

1. During the 2016 sessions, what did the department testify would be the effects of the FY 17 budget on services, staffing, and contracts?

The department testified that there would be minimal to no effect on services, staffing, and contracts as a result of the budget as it was then appropriated. The majority of the agency's budget request for FY 2017 was appropriated – with the exception of several large acquisition items (replacement vehicles). Therefore, the anticipated and actual impact was minimal.

2. Compared to FY 16, what reductions, including services, staffing, and contracts, have been made in the department in FY 17?

No significant reductions have been made to the department in FY 2017 as compared FY 2016. Though staffing reductions over time have made it difficult to perform all required services, DEQ has been able to continue with its current service level, close to full staffing level, and contracts have maintained sufficient budget to ensure all critical services are provided. Some vacancies have been held in FY 2017 to comply with the hiring freeze executive order. Technical and scientific positions have been prioritized while administrative and other positions have been held.

3. What reductions would the department make if there are mid-year reductions to the FY 17 budget?

The department proposed several cuts to statutory dedicated funds as part of the administration's mid-year reduction request in November. All items except the Q07 personnel services cuts will be backfilled, according to OPB. The cuts are outlined below:

Categories	OEC		OES	OMF		Total
	Q01	Q02	Q07	Q02	Q06	
Personnel Services			(4,750)			\$ (4,750)
Travel						\$ -
Operating Services						\$ -
Supplies						\$ -
IAT				(850,000)		\$ (850,000)
Other Charges	(213,074)				(501,762)	\$ (714,836)
Professional Services						
Acquisitions		(186,202)				\$ (186,202)
Total Cuts	\$ (213,074)	\$ (186,202)	\$ (4,750)	\$ (850,000)	\$ (501,762)	\$ (1,755,788)

Q01 – Delay of remediation work until FY 2018.

Q02 – Acquisition cuts (25% of budget) as part of JBE16-03 expenditure freeze, and includes all non-MAML acquisitions. Also IAT had excess budget of \$850,000 that was cut.

Q07 – Attrition as a result of JBE16-03.

Q06 – Waste tire processor payments – cash is available, but budget is needed.
Carryforward fund balance from FY 2016 was \$3.1 million.

4. Provide a brief overview of the FY 18 budget request compared to FY 17 by budget unit. What increases are requested in FY 18 and why are the increases necessary, including any new or expanded programs or services to additional populations? Are there any reductions in the FY 18 budget requests, including those as a result of annualizing reductions made in FY 17?

We have requested a total of 14 additional positions where necessary as well as requested budget for necessary acquisitions to accompany these positions, for a total requested increase of \$1,526,477. The positions requested include:

- Mercury in Fish Tissue Sampling Program (5 TO) – This request will create a dedicated fish sampling team, along with supporting equipment and funding requirements, to enhance and expand the capabilities of the program and allow accelerated testing statewide.
- Sulfur Dioxide (SO₂) Monitoring (3 TO) – This request will allow the agency to operate and maintain the EPA-required SO₂ monitors beginning on July 1, 2017. There are seven sites within three of the regional districts.
- Natural Resource Damage Assessment (NRDA) – LOSCO (1 TO) – This position will be funded entirely by the Louisiana Oil Spill Coordinator's Office and will allow DEQ to more fully conduct Natural Resource Damage Assessments, pre-assessments, injury assessments, and/or restoration planning resulting from an oil spill to compensate the public for injuries to natural resources.
- Watershed Reach and Boundary Management (1 TO) – This technical staff position will perform routine maintenance and updates to the surface watershed reach and boundary data set, identify and resolve errors, and perform quality assurance reviews to aid the management framework for surface waters, as required by the Clean Water Act.
- NRDA - BP Deepwater Horizon Oil Spill Restoration (1 TO) – This technical staff will allow DEQ to conduct natural resource damage assessment restoration for the BP Deepwater Horizon Oil Spill to compensate the public for injuries to natural resources.
- Municipal Separate Storm Sewer Systems (MS4) Permitting (2 TO) – To comply with a newly issued EPA rule, an expanded MS4 program will be required to thoroughly review Storm Water Management Programs, annual reports, participate in inspections/audits, and conduct training for the approximately 70 small MS4s within Louisiana.
- IT Technical Support Consultant (1 TO) – This position will allow DEQ to properly maximize the usefulness of its three unmanned aerial vehicles (UAVs or drones) and will ensure DEQ is able to properly oversee its regulated sites statewide in a safe, efficient, and effective manner.

