



# At a Glance

*Catalyst for Improving the Environment*

## Why We Did This Review

In February 2006, the Office of Inspector General recommended that the U.S. Environmental Protection Agency (EPA) timely review Superfund special accounts to ensure funds are used consistent with guidance. We followed up on EPA's progress in implementing this and other recommendations by evaluating EPA's use of special accounts that had high available balances or were at least 10 years old.

## Background

The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) authorizes EPA to retain and use funds received in settlements to address CERCLA response actions contemplated in settlement agreements. EPA retains these funds in site-specific accounts, called "special accounts." As of May 2008, EPA had over \$1.1 billion in 819 Superfund special accounts.

**For further information, contact our Office of Congressional, Public Affairs and Management at (202) 566-2391.**

**To view the full report, click on the following link:**  
[www.epa.gov/oig/reports/2009/20090318-09-P-0119.pdf](http://www.epa.gov/oig/reports/2009/20090318-09-P-0119.pdf)

## ***Improved Management of Superfund Special Accounts Will Make More Funds Available for Clean-ups***

### **What We Found**

EPA had not used about \$65 million in Superfund special accounts that were available because it lacked some management controls. Additionally, EPA was holding more than \$88 million in special account funds in reserve that could be used to support priority Superfund sites, including sites where human exposure was not under control. EPA's fragmented and uncoordinated approaches to account for these funds led to missed opportunities to fund needed Superfund clean-ups. EPA lacked visibility over the amount and use of special account funds. In previous reports, we had recommended that about \$59 million of the \$65 million of idle special account funds be reclassified or transferred to the Hazardous Substance Superfund Trust Fund (Trust Fund). In this report, we recommend that the remaining approximately \$6.6 million be reclassified or transferred to the Trust Fund.

EPA has addressed various aspects of managing special accounts. However, improvements in EPA oversight and management of some accounts are needed to ensure Agency guidance is followed and the significant amount of money in Superfund special accounts is properly managed to support Superfund clean-up needs. EPA has not established the management controls needed to address the challenge of managing the \$1.1 billion it currently has in 819 Superfund special accounts.

### **What We Recommend**

We recommend that EPA implement management controls to improve its use, management, and transparency of special accounts. A central management official is needed, available account data needs to be used, and new policies and public reporting requirements need to be implemented. EPA agreed with and has implemented, or committed to implement, recommendations in earlier reports to reclassify or transfer to the Trust Fund \$59 million in idle special accounts, and it should now act on the remaining \$6.6 million. EPA generally concurred with the Office of Inspector General's recommendations for improving the management of special accounts. However, some of the actions the Agency proposed to take did not meet the intent of OIG Recommendation 1. Therefore portions of Recommendation 1 are undecided with resolution in progress. Regions 1, 2, 4, 6, 7, and 10 generally concurred with the recommendations, and in some cases, had already implemented them or provided updated figures. Several regional recommendations remain open.