

Appendix D
Report of the
Inspector General



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

OCT 27 1999

THE INSPECTOR GENERAL

MEMORANDUM

SUBJECT: Review of the Superfund Annual Report to Congress
for Fiscal Year 1998
Audit Report 2000-P-2

TO: Carol M. Browner
Administrator

Purpose Background and Summary of Results

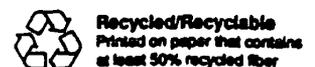
Section 301 (h)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended by the Superfund Amendments and Reauthorization Act of 1986, requires EPA (the Agency) to submit to Congress, by January 1 of each year, a report on its progress in implementing Superfund during the prior fiscal year.

We have completed our mandated review of the fiscal year 1998 Annual Report to Congress (Annual Report), Progress Toward Implementing Superfund. In accordance with Section 301 (h)(2), we reviewed the Annual Report for reasonableness and accuracy. This report becomes part of the Annual Report.

We reviewed the final draft report dated September 30, 1999, with the exception of data for the Resources Estimate Chapter which was not completed at the time of our review. However, we have not noted any concerns with this section in the past. We concluded that the fiscal year 1998 Annual Report was, on an overall basis, reasonable and accurate. However, we identified minor concerns with certain data and suggested that the Office of Emergency and Remedial Response make the necessary corrections for greater accuracy. We are closing this report on issuance and no written response is necessary.

Scope and Methodology

We conducted our review at EPA Headquarters' Office of Emergency and Remedial Response (OERR) in the Office of Solid Waste and Emergency Response (OSWER), and in Regions 1,4, and 9. We began our review on January 19, 1999, and completed field work on October 15, 1999. For purposes of this review, we defined "reasonableness" as information that was rationally grounded and not excessive in nature. We defined "accuracy" as consistent with supporting documentation and not contradicting past or similar information. To perform our



review, we obtained Superfund data from the Agency's Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) that related to the accomplishments in the Annual Report. We compared the information recorded to data in the Annual Report and source documentation in the regional locations visited. We reviewed the Superfund and Oil Program Implementation Manual for data entry and documentation requirements of CERCLIS data. We also held discussions and interviews with EPA regional and Headquarters staff.

Objectives

The overall objective of our review was to determine whether the Agency's fiscal year 1998 Annual Report was reasonable and accurate, as required by the statute. Sub-objectives we pursued to meet our overall objective were to determine whether:

- 1) the Annual Report presented consistent accomplishment information within the report, and between this report and the prior report;
- 2) accomplishments for preliminary assessments and site inspections requiring no further action, removal action completions, and construction completions were supported by source documentation; and
- 3) Certain internal controls over data entry were adequate.

Results of the Review

The Annual report for fiscal year 1998 is generally accurate and reasonable. Greater accuracy can be realized if certain corrections are made. Below are the review results individually addressing each of our three specific sub-objectives.

To answer our first sub-objective, we judgementally selected accomplishment data in the Annual Report's executive summary and compared the data in the summary to the data within the text of the Annual Report itself. We also compared this information to data in the fiscal year 1997 report to identify apparent inconsistencies. We identified minor inconsistencies in the draft report. We communicated our concerns to OERR staff who will make the necessary corrections.

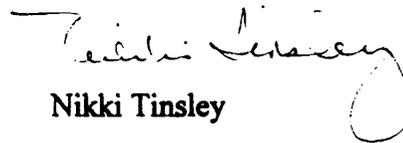
Concerning our second sub-objective, we obtained Superfund site data related to the Annual Reports' Government Performance and Results Act performance measures and visited EPA Regions 1, 4, and 9 to determine whether source documentation supported the data. For this review, acceptable support consisted of signed forms or memorandums indicating no action at a site, pollution reports or memorandums stating the completion of removal actions, preliminary or final close out reports, no-further-action Records of Decision, or deletion notices. These are documents the Agency would sign to confirm that they have met the criteria for

preliminary assessments and site inspections requiring no further action, removal action completions, and construction completions. We found source documentation supporting 100 percent of the construction completion accomplishments, one of the Agency's main indicators of site progress. However, we identified inconsistencies, most of which were minor, between CERCLIS data and source documentation for preliminary assessments, site inspection and removal action completions. We have communicated our concerns to OERR under a separate memorandum.

For the third sub-objective, we conducted a limited review of internal controls over data entry procedures for CERCLIS data. We did not conduct an internal control review of the entire CERCLIS data system. We interviewed remedial program managers, site managers, and data analysts in Regions 1, 4, and 9. We observed that data entry controls were generally adequate. However, some improvements are needed to ensure that CERCLIS data is accurate and supporting documentation is maintained. Our memorandum to OERR also discussed this issue.

Conclusion

As of the date of this report, we believe the fiscal year 1998 Annual Report is reasonable and accurate. The final report will be enhanced if OERR makes necessary corrections before the report is distributed.


Nikki Tinsley