4
Executive Budget Performance Data for the
Air Quality Program

Mission: To strive to maintain the air quality.	
Goal: To protect and enhance the air quality of Louisiana to promote the health, welfare, and productivity of its citizens.	
Objective #1 The Air Quality Program will achieve and maintain the primary and secondary National Ambient Air Quality Standards (NAAQS) by December 31, 1996. (The parishes surrounding Baton Rouge and Calcasieu Parish are the only areas currently not meeting these standards.)	Performance Indicators <ul style="list-style-type: none"> • Baton Rouge Area—number of days exceeding standards • Calcasieu Parish—number of days exceeding standards • Revision of Ozone-Depleting Factors: <ul style="list-style-type: none"> • Volatile Organic Compounds (non-methane hydrocarbon) tons • Nitrogen oxides (non-methane) tons • Number of regulated sources • Number of enforcement actions • Permits processed • Permits <u>not</u> issued
Objective #2 This program will reduce toxic air emissions by 80% from 1987 levels by December 31, 1996, and continue reductions thereafter.	Performance Indicators <ul style="list-style-type: none"> • Millions of pounds of reported toxic air emissions (Toxic Release Inventory) • Percent reduction from 1987 level of 140 million pounds • Louisiana's rank among states for the volume of toxic air emissions (Toxic Release Inventory) • Millions of pounds of reported toxic air emissions (Toxic Release Data Inventory) • Percent reduction from 1991 level of 121 million pounds
Objective #3 This program will continue to manage asbestos management activities to protect citizens from unnecessary exposure to asbestos within our schools and public buildings and during demolition operations.	Performance Indicators <ul style="list-style-type: none"> • Percentage of schools in compliance • Number of mass buildings regulated • Number of accredited asbestos handlers • Number of remediation projects in progress • Percent of asbestos projects which could threaten public health that are inspected
Objective #4 This program will develop regulations to reduce the amount of lead in the environment.	Performance Indicators <ul style="list-style-type: none"> • Regulations promulgated • Persons certified to perform lead based reduction • Number of lead abatement projects in progress

Source: Prepared by legislative auditor's staff using the 1996-97 executive budget.

Mission. The Air Quality Program's mission does not identify the overall purpose for the program or its clients. Furthermore, the mission is not identified as such in the executive budget. Clearly identifiable missions can help legislators and other executive budget users to know the purpose of programs and their beneficiaries. Furthermore, the mission statement does not include controlling noise pollution as mandated by state law. However, the omission of this function from the mission statement may be attributable to the lack of funding for this function. Although the mission statement found in the executive budget does not identify the overall purpose or statement of the program, it is organizationally acceptable to the department.

Goal. The Air Quality Program's goal meets the established criteria. It is consistent with the program's mission, provides a sense of direction on how to address the mission and reflects destination toward which the program is striving. Consequently, legislators can readily determine where the program is headed.

Objectives. The program's objectives meet most of the established criteria. Only two of the four objectives are timebound. Objectives #1 and #2 specify target dates that end midway through the fiscal year. Even though R.S. 30:2068(C) mandates this time period for one of these objectives, the program should establish time frames that include the entire budget period.

Performance Indicators. The indicators for these objectives are a combination of input, output, outcome, and explanatory types. Although more than half of the performance indicators are consistent with the objectives, only one-fourth measure progress toward the objectives.

In addition, there are two indicators for air toxicity for Objective #2 which do not clearly indicate which indicator is the basis for measuring progress toward the objective. Consequently, users of the executive budget may find it difficult to determine which indicator is the basis for measuring the success of the objective.

It would be beneficial if there was another indicator for Objective #2 (reduction in air toxics) that takes into consideration the weaknesses of the Toxic Release Inventory (TRI). Federal law requires the U. S. Environmental Protection Agency (EPA) to establish a Toxic Release Inventory of toxic chemical emissions from certain manufacturing facilities nationwide. This information is to be made accessible to the public.

The Congressional Office of Technology Assessment estimates the air releases reported in the national Toxic Release Inventory (TRI) represent just five percent of the total toxics released into the air in the United States. This fact is not stated in the executive budget. Another problem with using the TRI is the many choices of methods available for determining reportable release amounts that may cause significant variations in reported quantities. Therefore, the amount of releases reported are not definitive.

DEQ has taken steps to address the inadequacies of the TRI by implementing the Toxic Emissions Data Inventory. However, this indicator does not address another weakness in that raw numbers can be deceptive because a large volume of less toxic substance may mistakenly be perceived as more serious than a smaller release of a more highly toxic substance.

Exhibit 3-3 on the following page summarizes the results of comparing the Air Quality Program's performance data to the criteria in Exhibit 3-1.

**Exhibit 3-5
Results of Comparing Air Quality
Program Performance Data
to the Established Criteria**

Mission	<ul style="list-style-type: none"> • Does not identify purpose • Does not identify customers • Organizationally acceptable
Goal	<ul style="list-style-type: none"> • Consistent with program mission • Provides direction on how to address mission and reflects destination toward which the program is striving
Objectives	<ul style="list-style-type: none"> • 4 of 4 are consistent with the goal • 3 of 4 are measurable • 2 of 4 are timebound • 4 of 4 specify a desired end result
Performance Indicators (9 outcome, 7 explanatory, 2 output, 1 input)	<ul style="list-style-type: none"> • 5 of 19 measure progress toward the objective • 22 of 19 are consistent with the objective • 17 of 19 are clear and easily understood

Source: Prepared by legislative auditor's staff based on analysis performed on performance data in the 1994-97 executive budget.

