



Michigan  
*Office of the Auditor General*  
**REPORT SUMMARY**

*Performance Audit*  
*Surface Water Program*  
*Water Division*  
*Department of Environmental Quality (DEQ)*

Report Number:  
76-144-02

Released:  
November 2003

*The Water Division is responsible for protecting and enhancing the quality of the State's surface waters. At the time of our audit, the Water Division utilized 15 programs to monitor water bodies, develop and enforce water quality standards, issue permits and ensure that permit requirements are adhered to, regulate discharges, monitor land applications of waste, and initiate and pursue enforcement actions against violators.*

***Audit Objective:***

To assess the effectiveness of the Water Division's programs in protecting and enhancing the quality of Michigan's surface waters.

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***Audit Conclusion:***

The Water Division's programs were somewhat effective in protecting and enhancing the quality of Michigan's surface waters.

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***Noteworthy Accomplishments:***

The Water Division successfully eliminated a backlog of National Pollutant Discharge Elimination System (NPDES) expired permits. At the end of fiscal year 1994-95, the Water Division had a backlog of 975 (57%) expired permits of the 1,714 NPDES permits issued. Dedicating additional resources and utilizing the watershed permitting approach and general permits eliminated the backlog by the end of fiscal year 1999-2000.

The United States Environmental Protection Agency (EPA) incorporated several components of Michigan's water quality rules into regulations of the Great Lakes Initiative. Because Michigan's regulations were comparable to the Great Lakes Initiative, the Water Division was able to process NPDES permits with relatively minor changes to the permits and without disrupting the timely issuance of those permits.

DEQ has developed and continues to enhance an NPDES Management System that provides DEQ with expanded monitoring data related to NPDES permits and allows DEQ to accumulate NPDES data that was not collected within the EPA's Permit Compliance System.

The Water Division implemented and continues to enhance a strategic monitoring plan for Michigan's surface waters that encompasses eight interrelated monitoring elements. The United States Geological Survey and Great Lakes

Commission recognize the Water Division as a leader for its efforts in accumulating and analyzing data on a broad range of water quality management issues and for its use of progressive monitoring methods.

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**Reportable Conditions:**

The Water Division did not take steps to ensure that all programs met program requirements and expectations (Finding 1).

The Water Division did not perform all required and recommended inspections of wastewater treatment plants and other regulated entities (Finding 2).

The Water Division should reevaluate the Compliance and Enforcement Management System and DEQ policy to determine if significantly reducing economic penalties for sanitary sewer overflow discharge violations acts as an effective deterrent and is beneficial to the people of Michigan (Finding 4).

The Water Division had not fully developed a performance assessment methodology by which DEQ management could assess whether the Water Division effectively utilized available resources (Finding 5).

The Water Division did not complete investigations of some complaints that required further attention, did not document the results of all investigative activities pursued, and did not record all complaints received (Finding 7).

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**Agency Response:**

Our report contains 11 findings and 12 corresponding recommendations. DEQ's preliminary response indicated that it agreed with 9, partially agreed with 1, and disagreed with 2 of the recommendations.

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



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