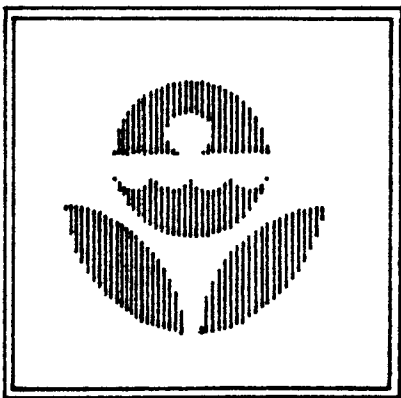
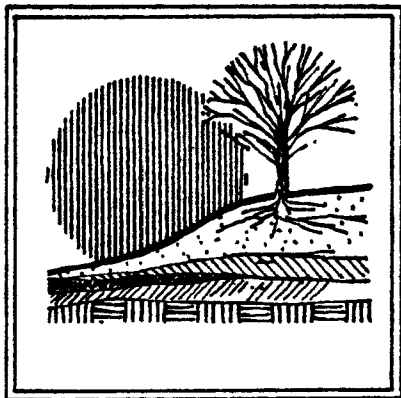


GUIDEBOOK

REGIONAL PLANNING PROCESS



EPA Region V

Madonna St. Macbeth

TAB

SECTION

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

DATE December 17, 1980

SUBJECT Regional Planning Process for Fiscal Year 1982

FROM: John McGuire
Regional Administrator

TO: See attached list

EPA Region V is a large and exceptionally complex organization, performing a variety of important and sensitive technical, legal, and scientific missions which encompass all environmental media. Through these numerous operations, hundreds of millions of dollars are dispensed each year in support of state and local environmental protection programs as well as in administration of the regional organization.

The challenge facing the Region V organization is multi-faceted:

- to identify pollution abatement and control priorities with precision;
- to administer the variety of statutes and regulations within the Agency's areas of authority;
- to assure that resource allocations within the regional organization and to the states will support achievement of strategic environmental objectives.

The Region's planning process is intended to be a policy-oriented planning and budgeting process, operated to meet important environmental, organizational, and management needs. At issue are the ways in which the regional planning process can be improved, both in terms of operational efficiency and in terms of the quality of decisions emanating from it.

As most of you know, the Analytic Center and the Resources Management Branch have recently completed an analysis of past and current planning procedures in order to recommend improvements or refinements. I have reviewed these reports in detail, and am distributing this document to define procedures to be followed, beginning in December, under the regional planning process for FY82. This document supersedes the draft distributed for review and comment on November 25.

Some of the planning process modifications are intended to streamline procedures, not only to reduce paperwork or the attendant waste of resources, but also to enhance understanding of what is being produced and why.

Still other refinements will promote increased knowledge and appreciation of the region's planning process at all staff levels. All refinements for use during the FY82 process are intended to improve upon what is already an effective system for advance planning and management decision making.

Region V has made steady progress in improving its planning procedures during the past few years. The advent of media task forces represented a conscious effort to coordinate all EPA administered programs and operations affecting a medium, and a review of task force strategies produced for FY81 demonstrates vividly that such coordination is both necessary and beneficial. In a similar vein, dramatic improvements to the content of State-EPA Agreements and to procedures followed to derive these commitments were evidenced in the FY81 process. That momentum will be continued in FY82.

These elements of success must be perpetuated and enhanced. Environmental quality in all media continues to be threatened throughout all portions of the region, and intensified attention toward such subjects as toxics has extended both the depth and range of Agency programs. At the same time, the Agency and Region V are entering a period of potentially dwindling resources, intensified scrutiny, and increased accountability. These various factors combine to make systematic organizational planning, improved program coordination, expanded cooperation with the states, and disciplined use of fiscal resources and personnel even more necessary now than in the past. Efficient and effective operation of the region's planning process will contribute to these organizational, management, and environmental protection needs.

Attachment

DISTRIBUTION

(Of the RA memorandum and all subsequent planning process documents prepared by the ARA for Planning and Management)

Regional Administrator's Office

Val Adamkus
David Stringham
Nancy Philippi
Barbara Sidler
Madonna McGrath
Kent Fuller
Bob Boden
Vic Saulys
Jon Grand
Mary Canavan
Connie Hinkle
Charlie Smith
Jim Filippini
Tony Leffin

Water Division

Chuck Sutfin
Libby Halperin
Gary Williams
Joe Harrison
Todd Cayer
John Kelley
Jim Hanlon
Gene Chaiken

Air and Hazardous Materials Division

Dave Kee
Bill Constantelos
Steve Rothblatt
Karl Klepitsch
Karl Bremer
Joe Paisie
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Enforcement Division

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Ken Fenner
Al Manzardo
Dave Ullrich
Glenn Pratt

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Bill Sanders
Tom Yeates
Curtis Ross
Dave Wagner
Jerry Regan
Rich Bartelt

Planning and Management Division

Lew Crampton
Bob Springer
Laird Starrick

I. BACKGROUND

The mission of Region V is to administer the statutes, regulations, and programs assigned to EPA to control pollution and improve the quality of the ambient environment. Given the complexity these operations and the diversity of environmental programs underway, the region administers a variety of management systems to assure planned program results as well as efficient and effective use of resources. Some of the management systems have been devised for nationwide applicability and imposed by EPA Headquarters. Other systems have been designed internally and are relatively unique to the Region V organization.

The various systems employed in Region V have been organized into the planning process depicted generally on the following page. Each of the components produce detailed decisions regarding program operations and resource allocations. The Region receives resources through the Agency's budgetary process, and within budgetary limitations, has the opportunity to plan for the most efficient use of those resources in terms of operations and to plan for optimal effectiveness in terms of environmental impact. The planning process is operated to achieve the efficiency and effectiveness desired.

The Analytic Center and the Resources Management Branch have analyzed the region's current planning practices and have defined options for improvement. These reports and options have been reviewed by the Regional Administrator, and the following document identifies guidelines and procedures to be followed in the planning process for FY82.

