



# OAG

Office of the Auditor General

## Report Summary

*Performance Audit*  
*Medical Waste, Scrap Tire, and Solid Waste*  
*Programs*  
*Office of Waste Management and*  
*Radiological Protection (OWMRP)*  
*Department of Environmental Quality*

**Report Number:**  
**761-0330-15**

**Released:**  
**February 2016**

OWMRP administers the Medical Waste, Scrap Tire, and Solid Waste Programs to protect the environment and the public's health. OWMRP issues nearly 15,300 registration certificates to medical waste-producing facilities and enforces proper disposal. OWMRP also registers scrap tire haulers and collection sites, administers scrap tire grants, and performs inspections and enforcement activities. In addition, OWMRP issues construction permits and operating licenses and completes inspections for solid waste disposal facilities, including landfills, transfer stations, and processing plants. OWMRP expended \$8.4 million in fiscal year 2015 for these activities.

Audit Objective			Conclusion
Objective #1: To assess the effectiveness of OWMRP's efforts to ensure that medical waste producers are registered and disposing of medical waste properly.			Moderately effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
OWMRP should continue to expand its pilot program to include follow-up inspections of noncompliant facilities potentially resulting in receipt of additional registration fees from unregistered medical waste-producing facilities ( <u>Finding #1</u> ).		X	Agrees
Registration fees alone will not cover OWMRP's cost of registering and inspecting medical waste-producing facilities if it continues to expand its pilot program for medical waste grants ( <u>Finding #2</u> ).		X	Neither agrees nor disagrees

Audit Objective			Conclusion
Objective #2: To assess the sufficiency of OWMRP's process for awarding scrap tire grants.			Sufficient
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
OWMRP did not retain documentation of selection process results for grant awards, including evaluations for 77% of selected scrap tire grant applications ( <u>Finding #3</u> ).		X	Agrees

<b>Audit Objective</b>			<b>Conclusion</b>
Objective #3: To assess the effectiveness of OWMRP's efforts to monitor projects funded with scrap tire grants.			Moderately effective
<b>Findings Related to This Audit Objective</b>	<b>Material Condition</b>	<b>Reportable Condition</b>	<b>Agency Preliminary Response</b>
OWMRP should ensure that scrap tire policies and grant application forms accurately reflect allowable costs for applicant eligibility and reimbursement requirements. Improved guidance on allowable costs could encourage eligible applicants to apply for grant funding and also reduce inappropriate reimbursement requests ( <u>Finding #4</u> ).		X	Agrees
OWMRP made final scrap tire grant payments totaling \$2.0 million without documenting inspections or preparing applicable forms as required by grant agreements ( <u>Finding #5</u> ).		X	Agrees

<b>Audit Objective</b>			<b>Conclusion</b>
Objective #4: To assess OWMRP's compliance with selected laws, policies, and procedures related to its Scrap Tire and Solid Waste Programs.			Complied, with exceptions
<b>Findings Related to This Audit Objective</b>	<b>Material Condition</b>	<b>Reportable Condition</b>	<b>Agency Preliminary Response</b>
OWMRP did not ensure the timely and complete input of scrap tire and solid waste information into the Waste Data System to allow proper management oversight ( <u>Finding #6</u> ).		X	Agrees
OWMRP district staff did not always inspect and document that they inspected scrap tire haulers and collection sites prior to the issuance of annual registrations. Inspections confirm the accuracy of information reported to OWMRP ( <u>Finding #7</u> ).		X	Agrees
OWMRP did not perform some solid waste site inspections as required by statute to ensure that transfer stations and processing plants properly dispose of solid waste. Inspections were not completed in 82 (37%) of 220 instances ( <u>Finding #8</u> ).		X	Agrees

A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: [www.audgen.michigan.gov](http://www.audgen.michigan.gov)

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