**Radiation
Protection
Program
Objectives Need
Improvement**

The mission and goal of the Radiation Protection Program meet all of the established criteria. While one objective meets three of the four criteria, the second objective meets only two of the four. The objectives were not measurable, thus only one of the eleven performance indicators measures progress toward the objective. As a result, legislators may not be able to use the objectives and performance indicators to make informed budgetary decisions. Exhibit 3-6 on the following page shows the performance data for the Radiation Protection Program.

Exhibit 3-4
Executive Budget Performance Data for the
Radiation Protection Program

Mission: To establish and maintain a comprehensive radiation regulatory program to protect public and occupational safety of citizens and protect the environment.

Goal: To ensure that operations involving the use of radioactive material and radiation-producing machines is conducted in the safest possible manner.

Objective #1: This program will ensure that operations involving radioactive material and radiation-producing machines are conducted safely.

Performance Indicators

- Number of exposures exceeding regulatory limits (calendar year 1994, 1995)
- License inspections completed
- X-ray facilities inspected
- X-ray machines inspected
- New installations of X-ray machines inspected
- X-ray inspection-corrected
- Facilities requiring sustained enforcement action
- Number of mammography facilities/machines
- Percent of mammography facilities/machines inspected annually
- Percent of NRC/DOE specific licenses inspected

Objective #2: This program will maintain the Louisiana Radiological Response Plan (LRRP) and the capability to successfully implement it.

Performance Indicators

- Rating of preparedness by:
 - Federal Emergency Management Agency
 - Nuclear Regulatory Commission

Source: Prepared by legislative auditor's staff using the 1994-95 executive budget.

Mission and Goal. The Radiation Protection Program's mission and goal, as listed in the executive budget, meet all of the criteria in Exhibit 3-1. This mission statement identifies the overall purpose of the program and lists its clients. The mission statement is also organizationally acceptable. Therefore, legislators are informed of this program's purpose and who it serves.

The goal is consistent with the program mission and provides direction on how to address the mission and reflects destination toward which the program is striving. Thus, legislators and program managers know in which direction the program is headed.

Objectives. The two objectives meet most of the established criteria. However, neither is timebound. The first objective is, in addition to not being timebound, is also not measurable. As a result, performance indicators cannot measure progress toward achieving this objective.

The second objective is to maintain the Louisiana Frontline Radiological Response Plan (LFRRP) and the capability to successfully implement it. Besides not being timebound, it is unclear what the benefits of this plan are and how it affects public safety from radiation.

Performance Indicators. Five of the eleven performance indicators are output indicators. The remaining indicators are one outcome, two efficiency, one quality, and two explanatory indicators. The performance indicators do not measure progress toward achieving the objectives. Consequently, legislators do not know if objectives are being achieved.

Exhibit 3-7 summarizes the results of comparing the Radiation Protection Program's performance data to the criteria in Exhibit 3-1.

Exhibit 3-7
Results of Comparing Radiation Protection Program
Performance Data to the Established Criteria

Mission	<ul style="list-style-type: none"> • Identifies purpose + Identifies customers • Organizationally acceptable
Goal	<ul style="list-style-type: none"> • Consistent with program mission • Provides direction on how to address the mission and reflects destination toward which the program is striving
Objectives	<ul style="list-style-type: none"> + 2 of 2 are consistent with the goal + 1 of 2 is measurable • 0 of 2 is timebound + 2 of 2 specify a desired end result
Performance Indicators (2 output, 2 efficiency, 2 explanatory, 1 outcome, 1 quality)	<ul style="list-style-type: none"> + 1 of 11 measure progress toward the objective • 11 of 11 are consistent with the objective • 8 of 11 are clear and easily understood

Source: Prepared by legislative auditor's staff based on analysis performed on performance data in the 1996-97 executive budget.

**Water Resources
Program
Performance
Data Did Not
Meet All Criteria**

The Office of Water Resources administers the Water Resources Program. The performance data for this program are incomplete. First, the Water Resources Program's mission statement does not identify its clients. Second, the program's goal does not provide direction on how to address the mission and does not reflect the destination toward which the program is striving. Third, none of the objectives were measurable and timebound. Thus, none of the performance indicators measure progress toward the objective.

Although the program's objectives and performance indicators tell how much work is being done, they do not tell how efficiently or effectively the work is being done. Exhibit 3-8 on the following page shows the performance data for the Water Resources Program.

Exhibit 3-8
Executive Budget Performance Data for the
Water Resources Program

Mission: To protect the quality of surface and ground water.

Goal: To maintain and enhance surface and ground water quality.

Objective #1: The Water Resources Program will reduce groundwater pollution and protect the groundwater resources of the state.

Performance Indicators

- Number of identified facilities with groundwater contamination requiring oversight by this program
- Percent of 2,646,800 people served by public water systems using systems in the wellhead protection program
- Number of sites moved into corrective action to prevent pollution (within year)
- Sites with completed corrective actions during year

Objective #2: This program will reduce surface water pollution and protect the surface water resources of Louisiana.

Performance Indicators

- Percent of assessed waterbodies meeting standards for designated use:
 - Streams
 - Lakes
 - Estuaries
- Major waterbodies assessed (lakes, streams, estuaries)
- Facility inspections
- Pollution investigations (spills and complaints)
- Enforcement actions issued

Objective #3: The program will improve the quality of surface and groundwater by managing EPA's Construction Grants and State Revolving Fund Loans.

Performance Indicators

- Cumulative percent of municipalities which have made pre-application for loans to improve facilities
- Number of loans closed
- Value of loans closed (millions)

Source: Prepared by legislative auditor's staff using the 1996-97 executive budget.

