

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY**

**COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2012**

Performed as Special Assistant Auditors
for the Auditor General, State of Illinois

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

TABLE OF CONTENTS

	Schedule	Page(s)
Agency Officials.....		1
Management Assertion Letter.....		2
Compliance Report:		
Summary.....		3-5
Independent Accountants’ Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes.....		6-8
Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		9-10
Schedule of Findings		
Current Finding - <i>Government Auditing Standards</i>		11-12
Current Findings - State Compliance.....		13-28
Prior Findings Not Repeated.....		29-31
Financial Statement Report:		
The Agency’s individual nonshared proprietary financial statements of the Water Revolving Fund for the year ended June 30, 2012, which includes the independent auditors’ report, basic financial statements and notes, and the independent auditors’ report on internal control over financial reporting and on compliance and other matters based on an audit of basic financial statements performed in accordance with <i>Government Auditing Standards</i> has been issued separately.		
Supplementary Information for State Compliance Purposes:		
Summary.....		32
Fiscal Schedule and Analysis		
Schedule of Net Appropriations, Expenditures and Reappropriated/Lapsed Balances By Fund - Fiscal Year 2012.....	1	33
Schedule of Net Appropriations, Expenditures and Reappropriated/Lapsed Balances By Fund - Fiscal Year 2011.....	2	34
Schedule of Net Appropriations, Expenditures and Reappropriated/Lapsed Balances By Division By Fund - Fiscal Year 2012.....	3	35-43
Schedule of Net Appropriations, Expenditures and Reappropriated/Lapsed Balances By Division By Fund - Fiscal Year 2011.....	4	44-52

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

TABLE OF CONTENTS (Continued)

	Schedule	Page(s)
Fiscal Schedule and Analysis (Continued)		
Comparative Schedule of Net Appropriations, Expenditures and Reappropriated/Lapsed Balance.....	5	53-64
Comparative Schedule of Expenditures By Type.....	6	65-68
Schedule of Changes in State Property.....	7	69
Comparative Schedule of Cash Receipts.....	8	70-74
Reconciliation Schedule of Cash Receipts to Deposits Remitted to the State Comptroller.....	9	75-79
Analysis of Significant Variations in Expenditures.....	10	80-83
Analysis of Significant Variations in Receipts.....	11	84-86
Analysis of Significant Lapse Period Spending.....	12	87
Analysis of Accounts Receivable.....	13	88-89
Analysis of Operations		
Agency Functions and Planning Program (Not Examined).....		90-92
Average Number of Employees (Not Examined).....		93
Emergency Purchases (Not Examined).....		94-95
Service Efforts and Accomplishments (Not Examined).....		96-104

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

Agency Officials

Director	John Kim (01/02/13 to Present)
Interim Director	John Kim (10/25/11 to 01/01/13)
	Lisa Bonnett (03/03/11 to 10/24/11)
Director	Douglas Scott (through 03/02/11)
Deputy Director	Lisa Bonnett (11/08/11 to Present)
Acting Deputy Director	Lisa Bonnett (through 11/07/11)
Acting Chief Legal Counsel	Julie Armitage (10/25/11 to Present)
Chief Legal Counsel	John Kim (through 10/24/11)
Fiscal Services Manager	Willa Barger (through 12/31/12)
Chief Internal Auditor	Rusti Cummings (02/01/11 to Present)

Agency Headquarter offices are located at:

1021 North Grand Avenue East
Springfield, Illinois 62794



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 NORTH GRAND AVENUE EAST, P.O. BOX 19276, SPRINGFIELD, ILLINOIS 62794-9276 • (217)782-2829

PAT QUINN, GOVERNOR

JOHN J. KIM, DIRECTOR

February 27, 2013

E.C. Ortiz & Co., LLP
333 South Des Plaines Street, Suite 2-N
Chicago, Illinois 60661

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the State of Illinois, Environmental Protection Agency. We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the State of Illinois, Environmental Protection Agency's compliance with the following assertions during the two-year period ended June 30, 2012. Based on this evaluation, we assert that during the years ended June 30, 2012 and June 30, 2011, the State of Illinois, Environmental Protection Agency has materially complied with the assertions below.

