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Office of the Auditor General

Report Summary

Performance Audit

Septage Waste, Campground, Public Swimming Pool, and Onsite Wastewater Programs

Office of Drinking Water and Municipal Assistance (ODWMA)

Department of Environmental Quality (DEQ)

Report Number:
761-0321-16

Released:
October 2016

ODWMA, with the assistance of local health departments (LHDs), is responsible for licensing and monitoring the Septage Waste, Campground, Public Swimming Pool, and Onsite Wastewater Programs. At the time of our review, ODWMA licensed 375 septage waste haulers, 1,305 campgrounds, and 6,091 public swimming pools. Approximately 1.3 million onsite wastewater systems exist in Michigan. As of March 31, 2016, ODWMA had 11 full-time employees dedicated to the four Programs. In fiscal year 2015, these Programs had combined expenditures of \$1.95 million.

Audit Objective			Conclusion
Objective #1: To assess the sufficiency of ODWMA's oversight of the Septage Waste Program.			Sufficient with exceptions
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
ODWMA did not always conduct required annual inspections of septage waste vehicles, land application sites, and septage waste receiving facilities. Completing these required inspections may reduce the possibility of septage waste exposure to the public (Finding #1).		X	Agrees

Audit Objective			Conclusion
Objective #2: To assess the sufficiency of ODWMA's monitoring of LHDs' efforts to complete inspections and observe the activities of the Septage Waste, Campground, Public Swimming Pool, and Onsite Wastewater Programs.			Sufficient with exceptions
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
ODWMA should improve its oversight of LHDs. LHDs did not document that 30 (19%) of 160 selected vehicle inspections, 5 (9%) of 58 selected land application site inspections, and 7 (13%) of 52 selected facility inspections had been completed. Also, ODWMA did not		X	Agrees

Findings Related to This Audit Objective (Continued)	Material Condition	Reportable Condition	Agency Preliminary Response
ensure that LHDs completed 33 (20%) of the 165 required inspections at 60 public swimming pools we reviewed nor confirm that water quality standards were met for 73 (55%) of the 132 inspections completed (<u>Finding #2</u>).		X	Agrees
Observations Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
The information technology systems that ODWMA uses to track Septage Waste, Campground, and Public Swimming Pool Program activities are outdated and do not provide a shared database between DEQ and LHDs. Also, ODWMA does not have an automated system to store Onsite Wastewater Program information, which has prohibited the implementation of Statewide monitoring standards for the Program (<u>Observation #1</u>).	Not applicable	Not applicable	Not applicable

Audit Objective			Conclusion
Objective #3: To assess the adequacy of program fees to cover the cost of monitoring the Septage Waste, Campground, Public Swimming Pool, and Onsite Wastewater Programs.			Costs not covered
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.	Not applicable	Not applicable	Not applicable
Observations Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
DEQ's cost to monitor environmental health programs exceeded fee revenue by \$730,000 and \$668,000 in fiscal years 2014 and 2015, respectively (<u>Observation #2</u>).	Not applicable	Not applicable	Not applicable

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

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