

OFFICE OF THE COMMISSIONER

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APR 21 2015

MEMORANDUM

TO: THE GOVERNOR

Honorable Dean G. Skelos
Senate Majority Leader

Honorable Thomas W. Libous
Senate Deputy Majority Leader

Honorable Carl E. Heastie
Speaker of the Assembly

Honorable Joseph D. Morelle
Assembly Majority Leader

Honorable Andrea Stewart-Cousins
Senate Minority Leader

Honorable Brian M. Kolb
Assembly Minority Leader

Thomas P. DiNapoli
State Comptroller

FROM: Joseph J. Martens *JJM*

RE: Response to the Office of the State Comptroller Audit (2014-S-14)

RECEIVED
EXECUTIVE CORRESPONDENCE

APR 21 2015

OFFICE OF THE STATE COMPTROLLER
THOMAS P. DINAPOLI
COMPTROLLER

The Department of Environmental Conservation (DEC) has reviewed the Office of the State Comptroller's Audit Report 2014-S-14 entitled "Selected Aspects of Inactive Hazardous Waste Site Remediation Cost Recovery" dated January 22, 2015. DEC is pleased that the Comptroller's report found that DEC has a successful program to identify responsible parties for Inactive Hazardous Waste sites, accurately evaluates costs and bills for and collects these costs.



Department of
Environmental
Conservation

In accordance with Section 170 of the Executive Law, DEC's response to this audit is attached. As always, DEC views the audit process as a means to further improve program operations and the delivery of services to the public. DEC would like to acknowledge the time and effort of all employees who were involved with this audit and their desire to improve DEC's operations.

Attachment

- c: Honorable Herman D. Farrell Jr., Assembly Ways & Means Committee Chair
- Honorable Bob Oaks, Assembly Ways & Means Committee Ranking Member
- Honorable John A. DeFrancisco, Senate Finance Committee Chair
- Honorable Liz Krueger, Senate Finance Committee Ranking Member
- Honorable Thomas F. O'Mara, Senate Environmental Conservation Committee Chair
- Honorable Steve Englebright, Assembly Environmental Conservation Committee Chair
- Honorable Ellen Jaffee, Assembly Oversight, Analysis, & Invest. Committee Chair

**NEW YORK STATE
DEPARTMENT OF ENVIRONMENTAL CONSERVATION**

**Response to the Office of the State Comptroller's
Audit Report 2014-S-14**

**Selected Aspects of Inactive Hazardous Waste Site Remediation Cost
Recovery**

The Department is pleased that the Comptroller's report found that DEC has a successful program to identify responsible parties for the clean-up of Inactive Hazardous Waste sites, accurately evaluates clean-up costs and timely bills for and recovers these costs. As indicated in the response below, average billing intervals have decreased since the implementation of DEC's Cost Recovery Tracking Module. In part, this decrease was the result of DEC's examination of workflow processes to determine areas that could be readily automated.

Response to Recommendations

In accordance with Section 170 of the Executive Law, the following presents the Department's response to each of the recommendations contained in the final report.

Recommendation 1: Explore additional ways to increase the efficiency and timeliness of the billing process.

Department Response: DEC agrees with this recommendation. As part of an ongoing effort to improve efficiencies/timeliness, DEC will continue to evaluate various strategies for scheduling cost recovery billings and increasing the efficiency of the billing process. The development and implementation of the Cost Recovery Tracking (CRT) Module in the Unified Information System (UIS) was a multi-year undertaking which was completed and implemented in 2012. Since its implementation, average billing intervals have decreased from an average of 1.4 years per site to an average of 1.03 years per site. The project included an evaluation of business practices and procedures and required collaboration between DEC's Division of Environmental Remediation (DER) and Division of Management and Budget Services (DMBS), DEC Information Technology Services (ITS), and the Department of Health (DOH). It also included a review to identify workflow that could be readily automated. DER will continue to evaluate business practices and procedures and implement efficiencies to the extent available resources allow.

Recommendation 2: Work internally and with DOH officials to identify and implement ways to include more up-to-date costs in each bill.

Department Response: DEC agrees and will continue to work internally and with DOH to the extent possible to help streamline the process of collecting billing information. However, DOH (not DEC) will be responsible for identifying and implementing potential agreed upon improvements to DOH systems and processes.