Special Accounts Senior Management Committee

January 30, 2013

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Agenda

- Highlights Past 6 Months
- Superfund Remedial Sustainability Initiative – Special Accounts
- Special Accounts Management Strategy Update
- Accessing Financial Assurance Vehicles under UAOs
- Compass and SEMS
- Signature of Documents on Behalf of SASMC
- Upcoming Special Account Items
- Review Action Items and Next Steps

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Highlights Past 6 Months

- Responded to inquiry by Surveys and Investigations Staff of House Appropriations Committee (March – July 2012)
- FY 2012 EOY Available Balance reduced by approximately 3% from FY 2011 EOY Available Balance (October 2012)
- Conducted FY 2013 work planning for special accounts (October – December 2012)
- Issued memo on the use of funds in special accounts to support RCRA corrective action (December 2012)

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Superfund Remedial Sustainability Initiative – Special Accounts

OSRTI

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Remedial Budget

OSWER Remedial Budget ($ in Millions)				
	FY 2011	FY 2012	FY 2013	FY 2013+
OSWER Remedial	$605	$564	$532 (Pres Bud) $488 (Senate)	FY 2013 Sequestration FY 2014+ Reductions
Cumulative Reduction (From FY 2011)		-$41	-$73 (Pres Bud) -$117 (Senate)	

- Impact: Less Money = Less Work
  - Fewer Site Assessments
  - Fewer RI/FS, RD Starts
  - No new RA Starts/ increase in unfunded RAs
  - Slow down in projects

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Net Result

- Less work = Less human health and environmental protection
  - Alternative – reduce transaction costs, drive focused change, drive down costs, increase productivity, work smarter --- increase our outputs and outcomes
  - Cultural challenge and change – National Program vs. Regional Program - Regional flexibility vs. national consistency

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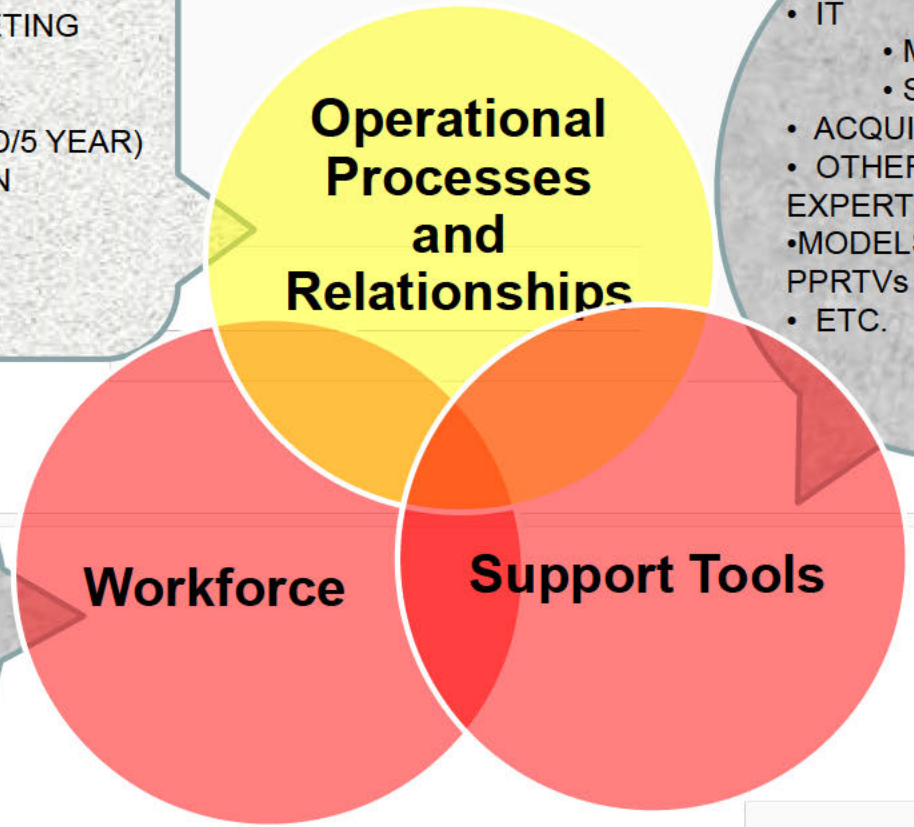
Opportunity Areas

OPERATIONAL PROCESSES
- PLANNING AND BUDGETING
- BOARDS/PANELS
- CONSULTATION
- REVIEWS (LISTING/ROD/5 YEAR)
- PROGRAM EVALUATION
- INITIATIVES
- STRATEGIES
- COMMUNICATION ,ETC

SUPPORT TOOLS
- IT
  - MY WORKPLACE
  - SEMS
- ACQUISITION
- OTHER EPA STAFF EXPERTS
- MODELS/CALCULATORS/ PPRTVs
- ETC.

