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U.S. EPA Region 2 (New York, New Jersey, Puerto Rico, US Virgin Islands)

How EPA Region 2 Handles Incoming Voluntary Disclosures Under the Audit Policy

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1. EPA receives an incoming phone call, email, or letter from a facility self-reporting a violation (voluntary disclosure). The disclosure must be made to EPA within 21 days of discovery. The facility then typically has 60 days to fix the problem and must report back to EPA the problem was fixed.
2. In other cases, the letter, phone call or email could say they are planning to conduct a self audit and they need to supply a schedule for the audit itself and a date by which they will self disclose if they find any violations. The facility then typically has 60 days to fix the problem and must report back to EPA the problem was fixed.
3. EPA will review the disclosure to ensure the eligibility conditions of the Audit Policy are met.
4. Upon receiving proof the violation(s) was/were fixed, EPA begins the Notice of Determination (NOD) process. Penalty amounts are calculated and the NOD is signed by the Division Director. The penalty calculations identify environmental benefits and economic benefits. If a substantial economic benefit penalty is calculated, and/or the disclosed violations are not eligible for Audit Policy coverage and/or it is determined the violation is detrimental to human health and the environment, the action will move to enforcement (not NOD).
5. For larger sites with multiple locations, an "Audit Agreement" could be negotiated with EPA that includes an audit schedule for the multiple sites. The Regional Administrator signs all Audit Agreements.
6. Be aware the Audit Policy does not apply to certain kinds of disclosures. For example, you are generally not eligible if you hold a Title V CAA Permit and have air violations, if you have activities that you are required by law to do anyway (e.g. daily water monitoring under NPDES), if you have an enforcement action, or same or closely related violation within the last 3 years.