One section of this report describes the intended focus and content of the planning process and some of its components. Adherence to these guidelines will better assure that environmental priorities are identified clearly and that ensuing regional and state program plans will address these priorities in detail. The guidelines on focus and content also provide expanded opportunities for state participation in the process, particularly in terms of contributing to the development of media strategies.

The concluding section of this report discusses a range of operational and procedural matters in the planning process. This section is intended to clarify and better define roles and responsibilities of planning process participants and to instill a more structured and disciplined approach to process deliberations and decision making. Also included in this section is a general timetable for process operations. This schedule will be clarified and defined in greater detail by December 30, 1980.

II. PLANNING PROCESS FOCUS AND CONTENT

The regional planning process culminates in two sets of primary products: the regional budget and work plans, and program grants to the states. All other components of the process are prepared as contributions to these regional and state operational commitments.

Both the twenty-four month duration of the planning cycle and the need to prepare numerous products within it necessitate a focused and highly disciplined approach. Otherwise, lengthy and expensive attention can be diverted to tangential issues which may have little bearing on the final outcome.

The following principles and guidelines will be employed in the planning process for FY82:

Zero-Base Budget (ZBB):

- The Agency's ZBB process culminates with the total budget request for EPA for the coming fiscal year. Total resources for all Regions are contained in decision units which indicate proposed HQ and regional shares of the total resource "pie".
- Following OMB review and approval, this request is incorporated into the President's budget message and bills to be debated by Congress. Congressional action results in Agency appropriations.

The Agency's ZBB process for FY82 has been completed; additional input from the Region is neither necessary nor possible.

Input for the FY83 process will be provided in the coming months, primarily through RA participation in priority setting through the Agency Ranking Committee. Contributions for FY83 will commence in approximately May, 1980. On or before that time, senior level managers will prepare staff papers outlining problem areas and topics of priority interest for use by the Regional Administrator during ARC deliberations.

Workload Analysis Models (WLA):

- WLA initiates the Region's budgetary process for the coming fiscal year in specifics. National appropriations and allocations are subdivided into decision units, and the resources are distributed, by decision unit, amongst the Regions.
- Preliminary WLA computations for FY82 will be forwarded for review and comment by Region V during the month of February, 1981. Regional responses to these preliminary allocations will be coordinated by the Deputy RA for transmittal to Headquarters. Final WLA computations for FY82 will be published and made known to the Region in approximately April, 1981.

- Final WLA statistics define the base of resource allocations to the region. More specific allocations between organizational units within Region V are then prepared to reflect regional priorities.

Operating Year Guidance: Draft statements of the Headquarters generated operating year guidance for FY82 are being compiled at this time. Distribution of guidance drafts is anticipated in December, 1980. The regional response to this initial documentation will be coordinated by the Assistant Regional Administrator for Planning and Management. Final operating year guidance is scheduled for publication and distribution in early January, 1981. Guidance issued for FY81 will remain in effect if this production schedule is not met.

Particular attention will be given to addressing generic, cross-cutting issues as identified in the operating year guidance during the region's planning process for FY82. Introductory statements by the EPA Administrator and Deputy Administrator pinpoint several areas of Agencywide initiative such as regulatory reform, integrated toxics strategy, and emergency response which clearly warrant continuing attention in Region V. These topics, plus any additional cross-cutting issues identified by Assistant Administrators or the Regional Administrator should be discussed and incorporated within media task force priorities, state specific highlighted issues, and State-EPA Agreements. Similar attention should be paid to Agencywide initiatives and cross-cutting issues defined in operating year guidance for FY82 when the new guidance document is published.

Media Task Force Strategies:

- MTF Strategies contain concise assessments of overall environmental quality within a medium (water, air, and hazardous wastes), and as a result of this assessment, identify major environmental problems or problem areas requiring priority attention.
- Strategies contain statements of overall media goals, outline regional priorities necessary to move toward goals achievement, and highlight a general, medium-wide, action agenda for Region V and the States for the coming fiscal year.
- The MTF Strategies establish the benchmark from which additional and more specific planning products are prepared. Media goals and priorities provide the framework within which resources are allocated, work plans are prepared, and SEA's are negotiated and finalized.
- Initial meetings of all media task forces will begin in December, 1980. Final media task force strategies for FY82 should be completed for review and approval by the Regional Administrator by the beginning of February, 1981.

More specifically, statements of media strategy for FY82 should include attention toward the following items:

1. Major elements of media priorities encompass issues or problems requiring substantially more than one program year to address and

resolve. From this perspective, media strategies should be viewed as statements of policy or priorities that can transcend the specific fiscal year under discussion. Long-term (at least greater than one year) priorities should be identified and described, not only in terms of activities to be undertaken or accomplishments to be derived in FY82, but also in terms of how these planned activities and accomplishments will be used or extended into FY83 and beyond. By the same token, shorter-term (annual) priorities and objectives should be identified as such. This differentiation between long-term and short-term activities will clarify the region's intentions to EPA staff and to the states alike. In addition, these activities will enhance the process of media strategy development, and preparation of other components such as decision unit strategies or SEA's should be expedited.

2. The incorporation of state specificity within media strategies should be expanded beyond what was included in FY81 documentation. To do so will lend additional specificity to regional statements of problems and priorities, and this additional specificity will in turn lead to greater commitment to strategies ultimately approved. Identification of state specific problems or target areas will also contribute to the SEA process by providing opportunities to discuss highlighted issues to be ultimately incorporated within the Agreements at an earlier stage.

In addition, the States within Region V should be afforded more extensive opportunities than have been provided in the past to review and comment upon statements of regional priorities and media strategy. The opportunity for states to contribute is particularly important if additional state specificity is to be derived and made realistic. The region's State Coordinators are responsible for orchestrating and coordinating state input to regional strategy development.

