



# At a Glance

*Catalyst for Improving the Environment*

## Why We Did This Review

The purpose of this audit was to determine whether the U.S. Environmental Protection Agency's (EPA's) Superfund oversight bills reflect the correct nature and dollar amount, and whether EPA timely bills and collects Superfund oversight expenditures.

## Background

Although potentially responsible parties (PRPs) pay for cleanup at Enforcement Lead Superfund sites, EPA incurs oversight costs from monitoring the PRPs' cleanup work. The Comprehensive Environmental Response, Compensation, and Liability Act authorizes EPA to recover from PRPs Superfund cleanup costs that are not inconsistent with the National Contingency Plan.

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

The full report is at:  
[www.epa.gov/oig/reports/2011/20110922-11-P-0697.pdf](http://www.epa.gov/oig/reports/2011/20110922-11-P-0697.pdf)

## ***EPA Should Bill Superfund Oversight Costs More Timely***

### **What We Found**

Based on our audit of oversight billings for nine sites in Regions 1, 5, and 9, we found that Region 5 did not timely bill or did not bill approximately \$8.6 million in oversight costs for two sites. The \$8.6 million consists of \$2.5 million for costs incurred between 2000 and 2008 that were not timely billed, and \$6.1 million that was not billed prior to the start of our audit. During our audit, Region 5 billed about \$1 million of the \$6.1 million. We did not identify problems with oversight cost billings in Regions 1 or 9.

Region 5 did not timely bill oversight costs and has not billed certain costs because the accounting staff has difficulty in allocating costs at sites with multiple agreements and operable units, and the case management team has difficulty coordinating review of oversight costs. Further, EPA's policies do not require oversight bills to be issued within a specific timeframe. Untimely billing of oversight costs results in delays in replenishing the Superfund Trust Fund, and limits EPA's ability to timely clean up other priority sites to further protect human health and the environment.

### **What We Recommend**

We recommend that the Region 5 Regional Administrator direct the Superfund Division Director to develop a policy to require that oversight billings be issued no less than annually, and procedures to help staff prepare oversight billings and resolve billing problems. We also recommend that the Region 5 Regional Administrator direct the Superfund Division Director to bill PRPs up to \$4,319,545 incurred for the Allied Paper site and approximately \$783,845 for the Sauget site.

While Region 5 did not agree with the recommendation to issue a policy requiring annual billings, Region 5 stated that it plans to bill any future oversight costs on an annual basis. If the Agency bills annually as indicated, that would address the intent of our recommendation. Region 5 agreed that additional protocols are needed to ensure that management is made aware of any projected delay in oversight billing and will develop standard operating procedures. Region 5 partially satisfied our last recommendation by billing \$2,389,367 and \$757,312 in costs for the Allied and Sauget sites, respectively, through August 2, 2011. Because of the timing of the billings, we were unable to verify how much remains to be billed.