

**NEW YORK STATE
DEPARTMENT OF ENVIRONMENTAL CONSERVATION**

**Response to the Office of the State Comptroller's
Audit Report 2015-S-18**

Collection of Electronic Waste Fees

The Department is pleased that the Comptroller's report found that DEC properly collected, recorded and deposited fees and surcharges due to the State. In an effort to enhance DEC's E-Waste program, the Department will be implementing OSC's recommendations and will continue to make program adjustments.

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: Improve internal controls over the collection and reporting of fees by:

- Separating the handling and recording of cash receipts to the degree feasible; and
- Documenting the results of supervisory reviews of the cash collection process

***Department Response:** DEC agrees with this recommendation. In response to this same recommendation in OSC's preliminary audit report in early June, DEC immediately modified its procedures for revenue collection to improve the overall internal controls for this program. These new procedures include separation of duties and additional documentation of supervisory reviews.*

Recommendation 2: Use enforcement efforts to the extent necessary to achieve compliance with program requirements.

***Department Response:** DEC agrees with this recommendation and will continue to implement our enforcement policy when it is determined to be appropriate and necessary to achieve compliance with the Electronic Equipment Recycling and Reuse Act. In the first few years of this new law, DEC focused on educating consumers and the regulated community; registering manufacturers, collection sites and consolidation/recycling facilities; promoting program participation, providing technical assistance and continued outreach*

to all stakeholders to assure compliance. After extensive outreach to the regulated community and consumers, DEC began to increase compliance assurance efforts. Beginning in 2014, DEC phased in the next steps in program implementation through Notices of Violation (NOVs) to those electronic equipment manufacturers who had not submitted their annual reports. In 2015, DEC will continue phased program implementation by increasing its enforcement efforts to bring both manufacturers and recyclers into better overall compliance with the requirements of the Act, by issuing NOVs followed by filing Notices of Hearing and Complaints with the Office of Hearings and Mediation and assessing penalties when necessary. Going forward, DEC will continue to educate the regulated community and use all the enforcement tools available to achieve compliance with the Act.