3. Finally, adherence to media priorities and strategy is possible only to the extent that resources are available in support of related program operations at either the regional or state levels. The Assistant Regional Administrator and RMB will assist media task forces, as necessary, in assuring that achievement of MTF priorities is economically feasible and realistic. General estimates of resources requirements will be incorporated within media task force strategies for FY82, both to substantiate that priorities can be accomplished within the bounds of budgetary constraints, and to suggest ways in which limited resources might be more efficiently used.

Decision Unit Allocations and Plans: Preparation of decision unit plans is the process used in Region V to allocate work years and personnel resources to organizational units responsible for the implementation of major program elements. Position totals per decision unit emanate from the workload analysis (WLA) activities. These regional allocations are then subdivided between individual divisions, branches, and program staff whose participation is required.

In the past, detailed textual and statistical descriptions of D.U. plans have been required for all decision units assigned to Region V. In the FY82 process, these descriptions of activity and resource allocations will be reduced by approximately one-half. Textual and statistical descriptions will be required only for major decision units which are not only large in terms of resources available but also requiring the involvement of several branches or divisions to perform. The specific listing of decision units needing detailed planning for FY82 will be completed during regional review of workload analysis (WLA) statistics.

Other and smaller decision units will not require the preparation of detailed reports as in the past. These decision units will be handled in an abbreviated and simplified form. RMB will be responsible for obtaining the data required for these smaller decision units in cooperation with all affected decision unit participants.

The ARA for Planning and Management will develop the format of all required decision unit forms and textual reports to be used in the FY82 process. This responsibility, along with definition of the planning process timetable and other matters, is discussed further in the following section of this report.

State-EPA Agreements (SEAs): SEAs are the major element of the planning process in which bi-lateral planning and decision making between the region and the states can occur. It is through this important process that the implementation of national as well as state goals can be achieved. Refinements to the SEA process are necessary to meet the following goals:

- Completion of SEA negotiations prior to the issuance of state specific guidance and prior to the initiation of program planning by the states.
- Simplification of the SEA documents themselves, moving toward less technical detail in order to focus on major issues which require high level attention.
- Development of SEAs which more fully recognize and account for unique situations or circumstances (technical, legal, or otherwise) within each of the states.

Expanded discussion of state specific problems or suggested target areas within MTF strategy and enhanced opportunities for state participation in strategy development are intended to contribute to these SEA process goals.

The region's overall SEA process will be coordinated by the Assistant to the Regional Administrator. Included within this responsibility are definition of detailed SEA timetables, per state if necessary; definition of SEA formats, and representing state coordinators as a member of each media task force. Each State Coordinator is responsible for overseeing the SEA process in his/her state. This responsibility includes securing

state participation in MTF strategy development, preparing or coordinating preparation of all SEA documentation, convening of all meetings required for discussion or negotiation of SEA commitments, and mid-year as well as end of year SEA evaluations.

In the Region V planning model, SEAs guide the state grants process by identifying major priorities which will be incorporated within state program work plans. Realistically, this will only occur if the SEAs are negotiated and approved earlier in the planning process than they have been in the past. Responsibility to expedite the SEA process is shared among many individuals-- State Coordinators, MTF members, Division Directors and other.

The planning process timetable as discussed in the following section will include all elements required for SEA completion as outlined above. Timing may vary from state to state. This timetable will be completed for review and approval by the Regional Administrator, by December 30, 1980.

III. PLANNING PROCESS OPERATIONS

The assessment of past and current planning procedures indicated a number of operational and process management deficiencies that will be rectified during the upcoming planning cycle. Improvements listed below identify management and administrative responsibilities, and define relatively formal procedures to be followed.

Planning Process Management

A major finding of the planning process study concerned the inability of staff to consistently identify the individual or unit responsible for administering the process on a day-to-day basis. This responsibility ultimately rests with the Regional Administrator, but it is impractical and unnecessary for that individual to oversee process operations at such a fine level of detail. In the absence of detailed attention, however, due dates will continue to be vague, potentially unrealistic, or not enforced. Therefore, a planning process manager is necessary.

The Assistant Regional Administrator for Planning and Management (ARA) will function as the overall manager of the Region V Planning Process. In this role, the ARA will be responsible for the Region's overall planning, budgeting, work planning, and performance standards cycle. This responsibility will be fulfilled in consultation and cooperation with MTF chairmen and members, branch chiefs, program managers and others as appropriate.

In the role of planning process manager, the ARA will accomplish the following:

1. Establish the planning process timetable. Some planning process components (the preliminary regional budget, regional work plans and state grant awards, for example) have inviolate due dates, and require the completion of numerous other components in a timely fashion as key contributions. If components are not produced in manageable increments, work "piles up" near the end of the process, thereby diverting personnel from program operations and using resources inefficiently. These problems can be reconciled through realistic scheduling. The ARA will define the planning process timetable, and following approval by the RA, also be responsible for compliance monitoring and enforcement. Progress reports will be prepared for periodic review by the Regional Administrator.

2. Define Process Component Purposes and Applications.

Some components of the process have been employed consistently over the years, and the purposes and uses of these products are well known throughout the regional organization. Other components are relatively new to the system. Still others have a complex or unclear relation to the planning process as a whole. In the latter cases, considerable confusion and misunderstanding have been expressed about why planning components are prepared, how products are to be formatted, or how the products are to be

used. This confusion is of major concern because staff at all levels are asked to contribute to product preparation. In the absence of uniform definitions and understanding, contributions will be less useful than desired.

A general guidebook for all participants in the regional planning process will be prepared to reconcile these problems. The guide, to be prepared by the ARA, will define the purpose, general format, and application of each planning component. Initial portions of the guidebook will be completed by December 15 and include discussion of MTF strategy documents and the SEA process for FY82. Descriptions of other components will be prepared beginning in January 1981. Where necessary, examples will be provided to assure consistency. Copies of required forms will be developed and included in the guidebook, as will other general instructions where appropriate. RMB will provide staff support in this effort. In addition, chairmen of media task forces, division managers, and the Assistant to the Regional Administrator will be consulted.

