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Office of the Auditor General

Report Summary

Performance Audit

Asbestos Program

Air Quality Division (AQD)

Department of Environmental Quality (DEQ)

Report Number:
761-0142-16

Released:
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The AQD Technical Programs Unit administers the National Emission Standards for Hazardous Air Pollutants (NESHAP) to protect the public and the environment by minimizing the release of asbestos fibers during demolition and renovation activities. AQD's program oversight includes reviewing notifications of intent to demolish or renovate; inspecting demolitions and asbestos removals for compliance with NESHAP regulations; and initiating enforcement actions when violations occur. As of May 31, 2017, AQD had 4 full-time and 1 part-time employees dedicated to performing inspections of demolition and asbestos removal projects. For fiscal year 2016, DEQ expended approximately \$635,000 on Asbestos Program activities. For fiscal year 2017 (through May 31), DEQ expended approximately \$418,000.

Audit Objective			Conclusion
Objective #1: To assess the effectiveness of DEQ's monitoring for compliance with NESHAP regulations for demolition and renovation projects.			Moderately effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
AQD did not ensure the timely and complete input of all required inspection, complaint, and violation information into the Michigan Air Compliance and Enforcement System (MACES). Missing or incomplete information included inspection reports and dates documenting complaint or violation resolution, violation notice response deadlines, and violation responses received (Finding #1).		X	Agrees
AQD should improve its process to help ensure that liable parties provide timely responses to violation notices. Liable parties did not submit 20% of responses, and 14% of responses received were between 8 and 36 days late (Finding #2).		X	Agrees

Audit Objective			Conclusion
Objective #2: To assess the effectiveness of DEQ's efforts to ensure the proper disposal of asbestos-containing materials at landfills.			Moderately effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
AQD could not demonstrate that it inspected 87% of Type II landfills to ensure the proper disposal of asbestos-containing materials (<u>Finding #3</u>).		X	Agrees

Audit Objective			Conclusion
Objective #3: To assess the efficiency of DEQ's process to inspect demolition and renovation projects.			Efficient
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.	Not applicable.		
Observations Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
DEQ should work with the Legislature to establish a fee structure to assist in funding the Asbestos Program. Without assessing fees, AQD is limited in the number of asbestos inspections that it can conduct and its ability to protect the public and the environment from exposure to asbestos emissions (<u>Observation #1</u>).	Not applicable for observations.		

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