Mission. The mission for the Water Resources Program was not clearly identifiable in the executive budget but was identified by DEP staff. The mission of this program meets two of the three criteria. However, the mission statement does not identify the program's clients. As with the Air Quality Program, legislators should know from the mission who benefits from the program's activities. It is helpful to have the mission clearly identified in the executive budget to tell users a program's purpose and beneficiaries.

Goal. This goal is consistent with the program's mission statement. Because the goal is very similar in wording to the program mission, it does not provide a sense of direction on how to address the mission. However, it reflects the destination toward which the entity is striving.

Objectives. As with the other programs, none of the objectives for this program are measurable and timetabled. Consequently, legislators do not know when the objectives will be achieved. Furthermore, program managers do not have a target to strive toward.

Performance Indicators. The performance indicators as a whole do not provide complete information. Also, none of the performance indicators measure progress toward achieving the objective. For example, there is an indicator for objective #2 that measures the percent of assessed watersheds meeting standards for designated uses. However, there is no indicator for the total number of watersheds in the state. Consequently, it is possible the department has assessed only a small percent of the state's watersheds with all of these watersheds meeting the standards for their designated uses.

Two-thirds of the performance indicators are output measures. However, there are some outcome, input, and explanatory indicators. Exhibit 3-9 on the following page summarizes the results of comparing the Water Resources Program's performance data to the criteria in Exhibit 3-1.

Exhibit 3-8
Results of Comparing Water Resources
Program Performance Data
to the Established Criteria

Mission	<ul style="list-style-type: none"> • Identifies purpose • Does not identify customers • Organizationally acceptable
Goal	<ul style="list-style-type: none"> • Consistent with program mission • Does not provide direction on how to address mission and does not reflect destination toward which the program is striving
Objectives	<ul style="list-style-type: none"> • 3 of 3 are consistent with the goal • 0 of 3 is measurable • 0 of 3 is timebound • 3 of 3 specify a desired end result
Performance Indicators (# output, # explanatory, # input, # outcome)	<ul style="list-style-type: none"> • 8 of 12 measure progress toward the objective • 11 of 12 are consistent with the objective • 10 of 12 are clear and easily understood

Source: Prepared by legislative auditor's staff based on analysis performed on performance data in the 1996-97 executive budget.

Hazardous Waste
Program
Indicators Need
to Reflect
Regulated
Activities

The Hazardous Waste Program's mission meets all the established criteria, but the goal does not provide direction on how to address mission. It also does not reflect the destination toward which the program is striving. In addition, the objectives are not measurable and timebound. Therefore, none of the performance indicators measure progress toward the objectives. Also, some performance indicators are not segregated by the type of hazardous waste generator. Consequently, the performance data may not provide sufficient data to allow decision makers to make budgetary decisions about the different aspects of the Hazardous Waste Program. Exhibit 3-10 on the following page shows the performance budget data for the Hazardous Waste Program.

Mission: The mission statement that is found in the executive budget for the Hazardous Waste Program identifies the purpose of the program and its clients. The mission statement is also organizationally acceptable.

Exhibit 3-10
Executive Budget Performance Data for the
Hazardous Waste Program

Mission: To protect human health and the environment by ensuring the proper management of hazardous waste.

Goal: To protect the health and well being of the citizens of Louisiana and to prevent damage to property or to the environment by ensuring the proper management of hazardous waste.

Objective #1 This program will control the discharge of hazardous waste into the environment.

Performance Indicators

- Number of permitted treatment, storage, and disposal facilities
- Number of land disposal facilities regulated
- Number of manifests managed
- Number of manifest violations detected
- Number of aerial input violations detected

Objective #2 This program will minimize exposure of the public to hazardous waste.

Performance Indicators

- Number of hazardous waste facilities (active and inactive)
 - Number of hazardous waste transporters
 - Number of facility inspections conducted
 - Number of enforcement actions issued
 - Number of inspections of groundwater detection wells
-

Source: Prepared by legislative auditor's staff using the 1996-97 executive budget.

Goal. The program's goal meets only one of the established criteria. It is consistent with the mission statement. However, it does not provide direction on how to address the mission and does not reflect destination toward which the program is striving.

Objectives. The objectives for the program are consistent with the goal and specify an end result. However, the objectives are not measurable and timetabled. Again, legislators and other executive budget users do not know what the program aims to achieve. Also, program managers do not have a target toward which to aim their efforts.

Performance Indicators. Although the indicators are consistent with objectives and easily understood, they do not measure progress toward the objectives. Also, some indicators are very general and do not reflect the makeup of the regulated community. For instance, there are indicators for "the number of hazardous waste facilities," "the number of facility inspections," and "the number of enforcement actions issued." However, generators of hazardous waste fall into three categories based on the amount of hazardous waste produced. The performance indicators do not separate the generators into categories. Thus, legislators may not know where the program is putting most of its effort.

Most of the performance indicators are output measures and the others are input measures. Management recommends a balanced set of performance indicators that would also include outcome and efficiency type performance indicators.

Exhibit 3-11 summarizes the results of comparing the Hazardous Waste Program's performance data to the criteria in Exhibit 3-1.