There is a remaining net increase from FY 2017 to FY 2018 totaling \$846,304. These requests include replacement equipment, replacement of aging vehicles in the DEQ fleet, personnel adjustments, and increase in waste tire Other Charges (payments to processors).

- Has the department added any positions, including classified, unclassified, and other charges positions, in FY 17? If so, how many and what positions? Did the department request additional positions in the FY 18 budget request? If so, how many and what positions.

The department added one position in FY 2017. This position, which was filled effective November 21, 2016, is an internal auditor. The internal auditor position was added to allow the department to properly respond to an audit finding in its 2016 C&C audit conducted by the LLA. The finding was that DEQ did not have an effective internal audit function. The issue was largely caused by reductions in TO in the audit services section, along with a required number of external audits to be conducted that consumed the section's available audit hours.

The department requested 14 additional positions in its FY 2018 budget request. These all represent new or expanded services. The positions are outlined in question 4 above.

- Provide a summary of changes in salaries from FY 16 to FY 17, including performance adjustments, promotions, or any other changes in salaries. Provide a summary of requested changes in salaries from FY 17 to FY 18, including performance adjustments, promotions, or any other changes in salaries.

	FY 16 EOB	Total Adjustments	FY 17 Budget	Total Adjustments	FY 18 Requested
Office of the Secretary	5,596,455	102,160	5,698,615	(812,925)	4,885,690
Office of Environmental Compliance	19,086,433	(712,696)	18,373,737	(6,049,748)	12,323,989
Office of Environmental Services	10,643,503	458,460	11,101,963	(1,706,513)	9,395,450
Office of Management and Finance	2,347,524	249,784	2,597,308	307,903	2,905,211
Office of Environmental Assessment	n/a	n/a	n/a	10,568,533	10,568,533
Total	37,673,915	97,708	37,771,623	37,771,623	40,078,873

Full changes available in Attachment 1.

- What budget adjustments have been made since the initial appropriation to your department? How much in each means of finance has been appropriated to each agency since the initial appropriation?

Mid-year cuts as outlined above in question 3.

We have also increased the budget in statutory dedicated funds with carryforward BA-7s, additional waste tire funding from Zika virus grant money through LDH, replacement vehicles that were totaled in the flood, and replacement equipment at air monitoring

stations that were damaged in the flood. These increases total \$1,526,973. See Attachment 2 for more detail on these adjustments.

8. Do your spending and staffing levels match the priorities of your department?

Spending and staffing levels allow us to meet the requirements of the department, but are not at the optimum levels necessary to ensure the agency functions at its ideal capacity. Based on the current administration's mission and vision for the department, additional staffing and spending will be needed in the near future.

9. Provide the top 5 performance measures that give the outcomes in your department. How do you rank nationally based on these priority measures?

Based on a review of our performance measures, we have identified the following as driving the overall department outcomes:

- i. Percent of municipalities implementing planned wastewater improvements to ultimately ensure compliance with the federal Clean Water Act using funds from the Clean Water State Revolving Fund
- ii. Percent of air Title V facilities inspected
- iii. Percent of waterbody subsegments monitored and sampled
- iv. Percent of water quality permit applications for which a final action is taken within the regulatory established timeframe of 300 days for initial or substantially modified permits.
- v. Percent of enforcement actions issued within the prescribed timelines.

10. Provide a list of all sources of revenue that are not appropriated. These funds could include restricted or off budget accounts. Also, please provide the amount anticipated to be used in FY 17, the amount in FY 18, and any balance or reserve amount for each source or revenue.

DEQ has no revenues that are not appropriated. DEQ does have funds in escrow accounts that are not appropriated.