WORKFORCE
- FTE REDUCTIONS
- RETIREMENTS
- HIRING NEW STAFF
- KNOWLEDGE / SKILLS / ABILITIES / EXPERIENCE DRAIN
- TRAINING



RED = UNSTABLE/HIGH DEGREE OF CHANGE

YELLOW = MODERATE CHANGE

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Superfund Remedial Sustainability Efforts

Steering Committee

Contracts*
- Framework (T)
- RPM Tools (W)
- Info Sharing (O)

(Rg 4/8 Ideas)

SEMS/IT*
- Business Rules (T)
- Scenarios (T)
- Info Sharing (O)
- National Wrkplnng (O)

Workforce
- Training (W)
- Mentoring (W)
- Specialist List (W)
- Nat'l FTE Review (O)

Budget
- Pipeline Review (O)
- Reclass Policy (O)
- Earlier Allocation (O)
- Lab/CLP/ESAT (O)

Pre-Listing (Starting)
- Kinds of sites (O)
- Use of Panel (O)
- Listing Strategy (O)
- States (O)

Cleanup (Pre-ROD Advancing)
- Boards/Panels (O)
- ROD Reviews (O)
- RI/Risk Assess. (O)
- Optimization (O/T)
- SSCs (O)

Post Construction (Completing)
- 5 Yr Reviews (O)
- Deletions (Partial) (O)
- LTRA, O&M (O)
- ICs (O)
- Optimization (O/T)

Cleanup (Post-ROD Advancing)
- Optimization (O/T)
- GW Issues (O)
- Project Delivery (O)
- Documentation (O)

Science Policy/Technical
- Emerging Science (O/T)
- GW Issues (O/T)
- Innovative use of Technologies

Communication
- Public (T)
- OSWER AA/Rg'l RAs (T)
- Venues (CJ, NPM) (T)
- Public Notices (T)
- Stakeholder Outreach

* Efforts Underway

DRAFT
DRAFT

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Benefits

- Improve human health and environmental protection through increased work with our limited resources
- Better project management
- Better program management
- Lower cost projects
- Improved human resource use

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Next Steps for Superfund Remedial Sustainability Initiative

- Information gathering/suggestions/ideas
- Organizational "diagnosis"/barriers (e.g., impact/difficulty matrix)
- Develop an Action Plan
  - Relevant, specific, realistic, attainable, measurable
  - Define goals, what is to be changed
  - Milestones
  - Implement and report progress

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Next Steps for Special Accounts

- Update SASMC on special account activities resulting from initiative
- Evaluate areas to streamline special account processes

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Special Accounts Management Strategy Update

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Background

- Special Accounts Management Strategy originally issued in 2009
  - Responded to several OIG recommendations
- SASMC is responsible for implementing
- Updated every 2 years, with the most recent update and reissuance in 2011
- There have been no major changes to the Strategy since it was developed

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Proposed Changes to Strategy

- Update Strategy every 3 years
  - Current Strategy states it will be evaluated and updated every 2 years
- Remove expectation that special accounts should be planned within 3 months of account establishment
  - Expectation remains in the 2010 Planning and Use Guidance
  - We monitor planning on a 6 month cycle

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Proposed Changes to Strategy

- Tasks to be added
  - Update Internet at least annually with summary special account financial information
  - Develop fact sheets for the public on special accounts
  - OSRTI will maintain a special accounts communications strategy that will be updated annually
  - OSRTI and OSRE will ensure special account planning capabilities are maintained in SEMS
  - Guidance and training will be developed at the direction of the SASMC to increase utilization and ensure proper management of special accounts
- Tasks removed
  - Regional training on the CERCLIS special accounts management screen will be offered annually

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Strategy Next Steps

- SASMC approval of proposed changes
- Send to regional program, enforcement, and finance staff for 2 week review and comment
- Issue updated Strategy in April 2013

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Accessing Financial Assurance Vehicles under UAOs

OSRE

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Financial Assurance under UAO

- Issue: How can EPA access UAO financial assurance funds so that the funds can be used site-specifically?
  - OSRE and OSRTI have been engaged in ongoing discussions with OGC
  - Exemption 5 - Deliberative Process [redacted]
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Financial Assurance under UAO

- Options for previously issued UAOs:

  Exemption 5 - Deliberative Process

  [redacted]

Financial Assurance under UAO

- Prospective UAOs:
  - Developing model language that would not require funds to be placed into special accounts
    - Ex. Stand by trust, work trust

Compass and SEMS

- The Superfund Enterprise Management System (SEMS) is scheduled for release in Fall 2013
  - FY 2014 special account work planning will be conducted in SEMS
- OEI CIO identified Compass connection as critical path task for SEMS development
- Exemption 5 - Deliberative Process [redacted]
- Work is ongoing to make systems work and enable Superfund site planning

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SASMC Document Issuance

- Allow OSRTI Director to issue documents and guidance on behalf of all members of the SASMC
- Offices provide concurrence of document via email prior to OSRTI signature and issuance
- Document states that it is being issued on behalf of the SASMC

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Upcoming Special Account Items

- Response to HAC FY 2013 report language
- Sequestration
- Potential upcoming settlements
- Special account fact sheets for the public

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Review Action Items and Next Steps

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