Exhibit 3-11
Results of Comparing Hazardous Waste Program
Performance Data to the Established Criteria

Mission	<ul style="list-style-type: none"> • Identifies purpose • Identifies customers • Organizationally acceptable
Goal	<ul style="list-style-type: none"> • Consistent with program mission • Does not provide direction on how to address mission and does not reflect destination toward which the program is striving.
Objectives	<ul style="list-style-type: none"> • 2 of 2 are consistent with the goal • 0 of 2 is measurable • 0 of 2 is directional • 2 of 2 specify a desired end result
Performance Indicators (5 output, 4 input)	<ul style="list-style-type: none"> • 0 of 10 measures progress toward the objective • 10 of 10 are consistent with the objective • 10 of 10 are clear and easily understood

Source: Prepared by legislative audit's staff based on analysis performed on performance data in the 1991-92 executive budget.

**Most Solid Waste
Program
Objectives Not
Measurable**

The Solid Waste Program's mission statement meets all of the established criteria. However, the goal of the program does not provide direction on how to address the mission and does not reflect destination toward which the program is striving. Two of the four objectives are not measurable. Furthermore, these two immeasurable objectives relate to 11 of the 14 indicators. As a result, these indicators do not measure progress toward the objectives. In addition, three of the four objectives are not timebound. A lack of time frames makes it difficult to hold program's accountable for their activities. Exhibit 3-12 shows the performance budget data for the Solid Waste Program.

**Exhibit 3-12
Executive Budget Performance Data for the
Solid Waste Program**

Mission: To protect public health and the environment by ensuring the effective management of solid waste.	
Goal: To ensure that the lands and waters of the state are not threatened by improper handling or disposal of solid waste.	
Objective #1: In order to protect and improve public health, this program will ensure the efficient management of solid wastes in the state.	<p>Performance Indicators</p> <ul style="list-style-type: none"> • Number/parts per of municipal landfills meeting standards • Number of enforcement inspections conducted • Number of notices of violations issued • Number of open dumps • Orders to upgrade issued • Orders to close issued • Percent in compliance with regulations <ul style="list-style-type: none"> • Waste tire collection/processors • Tire dealers • Tire management
Objective #2: While continuing to issue permits and major modifications within 4 to 6 days of receipt.	<p>Performance Indicators</p> <ul style="list-style-type: none"> • Days to issue permit
Objective #3: This program will implement regulations governing waste oil by 10/97.	<p>Performance Indicators</p> <ul style="list-style-type: none"> • Regulations developed • Regulations implemented
Objective #4: This program will work toward cleaning the state of litter and unplaced solid waste.	<p>Performance Indicators</p> <ul style="list-style-type: none"> • Tons of waste removed in Beaches and Inland Waterway Cleanup • Percent of state highways adopted by service groups to clean up litter • Number of beaches adopted • Miles of beaches and waterways cleaned
Source: Prepared by legislative auditor's staff using the 1996-97 executive budget.	

Mission and Goal. The mission statement identifies the overall purpose of the program and its clients and is also organizationally acceptable to the department. The goal of the Solid Waste Program is consistent with the program's mission. But it does not provide direction on how to address the mission and does not reflect the destination toward which the program is striving.

Objectives. There are four objectives for this program. All objectives are consistent with the goal and specify a desired end result. However, only two of the four objectives are measurable. Also, only one objective is timebound. While Objective #3 sets a date for accomplishment, the other objectives do not.

Performance Indicators. Of the 14 indicators for this program, only three measure progress toward the objective. As a result, the objectives and performance indicators do not provide useful information to decision makers. All 14 are consistent with the objective, and 11 were clear and understandable.

Exhibit 3-13 on the following page summarizes the results of comparing the Solid Waste Program's performance data to the criteria in Exhibit 3-1. It also shows the numbers of each type of performance instance.

Exhibit 3-13
Results of Comparing Solid Waste Program
Performance Data to the Established Criteria

Mission	<ul style="list-style-type: none"> • Identifies purpose • Identifies customers • Organizationally acceptable
Goal	<ul style="list-style-type: none"> • Consistent with program mission • Does not provide direction as how to address mission and does not reflect destination toward which the program is striving
Objectives	<ul style="list-style-type: none"> • 4 of 4 are consistent with the goal • 3 of 4 are measurable • 1 of 4 is timbound • 4 of 4 specify a desired end result
Performance Indicators <i>(# papers, # customers, % efficiency, % compliance)</i>	<ul style="list-style-type: none"> • 3 of 14 measure progress toward the objective • 14 of 14 are consistent with the objective • 11 of 14 are clear and easily understood

Source: Prepared by legislative auditor's staff based on analysis performed on performance data in the 1996-97 executive budget.

Underground Storage Tanks Program Data Could Be Improved

The performance data for the Underground Storage Tanks Program provides its users with adequate information for budgetary decision making. However, improvement is needed in these data. Exhibit 3-14 on the following page contains this program's performance data, as it appears in the 1996-97 executive budget.

Mission. The stated mission in the executive budget identifies the overall purpose of the program and is organizationally acceptable to the department. However, the mission does not identify its clients. As a result, legislators do not know who benefits from this program's activities.

Goal. There is no goal clearly designated in the executive budget. Staff at CFB identified the goal for us. Although consistent with the program mission statement, the goal does not

provide direction on how to address the mission and does not reflect destination toward which the program is striving.

Exhibit 3-14
Executive Budget Performance Data for the
Underground Storage Tanks Program

Mission: To protect and preserve the ground water, surface waters and air quality of the state from contamination from leaking underground storage tanks.

Goal: Prevent the release of hazardous substances contained in underground storage tanks (USTs) into the waters of the state.

Objective #1: This program will reduce the number of releases from underground storage tanks (USTs).

Performance Indicators

- Estimated number of USTs in state
- Number of active, registered USTs
- Percent of active USTs not protected from corrosion
- Percent of registered USTs upgraded (protected)
- Registered USTs removed/abandoned properly (remediated)
- Percent of registered USTs inspected

Objective #2: The program will ensure the cleanup of contamination from UST releases is complete at no less than 20% of all sites identified each year.