3. Develop Process Monitoring and Reporting System.

A realistic timetable remains valuable through compliance with crucial deadlines. The overall system must therefore be tracked to assure that procedural problems are reconciled, products are prepared and reviewed in a timely fashion and conflicting opinions or proposals are successfully mediated and resolved. Toward this end, the ARA will develop proposals for approval by the RA on ways to monitor, report on, and evaluate the regional planning process during its operational phases. These proposals, in the form of staff papers outlining options, will be prepared for RA review by January 15, 1981.

Planning Process Procedures

A common complaint about the existing planning process is that purposes and applications of the process are not clearly understood, and that "rules of the game" sometimes shift during the course of product preparation, thereby causing extensive editing, additional paperwork, or inefficient use of resources. Designation of a process manager with responsibilities as outlined will reduce these uncertainties.

Perceived problems in the process are addressed in this section, and center on the roles of participants and procedures to be followed to better document commitments and decisions.

1. Media Task Forces (MTF): Successful deliberations and decision making by the region's media task forces is of paramount importance in the planning process. These groups represent the forum within which necessary program coordination must occur to establish regional priorities and accomplish objectives. Some confusion exists, however, concerning task force membership, the roles of other staff in task force deliberations, and procedures to be followed to document MTF activity.

MTF activities will be more formalized and structured during the FY82 process in order to address these elements of confusion.

Formal Media Task Force membership is as follows:

Water Media Chuck Sutfin (Chairman)
 Lew Crampton (Vice Chairman)
 Sandra Gardebring
 Bill Sanders
 Madonna McGrath
 Nancy Philippi
 David Stringham

Air Media Dave Kee (Chairman)
 Lew Crampton (Vice Chairman)
 Sandra Gardebring
 Bill Sanders
 Nancy Philippi
 David Stringham

Hazardous
Materials Media Bill Constantelos (Chairman)
 Lew Crampton (Vice Chairman)
 Madonna McGrath
 Libby Halperin
 Dale Bryson
 Bill Sanders
 Nancy Philippi
 David Stringham

MTF Chairmen function as the overall media manager, responsible for assuring that media strategies encompass all problems and priorities requiring attention. In this role, it may be desirable for chairmen to designate another individual to represent their individual division. As Vice Chairman of each MTF, the ARA will exercise all roles associated with the responsibility for overall process management, convene MTF meetings in the absence of the Chairman, and assure the provision of general secretariat and recordkeeping support to the MTF as required. The Assistant to the Regional Administrator will function on the task forces as the SEA Coordinator. All other members will function as the primary representative for their respective organizational units.

Each member of each task force should name an alternate member or representative. These representatives will be reviewed and approved by the RA, and following RA approval, only MTF members or their designees may participate fully in MTF meetings. Certain parliamentary procedures will be followed in the meetings themselves:

- decisions or commitments cannot be made unless a quorum (simple majority) of MTF members or their designees is present
- meeting schedules should be regularized, not held on a sporadic or haphazard basis
- meeting agenda should be prepared and distributed before the meetings

- meeting minutes should be recorded and distributed by RMB to document topics discussed and decisions made.

Media task forces should develop and adopt additional procedures as necessary (voting, conflict resolution, appeals, etc.) to assure efficient and effective decision-making.

The participation of staff in MTF meetings has also been raised as an issue. Staff reports and participation in MTF deliberations is both necessary and encouraged. Without this input, MTF definition of priorities could be hindered. From this perspective, therefore, MTF members should not only permit but encourage the attendance of "key" staff at all meetings in which topics within their respective areas of expertise or interest are to be discussed. At the same time, it is the responsibility of media task force chairmen to define and implement procedures which will assure that staff attendance and participation is structured and germane.

2. State-EPA Agreements (SEAs): If statements of MTF strategy guide the total regional planning process, SEA's most certainly guide the development of state work plans and the awarding of programmatic grants to the states. The region's State Coordinators assume principal responsibility for administering the preparation of SEA's. This responsibility has several dimensions. First, a more direct and discernable link between MTF strategies and SEA's will be achieved in the FY82 planning process. It is therefore incumbent upon State Coordinators to assure that state related issues incorporated within media strategy priorities are relevant and that the states are afforded ample opportunities to comment upon statements of regional policy and priorities under discussion. Second, the Coordinators are responsible for arranging (and convening if necessary) meetings between regional and state staffs whenever conflicting opinions need to be negotiated and resolved. Third, State Coordinators are responsible for documenting highlighted issues and problem solving approaches for transmittal to states for review and comment, and are also responsible for preparing all draft and final SEA documents. Finally, and with heightened importance, the region's State Coordinators are responsible for coordinating all elements of the mid-year and end of-year reviews. The Assistant to the Regional Administrator and the Analytic Center, in conjunction with State Coordinators, will be responsible for refining and improving the SEA evaluation procedures through a document prepared no later than February, 1981. These procedures, following approval by the RA, will be used to evaluate SEA's currently in effect. The mid-year evaluation will be conducted, with State Coordinators in the lead, during March, 1981; and end of year reviews during October.

It is theoretically possible to operate the regional planning process, including the awarding of state program grants, without completion of SEA's. When this occurs, however, the SEA's diminish in importance, or become little more than academic exercises, or both. It is therefore imperative that SEA's are finalized prior to the development of state work plans or the awarding of grants. Some regions have instituted a "no SEA, no grant" policy with surprisingly little state resistance. Such policy has not been approved in

Region V, and will not be. However, the SEA process will be the focus of high priority production and management activity to assure that it meets expectations.

