



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
INSPECTOR GENERAL

May 28, 2015

MEMORANDUM

SUBJECT: Project Notification:
EPA Progress in Reducing Taxpayer Environmental Liabilities
Project No. OPE-FY15-0052

FROM: Christina Lovingood, Director /s/
Land Cleanup and Waste Management Evaluations
Office of Program Evaluation

TO: Cynthia Giles, Assistant Administrator
Office of Enforcement and Compliance Assurance

Mathy Stanislaus, Assistant Administrator
Office of Solid Waste and Emergency Response

The Office of Inspector General (OIG) for the U.S. Environmental Protection Agency (EPA) plans to begin preliminary research on the EPA's progress in reducing taxpayer liabilities through the use of financial assurance instruments for Resource Conservation and Recovery Act (RCRA) facilities and Superfund sites. This project is included in our fiscal year 2015 annual plan.

The OIG's objectives are to answer the following questions:

- (1) Does the EPA review nationwide RCRA and Superfund financial liabilities for companies with multiple facilities/sites to verify that financial assurance mechanisms are valid?
- (2) Are all environmental liabilities (from both RCRA and Superfund programs) included in financial assurance evaluations?

These objectives are preliminary and subject to change if the OIG moves into the fieldwork phase of the evaluation. The OIG plans to conduct work at EPA headquarters and selected regions. We will interview relevant managers and staff in the Office of Environmental Policy and Compliance, the Office of Superfund Remediation and Technology Innovation, the Office of Resource Conservation and Recovery, the regions, and elsewhere as necessary. Applicable generally accepted government auditing standards will be used in conducting our evaluation. The anticipated benefits of this project are improved business practices leading to potential reductions in taxpayer liabilities.

We will work with your Audit Follow-Up Coordinator to arrange a kickoff meeting at a mutually agreeable time to discuss our objectives and the purpose of the preliminary research phase of our project. We would also be particularly interested in any areas of concern that you may have. We will answer any of your questions about the project process, reporting procedures, methods used to gather

and analyze data, and what we should expect of each other during the course of the project. Throughout the project, we will provide updates on a regular basis to agreed-upon contacts from your office on the status of our evaluation.

To help ensure the success and timely completion of this project, we request that you provide any internal EPA policies, procedures or guidance for reviewing RCRA and Superfund financial assurance instruments at or before the kickoff meeting.

We respectfully note that the OIG is authorized by the Inspector General Act of 1978 to have timely access to personnel and all materials necessary to complete its objectives. We will request your resolution if an agency employee or contractor refuses to provide requested records to the OIG, or otherwise fails to cooperate with the OIG. We may report unresolved access matters to the Administrator and include the incident in the Semiannual Report to Congress.

The project will be supervised by me and the Project Manager will be Jill Trynosky. Any information related to the project should be addressed to me at (202) 566-2906 or lovingood.tina@epa.gov, or Jill Trynosky at (202) 566-2718 or trynosky.jill@epa.gov.

cc: Lawrence Starfield, Principal Deputy Assistant Administrator, Office of Enforcement and Compliance Assurance
Barry Breen, Principal Deputy Assistant Administrator, Office of Solid Waste and Emergency Response
Gwendolyn Spriggs, Audit Follow-Up Coordinator, Office of Enforcement and Compliance Assurance
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