Performance Indicators

- Number of confirmed releases reported
- Cumulative number of confirmed releases cleaned up or being cleaned up
- Percent of releases remediated of total reported

Source: Prepared by legislative auditor's staff using the 1996-97 executive budget.

Objectives. As with some other programs, this program has two objectives. Objective #2 meets all of the criteria in Exhibit 3-1. However, Objective #1 only meets half. This objective is not measurable and timebound. Therefore, program managers have no target to work toward and no time period for accomplishment.

Performance Indicators. There is a mixture of input, output, and outcome indicators among the nine performance indicators. However, two-thirds of the indicators do not measure progress toward their objectives. For example, there is no indicator that measures the decrease in the number of releases from underground storage tanks to address Objective #1.

Exhibit 3-15 on the following page summarizes the results of comparing the Underground Storage Tank Program's performance data to the criteria in exhibit 3-1.

Exhibit 3-15
Results of Comparing Underground Storage Tanks Program
Performance Data to the Established Criteria

Mission	<ul style="list-style-type: none"> • Identifies purpose • Does not identify customers • Organizationally acceptable
Goal	<ul style="list-style-type: none"> • Consistent with program mission • Does not provide direction on how to address the mission and does not reflect destination toward which the program is striving
Objectives	<ul style="list-style-type: none"> • 2 of 2 are consistent with the goal • 1 of 2 is measurable • 1 of 2 is timebound • 2 of 2 specify a desired end result
Performance Indicators (8 input, 7 output, 2 effectiveness, 1 outcome, 1 efficiency)	<ul style="list-style-type: none"> • 3 of 9 measure program toward the objective • 9 of 9 are consistent with the objective • 6 of 9 are clear and easily understood

Source: Prepared by legislative auditor's staff based on analysis performed on performance data in the 1996-97 executive budget.

**Legal and
Regulatory
Compliance
Program Data Do
Not Measure
Progress**

The mission for DEQ's Legal and Regulatory Compliance Program does not identify the program's customers. Also, the goal does not provide direction on how to address the mission and does not reflect destination toward which the program is striving. All the objectives for the Legal and Regulatory Compliance Program are not measurable and timebound. Consequently, the performance indicators do not measure progress toward the objectives. As a result, legislators may not be able to determine if the program is achieving its stated objectives. Exhibit 3-15 on the following page shows the performance data for the Legal and Regulatory Compliance Program.

Mission. The mission of the Legal and Regulatory Compliance Program identifies the overall purpose of the program and is organizationally acceptable to the department. However, the mission statement does not identify its clients.

Exhibit 3-16
Executive Budget Performance Data for the
Legal and Regulatory Compliance Program

Mission: To ensure the effectiveness of Louisiana's environmental laws and regulations through the development, enforcement, and prosecution of Louisiana's environmental laws and regulations.

Goal: To insure that enforcement response is consistent and fair, and that reworking is the product of sound deliberations that produce enforceable regulations.

<p>Objective #1: The program will improve the quality of permits and regulations to provide the most effective and efficient environmental management.</p>	<p>Performance Indicators</p> <ul style="list-style-type: none"> • Percent of permits resolved through negotiation • Number of permit hearings • Number of permits in negotiation • Number of rules processed
<p>Objective #2: The program will improve representation of DEQ in enforcement decisions.</p>	<p>Performance Indicators</p> <ul style="list-style-type: none"> • Number of enforcement documents reviewed • Number of enforcement hearings requested • Number of settlements • Amount of penalties reduced
<p>Objective #3: The program will provide fair and effective enforcement to deter violations of environmental laws and regulations.</p>	<p>Performance Indicators</p> <ul style="list-style-type: none"> • Number of civil enforcement actions • Criminal cases with support from this program

Source: Prepared by legislative auditor's staff using the 1996-97 executive budget.

Goal. As with the Underground Storage Tanks Program, the Legal and Regulatory Compliance Program does not have a clearly identified goal in the executive budget. Although consistent with the mission, the goal does not provide any sense of direction on how to address mission and does not reflect destination toward which the program is striving.

Objectives. Although the objectives are consistent with the goal and specify an end result, they are not timebound and measurable. Thus, the performance indicators do not measure progress towards the objectives. Consequently, it is difficult to hold the program accountable for achieving its objectives.

Performance Indicators. Approximately three-fourths of the indicators are output indicators. Also, the indicators do not measure progress toward the objectives. For example, the indicators for Objective 83 do not measure the program's effect at deterring violations of environmental laws and regulations. An indicator showing the number of repeat violators from previous years by type of violation could measure whether the program is having a deterrent effect.

Exhibit 3-17 summarizes the results of comparing the Legal and Regulatory Compliance Program's performance data to the criteria in Exhibit 3-1.