3. Planning Commitment and Accountability: Decisions made in the planning process are valid only if they are implemented. In many respects, implementation is dependent upon the extent to which individuals making the decisions are held accountable for achievement. The region's individual performance standards and performance agreement process will be used in FY82 as this accountability mechanism. For example, MTF members will incorporate the achievement of MTF priorities into their personal performance standards. The ARA will address planning process management as a primary work element. State Coordinators will accept the timing and completion of SEA's, in keeping with the planning process timetable, as a major element of their own performance agreements. Other regional staff, as appropriate, will follow similar guidelines.

In addition, more attention will be given to the timing, substance, and results of the regional planning process at weekly senior staff meetings chaired by the Regional Administrator.

GENERAL PLANNING PROCESS TIMETABLE FOR FY82

The following timetable lists major outputs, per month, for the FY82 process. Additional detail and clarification will be provided in the final timetable to be prepared by the ARA by December 30, 1980. Major input to the detailed timetable will also be required from the Assistant to the RA, particularly with regard to timing and specifics of the SEA process.

November

Distribute memorandum from RA outlining the process for FY82

Initiate, with publication of Environment Midwest, the public participation element for SEAs

December

Finalize RA memorandum incorporating review comments

Initiate preparation of draft MTF strategies including environmental assessments, analysis of progress made under FY81 strategies, problem identification (both regional and state specific) and preliminary priority setting

Receipt and review of draft Operating Year Guidance. Transmittal of regional input to HQ

"First cut" highlighted issues from the states. Input to MTF strategies

State Coordinator orchestration of state input to MTFs

ARA completion of detailed timetable

ARA completion of guidebook delineating MTF and SEA product forms and format, examples as necessary, etc.

January

ARA completion of additional guidebooks

Final MTF strategies, following the format established in the guidebook, incorporating Operating Year Guidance, and incorporating state input

ARA completion of issue and options papers for process monitoring and evaluation system

Final highlighted issues agreed upon by Region and the states

February

RA approval of MTF strategies

Receipt of preliminary WLA allocations for FY82. DRA and RMB coordination of negotiations and response

Draft PSAs, based on agreed upon highlighted issues and MTF strategy

March

Mid-year evaluation of FY81 SEAs (possibly combine the two)

Mid-year program evaluations

Final PSAs, based upon negotiation of drafts with the states and findings from the mid-year evaluations

April

Receipt of final WLA allocations from HQ

State Coordinators preparation of draft SEAs. Transmittal throughout Region V organization and to each of the states for review and comment

May

Preparation of decision unit plans, textual and statistical, for DUs requiring detailed planning

RMB coordination and collection of abbreviated data required from the other DUs

Preliminary budget completion and transmittal to HQ by RMB, based upon decision unit input

Completion of SEA negotiations and State Coordinator preparation of final SEAs for signature.

Preparation and issuance of state specific guidance, following completion of SEAs

Preparation of regional issue papers for input to the RA in his participation on the ARC (applicable to the FY83 process)

June

Agency Ranking Committee with RA participation (FY83 process)

July

Preliminary regional work plans for FY82

Travel requests for FY82

Contract requests for FY82

Completion of draft work plans by each of the states for FY82

August

Final regional work plans for FY82

Final travel allocations for FY82

Final contract allocations for FY82

Draft SES performance agreements for FY82, based upon MTF decisions, SEA commitments, and finalized FY82 work plans. Discussion/negotiation with RA; RA approval and signature

Regional review and comment to states on their draft work plans for FY82

September

Final regional budget for FY82 based upon final work plans approved in August

Final state work plans and grant applications incorporating regional comments received in August

Regional approval of state work plans and preparation of grant awards

Subordinate staff preparation of FY82 performance agreements, incorporating reference to and support of approved SES agreements. Discussion/negotiation with supervisors.

October

End of year evaluation of FY81 SEAs

(possibly combine the two)

End of year program evaluations

SEA approval of subordinate staff performance agreements

Commence FY82 operations.

GENERAL INFORMATION

The enclosed material represents the initial installments of the Region's planning process guidebook. Additional descriptions of process components, desired formats, participation procedures, and related information will be distributed in coming months. As you are already aware from receipt of the Regional Administrator's memo dated December 17, 1980, the guidebook is being prepared by the Assistant Regional Administrator for Planning and Management (ARA) to assure increased efficiency and effectiveness in the overall planning and budgetary cycle.

Guidebook materials are being distributed in a three ring binder to permit maintenance of up-to-date editions. Future installments, both for newly discussed components and for any modified versions of material distributed previously, should be incorporated in the binder as the guidebook evolves.

All guidebook materials will be dated in the upper righthand corner of each page. Modified versions of materials distributed previously will be dated and labeled "Change 1", "Change 2", etc.

The ARA will assume responsibility for guidebook distribution to all recipients listed on the following page. If additional copies of the enclosed or future installments are needed, organizational units should xerox or otherwise reproduce their own.

The guidebook is intended to be a dynamic rather than a static publication, and suggestions for improvement are both desired and encouraged. All recommendations should be forwarded to the ARA.

REGIONAL PLANNING PROCESS GUIDEBOOK DISTRIBUTION

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MEDIA TASK FORCES AND STRATEGY DEVELOPMENT

PURPOSE

Within the guidelines set forth in this memorandum, our goal is to evolve general procedures for the conduct of media task force meetings, but not to dictate product content. At the same time, we have a legitimate concern that the analytic agenda employed during task force deliberations is responsive to all relevant policy guidance and issues that are believed to be important in an appropriate order to priority. Accordingly, the emphasis in task force meetings will be on doing good analysis upon which to base subsequent resource allocation decisions. This means that we will be seeking quality and useful products in our task force planning and not the development of useless or redundant information for its own sake.

