



# 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 its guidance. We followed up on EPA's progress in implementing this recommendation by evaluating EPA's use of special accounts that had high available balances or were at least 10 years old.

## Background

Section 122(b)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended by the Superfund Amendments and Reauthorization Act, authorizes EPA to retain and use funds received in settlements to address CERCLA response actions contemplated in the settlement agreements. EPA retains these funds in site-specific accounts, called "special accounts," which are subaccounts within the EPA Hazardous Substance Superfund (Trust Fund).

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

**To view the full report, click on the following link:**  
[www.epa.gov/oig/reports/2007/20070820-2007-S-00002.pdf](http://www.epa.gov/oig/reports/2007/20070820-2007-S-00002.pdf)

## ***Making Better Use of Superfund Special Account Funds for Thermo Chem***

### **What We Found**

We found that Region 5 missed an opportunity to make timely and better use of the funds in the Thermo Chem special account. In 2004, Region 5 staff recommended the reclassification of approximately \$2.8 million from the Thermo Chem special account. However, these funds were not reclassified because the site managers were unaware that action was needed or required. In addition, while EPA's guidance states that "Regions" are responsible for identifying special accounts having balances that are more than anticipated future site needs, it does not specify the title of the regional official responsible for doing so or responsible for processing the reclassification.

Region 5 could have used the \$2.8 million (approximately) to begin construction at other sites in the Region. For example, according to EPA's Web site, in Fiscal Year 2005, EPA stated that the Ottawa Radiation (Areas 1, 4, 9, & 11, and Illinois Power) site did not receive new construction funding. Region 5 could have used the reclassified funds to begin construction at this site in Fiscal Year 2005.

Recently, Region 5 updated future planned uses for the account funds. Approximately \$524,000 of the account funds are not planned for future use.

### **What We Recommend**

We recommend that the Region 5 Administrator reclassify approximately \$2.8 million (plus additional accrued costs) of the Thermo Chem special account to fund other priority response activities. We also recommend that the Region 5 Administrator reclassify, or transfer to the Trust Fund (as appropriate) approximately \$524,000 of the Thermo Chem special account that has no planned future use.