Exhibit 3-17	
Results of Comparing Legal and Regulatory Compliance Program Performance Data to the Established Criteria	
Mission	<ul style="list-style-type: none"> • Identifies purpose • Does not identify customers • Organizationally acceptable
Goal	<ul style="list-style-type: none"> • Consistent with program mission • Does not provide direction on how to address the mission and does not reflect destination toward which the program is striving
Objectives	<ul style="list-style-type: none"> • 3 of 3 are consistent with the goal • 0 of 3 is measurable • 0 of 3 is timebound • 3 of 3 specify a desired end result
Performance Indicators (7 output, 2 explanatory, 1 outcome)	<ul style="list-style-type: none"> • 0 of 10 measures progress toward the objective • 10 of 10 are consistent with the objective • 10 of 10 are clear and easily understood
<p>Source: Prepared by legislative auditor's staff based on analysis performed on performance data in the 1996-97 executive budget.</p>	

**Inactive and
Abandoned Sites
Program
Data De-
Not Measure
Program**

The performance data for the Inactive and Abandoned Sites program may not provide decision makers with useful information to make budgetary decisions. The mission and goal of the Inactive and Abandoned Sites Program meet all of the criteria. However, only one of the two objectives for the Inactive and Abandoned Sites Program meets the established criteria. The other objective, which contains the majority of the program's performance indicators, meets only one criteria. Consequently, only two of the nine indicators measure progress toward the objective. Exhibit 3-18 shows the performance data for the Inactive and Abandoned Sites Program as it appears in the 1996-97 executive budget.

**Exhibit 3-18
Executive Budget Performance Data for the
Inactive and Abandoned Sites Program**

Mission: To protect public health and environment through the discovery, identification and remediation of inactive and abandoned hazardous waste sites in Louisiana in a fair and consistent manner.

Goal: To identify, assess, and remediate all abandoned hazardous waste sites in the state.

<p>Objective #1: Yearly assess 100 of the 400 (potentially unconfirmed) potential inactive and abandoned hazardous waste sites for further action.</p>	<p>Performance Indicator</p> <ul style="list-style-type: none"> • Number of sites assessed • Number of unconfirmed (suspected) sites • Number of confirmed sites
<p>Objective #2: Continue remedial activities at confirmed hazardous waste sites.</p>	<p>Performance Indicators</p> <ul style="list-style-type: none"> • Sites at which cleanup preparation begun (within year) • Sites at which cleanup preparation completed (within year) • Sites at which cleanup has begun (within year) • Sites at which cleanup is ongoing • Sites at which cleanup is complete (permanently) • Number of closed sites being monitored

Source: Prepared by legislative auditor's staff using the 1996-97 executive budget.

Mission and Goal. The program's mission and goal meet the established criteria. The mission identifies the purpose of the program and its clients. It is also organizationally acceptable. The goal is consistent with the program's mission statement and provides a sense of direction on how to address mission. It also reflects the destination toward which the program is striving.

Objectives. Of the two objectives, only Objective #1 meets all of the criteria in Exhibit 3-1. The second objective only meets the criteria for being consistent with the goal. This objective was not timelimited and measurable and did not specify an end result.

Performance Indicators. Seven of the nine performance indicators are output indicators. The remaining indicators are input and explanatory indicators. The department should develop indicators that measure the program's efficiency and effectiveness.

Only two indicators measure progress toward their objectives. Also, one of the indicators is not consistent with the objective. The indicator "number of confirmed sites" does not relate to Objective #1. This indicator is better situated with Objective #2, since it relates to the activity of confirmed sites and not unconfirmed sites.

Exhibit 3-19 below summarizes the results of comparing the Inactive and Abandoned Sites Program's performance data to the criteria in Exhibit 3-1.

Exhibit 3-19	
Results of Comparing Inactive and Abandoned Sites Program Performance Data to the Established Criteria	
Mission	<ul style="list-style-type: none"> ▪ Identifies purpose ▪ Identifies customers ▪ Organizationally acceptable
Goal	<ul style="list-style-type: none"> ▪ Consistent with program mission ▪ Provides direction on how to address the mission and reflects destination toward which the program is striving.
Objectives	<ul style="list-style-type: none"> ▪ 1 of 2 are consistent with the goal ▪ 1 of 2 is measurable ▪ 1 of 2 is timelimited ▪ 1 of 2 specifies a desired end result
Performance Indicators (7 output, 1 input, 1 explanatory)	<ul style="list-style-type: none"> ▪ 1 of 9 measure progress toward the objective ▪ 8 of 9 are consistent with the objective ▪ 8 of 9 are clear and easily understood
<p><i>Source:</i> Prepared by legislative auditor's staff based on analysis performed on performance data in the 1990-91 executive budget.</p>	

**Support Services
Program
Objective Not
Measurable**

The Support Services Program mission and goal meet all the criteria, but the one objective for the program is not measurable and timebound. Consequently, none of the performance indicators measure progress toward achieving the objective. In addition, only 6 of the 14 indicators are consistent with the objective. Exhibit 3-20 below shows the performance data for the Support Services Program.

**Exhibit 3-20
Executive Budget Performance Data for the
Support Services Program**

Mission: To provide resources and services to the Department of Environmental Quality in support of its mission "to maintain and protect the health, safety and welfare of the people of Louisiana."

Goal: To provide resources and services to the department and its personnel in support of its mission, objective, and goals.

Objectives: An objective of the Support Services Program will be to continue to provide quality support services to the Department.

Performance Indicators

<ul style="list-style-type: none"> • General services and procurement: <ul style="list-style-type: none"> • Incidents of program failure impacting client programs • Internal regulations processed • Decrease in turnaround time for procurement • Human resources: <ul style="list-style-type: none"> • New hires • Human resources cost per DEQ employee • Alternative series increase in employment of: <ul style="list-style-type: none"> • Females • Blacks 	<ul style="list-style-type: none"> • Fiscal services: <ul style="list-style-type: none"> • Travel reimbursements processed • Grants and grant amendments processed • Information Services: <ul style="list-style-type: none"> • Number of requests for assistance • System service requests • Laboratory: <ul style="list-style-type: none"> • EPA evaluation of DEQ water laboratory/other labs • Meet the analytical needs of the Air Quality and other programs • Contracts and grants: <ul style="list-style-type: none"> • Percent of contracts processed within set week
--	---

Source: Prepared by legislative auditor's staff using the 1996-97 executive budget.