With respect to the various qualitative aspects of media task force planning, our goals are to:

- ° establish consistency of format and sequence of preparation;
- ° encourage cooperation on a mutually accepted set of overall objectives and priorities rather than destructive competition for resources and awards;
- ° seek consensus but allow dissenting opinions to be expressed with the results;
- ° identify common/generic issues or considerations (managerial and operational as well as programmatic) to incorporate within planning process products, irrespective of media;
- ° focus on multiyear issues in addition to FY82 concerns;

PURPOSE (Continued)

- ° promote or assure consistency of focus (to insure, for example, that statements of "strategy" are in fact strategic in dimension, importance and impact);
- ° define strategic environmental objectives and priorities that are accomplishable, quantifiable, and results oriented;
- ° deal with state-specific and multistate issues in a meaningful way;
- ° achieve clear, well-documented decisions that are promptly communicated to Region V staff; and
- ° derive decisions in such a way that managers responsible for filling the commitments can be held accountable for performance.

Finally, with respect to media task force procedures, our intent is to evolve a process that is:

- ° flexible enough to allow for special conditions;
- ° adaptive to the most efficient procedures for doing collaborative work;
- ° predictable in terms of enforced due dates and the demands that are likely to be made on participants' time and resources;
- ° sensitive to the need to provide sufficient turn-around time prior to decision-making; and
- ° supported by a superior staff effort.

STRATEGY DEVELOPMENT

Media Task Force planning begins with the assumption that the Region is currently operating on the basis of good plans -- and that these plans can benefit significantly from the task force process. Hence, in terms of the development of task force strategies, what is anticipated is not ground-zero creation of new documents for FY82, but updating and refinement of the ones that currently exist. The strategies we evolve will focus on developing problem-solving priorities and, conversely, identifying program areas to be deemphasized. They will be multiyear in scope and address significant program and resource integration issues as they arise.

To the extent possible, task force members will need to reach some agreement on common planning assumptions with respect to program or media status at the beginning of the process, and to changes and developments (environmental, programmatic, etc.) expected during the course of the coming program year and beyond. Thus, a major element of MTF strategy-making for FY82 will include an assessment of progress made in achieving FY81 commitments and priorities. Such an assessment should include:

- ° a brief description of FY81 priorities;
- ° the extent to which these priorities have been (or will be) achieved;
- ° environmental clean up achieved, program development milestones accomplished, and other benefits derived from strategy implementation;
- ° unforeseen (or adverse) results brought about by FY81 strategies; and
- ° unfulfilled commitments from FY81 that should be carried over to FY82.

STRATEGY DEVELOPMENT (Continued)

Strategies should also include a brief baseline description of environmental quality within the medium based on available ambient data or other factors. These assessments should describe: (a) overall regional conditions, (b) media-based pollution "hot spots", and (c) environmental quality trends both regionwide and within each of the six states. The descriptors selected ought to substantially reflect real region/state goals and program accomplishments. Suggested examples for the development of general indicators might include compiling information on the following:

- ° land and water use patterns
- ° demographic trends
- ° key industrial concentrations/distributions
- ° health/morbidity statistics
- ° economic conditions and trends
- ° river miles meeting or not meeting Region V (or national) goals
- ° trends in the percentage of river miles meeting goals
- ° population served by drinking water meeting all standards
- ° reduction of stationary source emissions attributable to air quality goals
- ° number of days exceeding air standard violations
- ° pesticide usage, by area, per year
- ° trends in the successful completion of program milestones (for startups)
- ° etc.

Much of this data is currently available in published form, or can be procured through the Region's Surveillance and Analysis Division and the Office

STRATEGY DEVELOPMENT (Continued)

of Intergovernmental and External Programs (OIEP). Some of it is not published but is being used on an informal basis by program staff. A particularly useful (and real) additional set of indicators might be obtained by extrapolating managers' program performance objectives from their MBO agreements where appropriate.

Strategy introductory sections should also include an identification of federal, state and local capabilities available to target on media based issues. For example, what statutory authority exists; what programs are already in place; which entities have planning, management and implementation capabilities; which states are capable of accepting program delegation according to what timetable, and so forth. This general (and brief) section on capabilities should also identify new programs or initiatives now available which were not present for use during FY81 (Superfund, of course, is one example).

Examples of other considerations that might be used to provide additional refinement and validity to strategy assessments include the following:

- ° the number of and difficulties associated with states facing resource cutbacks.
- ° special burdens placed on programs by the geographic concentration (or dispersal) of environmental problems.
- ° hidden workload resulting from start-up or program innovations.
- ° critical mass factors needed to develop new or modified programs.
- ° readily available shifts in resources that can be made at program margins.
- ° opportunities to benefit from improved program and resource integration within the region.

STRATEGY DEVELOPMENT (Continued)

In short, introductory sections of MTF strategies should include sufficient information on previous commitments and accomplishments, environmental indicators, and problem-solving capabilities to summarize the state of the art. This baseline information can then be used in definition of priorities for the coming fiscal year.

PRIORITY-SETTING

Based on the foregoing, the task force will begin to identify priorities for FY82 in several categories:

- ° regional priorities -- major priorities of region-wide applicability.
- ° priorities of multistate significance -- e.g., less than 6-state, perhaps, but greater in scope or importance than a single state.
- ° state-specific priorities -- at least on a preliminary basis (from Region V's point of view) until the states have had an opportunity to respond.

Priority statements can incorporate a number of considerations, any combination of which could fall within the general categories identified above. Elements of priority consideration could include, for example:

- ° environmental improvement.
- ° operational capacity -- that is, improvements to program operations that will enhance managers' capacity to achieve program goals (e.g., an improved MIS).
- ° managerial changes -- e.g., priorities relative to delegation of program planning and implementation responsibilities to the states.
- ° technical support -- priorities relative to enhancing the Region's monitoring, survey and analysis, legal and communications capabilities that directly serve program needs.

