Appendix E
Report to the EPA Inspector General

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

NOV 20 1996

THE INSPECTOR GENERAL

MEMORANDUM

SUBJECT: Review of The Superfund Annual Report To Congress
For Fiscal Years 1992, 1993 and 1994
Audit Report E1SFF5-11-0029-7100062

FROM: John C. Martin
Inspector General

TO: Carol M. Browner
Administrator

Background and Summary of Results

The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Section 301 (h)(1), as amended by the Superfund Amendments and Reauthorization Act of 1986 (SARA) requires EPA (the Agency) to submit, by January 1st of each year, a report on the progress in implementing Superfund during the prior fiscal year. The Inspector General is required to review the report for reasonableness and accuracy and submit to Congress, as part of the Agency's report, a report on the results of the review (as cited in Section 301 (h)(2)).

We have completed a review of the Environmental Protection Agency's Annual Report to Congress (Annual Report), Progress Toward Implementing Superfund. This review covers fiscal years 1992, 1993 and 1994. We found that the Annual Reports for these years included the information required by the applicable statute as interpreted by the Agency. We believe the Annual Reports were generally accurate and reasonable, and displayed consistent data for the three fiscal years under review. Additionally, we followed up on our 1994 follow-up review report Superfund Performance Measures. We found that the Agency had acted on our recommendations to our satisfaction.

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Objectives and Scope

The objective of our review was to determine whether the Agency's Annual Reports, Progress Toward Implementing Superfund, are reasonable and accurate, as required by the statute. We began our review on September 20, 1995, and completed our work on October 31, 1996. We performed our review at EPA Headquarter's Office of Emergency and Remedial Response (OERR) in the Office of Solid Waste and Emergency Response (OSWER).

We received draft versions of each of the three Annual Reports as follows: 1) the Fiscal Year 1992 Annual Report (September 1994); 2) the Fiscal Year 1993 Annual Report (October 1995); and 3) the Fiscal Year 1994 Annual Report (May 1996). In early September, we received the Fiscal Year 1992, Fiscal Year 1993 and Fiscal Year 1994 Annual Reports that would later be sent to the Administrator for signature.

We conducted a limited scope review of the three Annual Reports to examine the internal consistency within each report and the consistencies between all three reports. We did not review CERCLIS data printouts. We did not perform in-depth audit work in the areas we examined in our past reports. Detailed reviews were reported in Consolidated Report regarding Fiscal 1992 CERCLIS Data Audit Report No. E1SFF3-11-0016-3100392, dated September 29, 1993, Reliability of CERCLIS Data: Superfund Performance Measures for Fiscal 1993 Audit Report No. E1SFF3-11-0029-4100229, dated March 30, 1994 and Follow-up Review Report No. E1SFG5-11-5005-5400014 Superfund Performance Measures, dated November 15, 1994. Due to the rigorous examinations performed during these and other previous reviews, we believe our review of the three Annual Reports coupled with the above-mentioned reports is sufficient to meet the requirements of the Act.

We began our field work by individually examining 100 percent of the numerical data in each Annual Reports' executive summary exhibits ("**Summary of Fiscal Year 1992 or 1993 or 1994 Superfund Activities**," "**Summary of Program Activity by Fiscal Year**" and "**Statutory Requirements for the Report**") and comparing the exhibits to data within the body of the Reports. We reviewed the data in each exhibit and made determinations whether that data was supported by and consistent to the data in the body of the Annual Reports. We then looked at the consistency between the three Annual Reports. We made determinations on whether Fiscal Year 1992 information in the Fiscal Year 1993 Annual Report was reasonable and consistent with information in the Fiscal Year 1992 Annual Report and used the same method of analysis for the Fiscal Year 1993 and Fiscal Year 1994 Annual Report and among the three Annual Reports. We also performed general calculations on selected data within the exhibits and body of the Annual Reports to verify their accuracy.

We also followed up on the status of actions taken on our recommendations following the issuance of our 1994 follow up review report on Superfund performance measures. We met with Agency officials to discuss their progress in completing our recommendations and obtained the relevant supporting documentation.

Results of Review

During our review of the exhibits of the three Annual Reports, we requested clarifications be made to minor portions of the Annual Reports' wording. Some of the items questioned did not warrant a change in the report; however, for those items that did require a change, the Agency agreed to the data corrections. The chart below summarizes the 26 items questioned.

QUESTIONED ITEMS IN ANNUAL REPORTS' EXHIBITS

YEAR	QUESTIONED ITEMS	SATISFACTORY SUPPORT OR CORRECTION PROVIDED
1992	4	4
1993	10	10
1994	12	12

The items we questioned were mostly ones where numbers in the exhibits did not agree with the corresponding information in the body of the Annual Reports. Other items needed further clarification with the addition of a sentence or change in wording. The Agency provided us with other supporting documents for two of the questioned items. To support the numbers in the Fiscal Year 1992 Annual Report for "Sites with Remedial Activities in Progress on September 30, 1992" and "Sites Proposed for Deletions During FY92," the Agency provided us with documentation from the Federal Register listings. Also, for the Fiscal Year 1992 Annual Report, the Agency provided us with a list indicating that 24 sites required 5-year reviews. As indicated in the Fiscal Year 1992 Annual Report, the Agency conducted 6 reviews for the fiscal year. The remainder of questioned items did not require any further action.

We also followed up on the progress of actions taken on recommendations from our 1994 follow up review report on the Superfund performance measures. We found that the Agency's documentation for a change in CERCLIS to prevent certain inaccuracies from being recorded in the system is still in draft. However, we were informed that plans in the documents were being implemented. Other actions resulting from our Reliability of CERCLIS Data: Superfund Performance Measures for Fiscal 1993 audit report, were in process or implemented at the time of our 1994 follow up review.

We were told that the Mateer model, a strategy to stress accurate data management on the part of Remedial Project Managers and On-Scene Coordinators, had been terminated. The recommendation regarding this strategy was satisfied through other actions the Agency took to improve accomplishment reporting.

The Agency took the necessary actions to correct and clarify information and obtain necessary documentation during this review. Agency officials were responsive to our inquiries concerning the Annual Reports and recommendations from the follow up review report.