Mission and Goal. This program's mission and goal meet all the established criteria. The program's mission statement identifies the overall purpose of the program and its clients. The mission statement is also organizationally acceptable. The goal of the program provides direction on how to address the mission and reflects destination toward which the program is striving. Thus, users of the executive budget know the purpose of this program and the direction in which it is going.

Objective. Similar to other programs, the one objective for this program meets half of the criteria. Although the objective was consistent with the goal and specified an end result, it was not timebound and measurable. As a result, program managers do not have a benchmark against which to measure the program's progress.

Performance Indicators. The Support Program has the most varied set of performance indicators. However, it did not have any outcome indicators. The program should have outcome indicators to present more useful information. None of the indicators measured progress toward the objective because it is not measurable.

Exhibit 3-23 on the following page summarizes the results of comparing the Support Program's performance data to the criteria in Exhibit 3-1.

Exhibit 3-21
Results of Comparing Support Services Program
Performance Data to the Established Criteria

Mission	<ul style="list-style-type: none"> • Identifies purpose • Identifies customers • Organizationally acceptable
Goal	<ul style="list-style-type: none"> • Consistent with program mission • Provides direction on how to address the mission and reflects destination toward which the program is striving
Objectives	<ul style="list-style-type: none"> • 1 of 1 is consistent with the goal • 0 of 1 is measurable • 0 of 1 is timebound • 1 of 1 specifies a desired end result
Performance Indicators (# output, 1 efficiency, 1 explanatory, 2 quality, 2 input)	<ul style="list-style-type: none"> • 0 of 14 measure progress toward the objective • 6 of 14 are consistent with the objective • 14 of 14 are clear and easily understood

Source: Prepared by legislative audit's staff based on analysis performed on performance data in the 1996-97 executive budget.

Recommendations

- 3.3 The Department of Environmental Quality and the Division of Administration - Office of Planning and Budget should work together to ensure that the department mission is clearly stated in the executive budget.
- 3.4 The Department of Environmental Quality and the Division of Administration - Office of Planning and Budget should work together to ensure that all program missions and goals are clearly included as such in the executive budget.
- 3.5 The Department of Environmental Quality and the Division of Administration - Office of Planning and Budget should work together to

ensure that the department's program mission statements in the executive budget reflect the purpose and identify its clients.

- 3.6 The Department of Environmental Quality and the Division of Administration - Office of Planning and Budget should work together to ensure that all programs have goals that provide a sense of direction.
- 3.7 The Department of Environmental Quality and the Division of Administration - Office of Planning and Budget should work together to ensure that all objectives are measurable and timebound.
- 3.8 The Department of Environmental Quality and the Division of Administration - Office of Planning and Budget should work together to ensure that the performance indicators measure progress toward achieving the related objectives.
- 3.9 The Department of Environmental Quality and the Division of Administration - Office of Planning and Budget should work together to ensure that there are a mixture of different performance indicators to provide decision makers with complete information.

Appendix A
List of References

Appendix A: List of References

- California, State of—California State Auditor. *California Conservation Corps: Further Revisions Would Improve Its Performance-Based Budgeting Plan*. October 1996.
- Canadian Comprehensive Auditing Foundation. *Effectiveness: Reporting and Auditing in the Public Sector*. 1987.
- Canadian Comprehensive Auditing Foundation. *Effectiveness: Putting Theory into Practice*. 1993.
- Chapman, Dale K. and Albert Hawkins. *Texas Tomorrow: Strategic Planning and Performance Auditing*. October 1993.
- Government Accounting Standards Board. *Research Report—Service Efforts and Accomplishments Reporting: Its Time Has Come—in Charities*. September 1990.
- Louisiana, State of—Office of Legislative Auditor. *Louisiana's Planning, Budgeting, and Program Evaluation System*. February 1993.
- Lynette B. Johnson School of Public Affairs/The University of Texas at Austin. *Managing for Results: Performance Measures in Government*. Conference Proceedings. March 1994.
- Minnesota, State of—Office of the Legislative Auditor. A series of reports that comment on state agencies' 1994 annual performance reports. 1999.
- Office of Planning and Budget, Division of Administration. *Mississippi: A Practical Guide to Managing for Results*. January 1996.
- Office of Planning and Budget, Division of Administration. *Mississippi: Strategic Management Manual for the State of Louisiana*. November 1991.
- Oregon, State of—Secretary of State Audit Division. *Service Efforts and Accomplishments* (Report No. 95-33). August 31, 1995.
- Portland/Multnomah County Progress Board. *Portland/Multnomah County Benchmarks - Standards for Measuring Community Progress and Government Performance*. January 1994.
- Texas, State of—Governor's Office of Budget and Planning. *Instructions for Preparing and Submitting Agency Strategic Plans for the 1993-1998 Period*. January 1992.

Texas, State of—Governor's Office of Budget and Planning. *Detailed Instructions for Preparing and Submitting Requests for Legislative Appropriations for the Biennium Beginning September 1, 1993 - Executive, Administrative, Human Service and Selected Public Education Agencies*. June 1992.

Texas, State of—State Auditor's Office. *Accurate and Appropriate Performance Measures Are the Foundation of Tomorrow's Texas*. February 1992.

Texas, State of—State Auditor's Office. *Accurate and Appropriate Performance Measures Are the Foundation of Tomorrow's Texas*. June 1992.

United States General Accounting Office, Comptroller General of the United States. *Executive Guide: Effectively Implementing the Government Performance and Results Act*. June 1996.