PRIORITY-SETTING (Continued)

Priority statements also need to be qualified with some indication of the relative importance of the identified program (or program support) activity. Strict, hierarchical ranking of activities at the outset of task force deliberations is, of course, counterproductive. What is intended here is the commencement of a task force deliberative process that starts with general priority levels and moves toward a higher degree of precision over time. At the beginning of this process, we will be working with Level 1 and Level 2 priorities, with Level 1 defined as program activities that we must do, and Level 2 as those activities that are important but that Region V and State staff can undertake only on a limited basis. Toward the end of task force deliberations, we will be involved in ranking priorities (or combinations of them) in order of importance. However, this ranking exercise should be allowed to proceed with a great deal more flexibility than has been the case with the Agency's ZBB process, for example.

At the very end of task force deliberations, we will be dealing with issues involving complex tradeoffs and important cross-cutting concerns, but these decisions, if the process has been successful, will have been made on the basis of better judgment and good staff work.

Finally, priority statements must be evaluated in light of our ability to implement them (or help some other entity implement them). Accordingly, priority statements will also contain general descriptions of:

- ° who will do what
- ° what mode the Region intends to follow with respect to its involvement in an issue (e.g., proactive, active, supportive, passive)
- ° anticipated outcomes or results

PRIORITY-SETTING (Continued)

Of course, the major capability factor to be considered here is the matter of resource availability (but not resource allocation, which comes later on in Region V's planning and budgetary process). Since shifts in program resources are likely to be available only at the margins, resource availability ought to be stated with some degree of precision so that we can identify resource increments that can be flexibly applied. With a good idea of what is needed and available in terms of the program resources we have, we can then evaluate competing demands. This will occur at a point further along in the Region's overall planning and budgeting process and will take place with reference to criteria such as the following:

- ° the relative order of program priorities that has been evolved during the course of task force deliberations.
- ° our best estimates of resource availability and flexibility.
- ° the level of effort or degree of intensity with which Region V managers intend to pursue a particular activity (low, moderate or high).
- ° the overall cost-effectiveness of the proposed effort.
- ° policy guidance set forth by the Regional Administrator and other authorities.

EVALUATION

The task force procedures set forth in preceding sections of this Guideline are directed at providing Region V management with qualitatively better plans. However, in order to assure ourselves that better plans are resulting in better programs, it will be necessary to address the issue of program evaluation during MTF deliberations. The object is to begin the development of a user-based program tracking, monitoring and

EVALUATION (Continued)

evaluation system that is subject to Regionwide management review. The building blocks of such an undertaking include the following:

- ° selection of measures of program accomplishments -- those indicators of media program activity, milestones, output and accomplishment in terms of which we expect to define program performance. Such measures will be based on the baseline indicators we selected at an earlier point in the task force process;
- ° projection of program accomplishments -- the levels of program activity, output, and accomplishment which we expect to result from our program and resource management decisions;
- ° an accountability reporting system -- a quality-controlled means for reviewing actual performance against planned program accomplishments and taking appropriate action based upon the results;
- ° assignment of appropriate rules and responsibilities -- a means of insuring that these evaluations will be used by Regionwide management to make corrections and improve program performance.

MTF OPERATIONS AND PROCEDURES

The ARA for Planning and Management has been directed by the Regional Administrator to serve as manager of the Region's planning and budgetary process. This designation has taken place because, in the past, the process has lacked needed direction and focus. As a result:

- ° deadlines were not perceived as important, nor was there a real sense as to which planning process products were more important than others;
- ° some planning products were not clearly defined, rules and guidelines concerning changes were not known, and products were inconsistently evaluated;
- ° meetings were held irregularly, little pressure was exerted to insure adherence to a regularized process, and participants became dissatisfied.
- ° task forces operated without benefit of schedules and without the ability to relate to each other (in a planning sense) in a meaningful way.

The Region's MTF planning process influences the expenditure of far too much money and involves too many people to be allowed simply to run itself without direction. Therefore, the principal responsibility of the planning process manager will be to orchestrate and manage process operations (but not to dictate program content or the outcome of task force deliberations). Accordingly, the ARA for Planning and Management will establish an MTF planning schedule, insure that work assignments are completed as set forth by the task force chair, clarify the purpose of different components of the planning process and their relationships with one another, resolve disputes about roles and responsibilities of participants, and generally make the process operate on time and efficiently. In addition, the ARA will play a role in helping to define the substance of the planning process by ensuring that the analytic agenda employed during task force deliberations is responsive to all relevant policy guidance and issues that are believed to be important in an appropriate order of priority.

MTF OPERATIONS AND PROCEDURES (Continued)

Task force meetings will be held once each week at a regular time and place during the January through June period when the planning process is most active. Each member, or his/her designated alternate, is expected to attend all meetings. A written agenda will be prepared and circulated in advance of each meeting by the planning process manager after consultation with each of the MTF chairs who will, of course, have overall responsibility for establishing the task force agenda and for conducting the meetings. In addition to publishing agendas in advance, the ARA will provide other necessary secretariat and housekeeping services in accordance with the RA's memorandum of December 17, 1980. These services will include the following:

- ° insuring that product due dates are maintained in effect throughout the duration of the process;
- ° helping to establish appropriate response intervals with respect to required reviews, replies and decisions undertaken as part of the deliberative process;
- ° maintaining and publishing a record of actions taken during task force meetings and distributing these results to appropriate staff;
- ° devising a structured and documented appeals process for consideration of the RA and task force management.

The RA and the planning process manager will hold senior managers and others accountable for their participation in the planning process. This will be done formally through work plans and performance standards, as well as through day-to-day contacts and discussions of progress. Specific discussions in this regard are likely to become a part of the agenda covered in the RA's regular meetings with Division Managers.

MTF OPERATIONS AND PROCEDURES (Continued)

Finally, it is proposed that the Region's media task force strategies be compiled and defined with greater speed and precision than was accomplished last year. A clear focus on strategy updating and refinement (rather than working from a zero base) should facilitate this proposal. A four-staged process such as depicted below is suggested as a means to characterize the sequence of MTF deliberations. Task force chairs can take appropriate steps to adapt this suggested sequence to their own situations.

