



Highlights of [GAO-12-109](#), a report to the Ranking Member, Committee on Environment and Public Works, U.S. Senate

## Why GAO Did This Study

Under the Superfund program, EPA has the authority to enter into agreements with potentially responsible parties for them to conduct a cleanup at hazardous waste sites or compel potentially responsible parties to do so. EPA can also conduct cleanups itself and then seek reimbursement. EPA is authorized to retain and use funds received from settlements with these parties in interest-earning, site-specific special accounts within the Trust Fund. These accounts provide resources in addition to annual appropriations to clean up sites. The number of accounts grew slowly until 1995 when EPA encouraged their greater use. After 1995, their number and dollar value increased. EPA headquarters is responsible for overseeing its regions' management of special accounts. In two reports issued in 2006 and 2009, the EPA IG made recommendations to EPA to better manage these accounts.

As requested, this report examines the (1) status—that is, balances, locations, and recent and planned uses—of Superfund special accounts, and (2) extent to which EPA's headquarters and regions have implemented processes and policies to improve the monitoring and management of these accounts. GAO analyzed EPA Superfund program data, guidance, and strategies, and interviewed EPA officials.

GAO is not making recommendations in this report. GAO provided a draft of this report to EPA for review and comment. EPA provided technical comments that were incorporated into the report, as appropriate.

View [GAO-12-109](#). For more information, contact Carolyn L. Yocom at (202) 512-7114 or [yocomc@gao.gov](mailto:yocomc@gao.gov).

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## SUPERFUND

### Status of EPA's Efforts to Improve Its Management and Oversight of Special Accounts

## What GAO Found

From fiscal year 1990 through October 2010, the Environmental Protection Agency's (EPA) 10 regions collected from potentially responsible parties almost \$4 billion in funds that were placed in special accounts. Nearly half of these funds are still available to be obligated for future Superfund cleanup; the remaining funds have already been obligated, but not all of these obligated funds have been disbursed. According to GAO's analysis of EPA data, EPA has plans to obligate almost all of the available funds in special accounts over the next 10 years. However, EPA regional officials told GAO that special account funds that are planned to be obligated are estimates rather than commitments, and the planned use of funds often changes as site circumstances warrant. As of October 2010, of the \$1.9 billion funds that EPA had obligated for Superfund cleanup expenses, \$1.6 billion had been disbursed.

According to GAO's review of EPA documents and interviews with agency officials, EPA has taken steps, including implementing strategies and guidance, in the last few years to better monitor and manage special accounts. EPA took these steps in response to the EPA Inspector General's (IG) findings and recommendations, as well as EPA officials' own recognition that the agency needed to provide better oversight of the special accounts process. These steps include the following:

- processes to better plan for the use of special account funds by adding a screen in the agency's Superfund database that enables EPA regions to enter special account planning data into specific data fields and create reports, so that officials can monitor the special account balances against planned obligations for ongoing and future site-specific response activities;
- increased oversight of special accounts, including designating a national special accounts coordinator who, among other things, conducts annual and midyear reviews and holds discussions with regional staff to evaluate their plans to allocate special account funds, and establishing a Special Accounts Senior Management Committee that meets semiannually to provide overall management oversight and monitor the status of special accounts; and
- strategies and guidance on how to plan for using special accounts, including an agencywide strategic plan, overall guidance for the regions on the proper use and planning of special accounts funds throughout the cleanup process, detailed guidance on the reclassification process, and a model memorandum for transferring funds from a special account to the Hazardous Substance Superfund Trust Fund (Trust Fund) and closing out a special account.