Appendix B

Boards, Commissions, and
Like Entities Related to the
Department of Environmental Quality

Appendix B: Boards and Commissions

Boards/Commissions Within DEQ

Board/Commission	Authorization	Function
Liter Reduction and Public Action Commission	R.S. 30:2523	Advises the liter reduction section within the department on liter reduction in the state
Louisiana Resource Recovery and Development Authority Board of Directors	R.S. 30:2306	Conducts a comprehensive program for solid waste disposal and resource recovery
Louisiana Small Business Compliance Advisory Panel	R.S. 30:2062	Advises the department on the effectiveness of the Small Business Stationary Source Technical and Environmental Compliance Assistance Program Assists small business owners who may not have the financial or technical ability to comply with the requirements of the Federal Clean Air Act
Louisiana Solid Waste Management System Operators Board of Certification and Training	R.S. 35:3152	Certifies solid waste facility operators for the solid waste industry
Environment and Natural Resources Council	R.S. 30:2009	DEQ is a member of this council. It is to develop an overall environmental and natural resources policy and strategic plan for the state. The council shall serve as an advisory body to the governor to: <ul style="list-style-type: none"> • Identify issues necessary to preserve and protect the environment of the state • Recommend viable solutions to the problems raised by these issues • Evaluate the existing and proposed measures designed to preserve and protect the environment and discharge other advisory duties

Boards/Commissions Within the Office of the Governor and Related to DEQ

Board/Commission	Authorization	Function
Governor's Project Restore Task Force	Executive Order MEP 95-56	Researches and analyzes the use of using non-hazardous waste materials for coastal restoration projects
Louisiana Environmental Education Commission	R.S. 30:2565	Advise the governor and the department on policies and practices for providing environmental education to the public
Task Force on Environmental Protection and Preservation	Executive Order MEP 96-29	Facilitates discussions among environmentalists, conservationists, business, and industrialists on environmental concerns

Source: Prepared by legislative auditor's staff from legal research and information received from the Department of Environmental Quality.

Other boards and commissions that are related to DEQ:

1. Mississippi River Interstate Pollution Phase-Out Compact (multi-state compact between Louisiana, Mississippi, Arkansas, Tennessee, Missouri, Kentucky, Illinois, Iowa, Wisconsin, Minnesota, and the United States charged with regulating pollution in the Mississippi River)
2. Louisiana Natural Gas Marketing Commission (within the Department of Natural Resources, but abolished by Act 1116 of 1997)
3. Central Instream Low Level Radioactive Waste Commission
4. Southeast Louisiana Waste Management Authority (abolished by Act 1116 of 1997)
5. Cabinet Advisory Group on Economic Development (superseded Economic Development Council)
6. East River Development Board of Advisors (within Department of Economic Development, but abolished by Act 1116 of 1997)

Appendix C

Department of Environmental Quality's
Response



State of Louisiana
Department of Environmental Quality



STATE OF LOUISIANA
GOVERNMENT

DEPARTMENT OF ENVIRONMENTAL QUALITY

September 24, 1997

Dr. Daniel Kyle, Ph.D., CPA, CFE
Legislative Auditor's Office
P.O. Box 94397
Baton Rouge, LA 70804-0397

Dear Dr. Kyle:

This department has reviewed the report on the performance audit entitled *Analysis of Program Authority and Performance Data for the Louisiana Department of Environmental Quality*. Our comment on your findings follows.

The DEQ Office of Management and Finance requested in June 1997 the Office of Planning and Budget (OPB) conduct a workshop on strategic planning, and in particular, the effects of Act 1465 of 1997 (Performance Based Budgeting). OPB conducted a one day workshop on August 24, 1997, and there were approximately 40 attendees representing all of the programs within the department. In addition, as part of Phase I of our Business Process Re-engineering project, strategic planning was identified as one process that needed to be re-engineered to properly define this department's environmental mission, goals, objectives, and proper performance indicators that measure input, output, outcome, efficiency, and quality, and tie to the budgeting process. This process was selected to begin Phase II. A team has been named which will begin meeting in October, 1997. It must be made clear to the OPB that only the DEQ can properly do the strategic planning necessary to define and carry out its mission, and that OPB should only offer suggestions regarding clarification when deemed appropriate.

Sincerely,

J. Dale Givens
Department Secretary



OFFICE OF MANAGEMENT AND FINANCE P.O. BOX 9007 BATON ROUGE, LOUISIANA 70804-0007

AFFIDAVIT OFFICE EMPLOYEE



Appendix D

Division of Administration -
Office of Planning and Budget's
Response



State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF PLANNING AND BUDGET

M. J. "MIKE" FOSTER, JR.
GOVERNOR

MARK C. BRUNER
COMMISSIONER OF ADMINISTRATION

September 29, 1997

Daniel G. Kyle, Ph.D., CPA, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

Re: Analysis of Program Authority and Performance Data for Department of
Environmental Quality

Dear Dr. Kyle:

Thank you for including members of our staff in the process of your office's
performance audit of the Department of Environmental Quality.

The Office of Planning and Budget agrees with your recommendations for the
improvement of the department's planning and performance accountability. This
analysis showed particular foresight by addressing issues and opportunities which
may arise from a recent reorganization of program structure of the Department.

The Louisiana Government Performance and Accountability Act greatly increases
the need for performance accountability guidance to state agencies. Your analysis
will provide the Department of Environmental Quality a valuable resource toward
compliance with the Act.

Sincerely,

Stephen R. Wiseman
State Director of Planning and Budget

BRW:GLD