Stage One

- Review of FY81 strategy, including:
 - .. discussion of progress made and accomplishments
 - .. identification of carryover issues
 - .. assessment of adequacy of goals/priorities statements
- Identification of "new" issues requiring MTF commitments and action in FY82 or beyond
- Discussion and agreement on staff assignments

Stage Two

- Presentation and discussion of staff papers on:
 - .. condition of the ambient environment in the medium
 - .. identification of pollution problem areas and "hot spots"
 - .. existing and anticipated programmatic, managerial, operational, or other capabilities.
 (NOTE: suggestion that staff papers be completed and distributed for review by MTF members prior to the meeting)
- Initial discussion of regional, multistate, and state specific MTF priorities for FY82
- Discussion and agreement on staff assignments to prepare strategy draft incorporating the findings of meetings one and two.

Stage Three

- Presentation and discussion of draft MTF strategy
- Initial clustering of recommended and agreed upon priorities (top, mid-level, low...), etc.
- Discussion and agreement on staff assignments for stage four including for example:
 - .. Coordinators to solicit State comments on draft.
 - .. Chairman (and others) to secure RA's comments on draft.
 - .. RMB to provide financial/resource assessment on achievability of priorities as listed.
 - .. Specialized units (Enforcement, S&A, OIEP, GLNPO, etc.) to prepare or expand upon strategy statements within their respective areas of expertise.
 - .. Etc.

Stage Four

- Presentation and discussion of material resulting from staff assignments.
- Presentation and discussion of proposed final priorities for FY82 strategy
- Identification of unresolved issues requiring preparation of minority reports and RA decisions.
- Staff assignments for preparation of final report(s) to the RA.

Following Stage Four

- Final report preparation and forwarding to RA for approval
- Follow-up meetings between the RA, MTF Chairman, and others as required.

STATE/EPA AGREEMENTS

As has been the case with respect to the various components of MTF strategy-making, no major new departures are expected in the area of SEA agreement formulation for this coming year. Our goal for the development of SEAs remains the same: these documents remain important tools for top management to identify general program directions and specific environmental or programmatic priorities to be addressed in each of the states over the coming year (and beyond). The priorities, in turn, contribute directly to and guide preparation of program work plans and grant applications by each of the states.

The one major refinement in the SEA process involves the participation of the Regional Administrator. The Regional Administrator will be prepared to meet with each of his state agency counterparts prior to the senior management negotiating sessions. During these meetings, the RA will be reviewing and closing out FY80 SEAs and discussing important developments that have occurred relative to the current SEAs for FY81. The State Coordinators will prepare and brief the RA on progress and accompany him on these visits.

In our deliberations concerning SEA format, we need not rigidly adhere to the formal guidance that have been set forth in the attached timetable. It is recognized that each state constitutes a different set of circumstances and that uniformity in these kinds of negotiations cannot be rigidly enforced. What will be important in all of these deliberations is that EPA and the individual states come to substantial agreement on general directions to be followed early on in the process. This includes the early identification of priority focus areas (assisted and

STATE/EPA AGREEMENTS (Continued)

guided by associated statements within MTF strategies), their relative degree of importance, and the level of effort that will be required to address these problems.

The process for FY82 has already begun with the publication of the November/December issue of Environment Midwest. Contained in this special issue are the Region's SEA goals and expectations for the current work year, as well as some of the specific improvements we expect to negotiate for FY82. It is our intent to move the process along more quickly than has been the case in the past in that intend to conclude SEA negotiations and final arrangements by no later than the end of June, 1981 for each of the six states. This timing will better insure that the SEAs, in fact, "drive" state program planning and internal Regional planning and performance standards write-ups to the maximum feasible extent.

In order to achieve this goals, SEA agreement-making will require more top-level staff attention at the very beginning of the process. This means we will be focusing earlier on important issues while avoiding the pitfalls of getting bogged down in too many details. Most program-specific details and "problem-solving approaches" can be worked out during the course of the State-EPA work plan development process which will occur throughout the summer. Assignment of the Assistant to the Regional Administrator as principal coordinator of the SEA process will help provide the attention and consistency desired.

Finally, in order for SEAs to be useful, there needs to be a better level of understanding on the part of top management as to where we are

STATE/EPA AGREEMENTS (Continued)

with respect to developments taking place during the current work year under existing SEAs. Accordingly, it will be necessary for us to develop and put in place a system that tracks and monitors accomplishments and program outputs.

FY1982 STATE/EPA AGREEMENT TIMETABLE

<u>TASKS</u>	<u>DEADLINES</u>
1. State Coordinators and States develop public participation mechanisms for the Agreements with the States	December 15, 1980
2. FY82 HQ guidance received by Region	January 1, 1981
3. States and EPA prepare media strategies	January 30, 1981
4. RA and State Coordinators visit State Directors, review FY80 SEA Agreements	January 15/ February 2, 1981
5. States and EPA negotiate "Highlighted Issues"	February
6. EPA and States evaluate progress on the FY81 Agreement and conduct FY80 Mid-Year Evaluations	April 1
7. General "Problem Solving Approaches" to highlight issues discussed as prelude to State guidance	April 10
8. State Coordinators and States complete first draft of the Agreements	April 17
9. States and EPA negotiate remaining differences on general program directions, strategy, and highlights	April 17 - May 1
10. State Coordinators and States prepare final drafts of the Agreements; distribution for public comment	May 8
11. State Specific Guidances delivered to the States; meetings between State and EPA follow to discuss and interpret guidance relative to draft SEA's	May 11
12. Agreements signed	June 19
13. Submission of State Work Plans	July 1
14. EPA sends formal program plan comments to States	August 3
15. Program plan PSA's incorporated into SEA and States hold public hearing on grants	August 3

FY1982 STATE/EPA AGREEMENT TIMETABLE (Continued)

16. States Submit Grant Applications and
Final Work Programs

September 1

17. Grant awards

October 1