- A. The State of Illinois, Environmental Protection Agency has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The State of Illinois, Environmental Protection Agency has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The State of Illinois, Environmental Protection Agency has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the State of Illinois, Environmental Protection Agency are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the State of Illinois, Environmental Protection Agency on behalf of the State or held in trust by the State of Illinois, Environmental Protection Agency have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

State of Illinois, Environmental Protection Agency

John J. Kim
Director

Lisa Bonnett
Deputy Director

Julie Armitage
Acting Chief Legal Counsel

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

COMPLIANCE REPORT

SUMMARY

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

ACCOUNTANTS' REPORT

The Independent Accountants' Report on State Compliance, on Internal Control Over Compliance and on Supplementary Information for State Compliance Purposes does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

<u>Number of Findings</u>	<u>Current Report</u>	<u>Prior Report</u>
Repeated Findings	10	10
Prior Recommendations Implemented or Not Repeated	3	4
	7	5

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
<i>FINDING (GOVERNMENT AUDITING STANDARDS)</i>			
12-1	11	Inadequate Controls Over Financial Reporting	Significant Deficiency/ Noncompliance
<i>FINDINGS (STATE COMPLIANCE)</i>			
12-2	13	Inadequate Maintenance of Employee Personnel Files	Significant Deficiency/ Noncompliance
12-3	15	Failure to Approve and Maintain Written Agreement between Community Water Supplies (CWS) Facilities and Its Contracted Operators	Significant Deficiency/ Noncompliance
12-4	16	Failure to Notify the Public in Granting Provisional Variances	Significant Deficiency/ Noncompliance
12-5	17	Community Water Supply Testing Council (Council) Did Not Have a Sufficient Number of Council Members	Significant Deficiency/ Noncompliance

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

SCHEDULE OF FINDINGS (Continued)

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (STATE COMPLIANCE)			
12-6	19	Noncompliance with the Illinois Lake Management Program Act	Significant Deficiency/ Noncompliance
12-7	21	Noncompliance with Electronic Products Recycling and Reuse Act	Significant Deficiency/ Noncompliance
12-8	23	Noncompliance with the Fiscal Control and Internal Auditing Act	Significant Deficiency/ Noncompliance
12-9	25	Failure to Comply with the Identity Protection Act	Significant Deficiency/ Noncompliance
12-10	27	Noncompliance with the Collection of Fees from Landfill Owners or Operators	Significant Deficiency/ Noncompliance

PRIOR FINDINGS NOT REPEATED

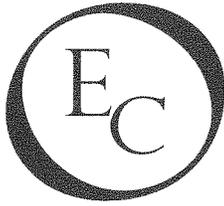
<u>Item No.</u>	<u>Page</u>	<u>Description</u>
A	29	Failure to Perform Quarterly Inspections on the Release of Radionuclides at Nuclear Power Plants
B	29	Improper Records of State Property
C	29	Inadequate Controls Over Voucher Processing
D	30	Failure to Update and Maintain Compliance Records for the Community Water Supplies (CWS) Treatment Services
E	30	Lack of Industrial Hygiene Examining Board
F	30	Noncompliance with the Annual Illinois Water Quality Reporting Requirements
G	31	Noncompliance with the Environmental Laboratory Certification Assessment Program

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

EXIT CONFERENCE

The Agency waived having an exit conference in a letter dated January 23, 2013, from the Agency's Chief Internal Auditor, Ms. Rusti Cummings.

Responses to the recommendations were provided by Ms. Rusti Cummings in a letter dated February 6, 2013.



**INDEPENDENT ACCOUNTANTS' REPORT ON STATE COMPLIANCE,
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

As Special Assistant Auditors for the Auditor General, we have examined the State of Illinois, Environmental Protection Agency's compliance with the requirements listed below, as more fully described in the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide) as adopted by the Auditor General, during the two years ended June 30, 2012. The management of the State of Illinois, Environmental Protection Agency is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois, Environmental Protection Agency's compliance based on our examination.

- A. The State of Illinois, Environmental Protection Agency has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The State of Illinois, Environmental Protection Agency has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The State of Illinois, Environmental Protection Agency has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the State of Illinois, Environmental Protection Agency are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the State of Illinois, Environmental Protection Agency on behalf of the State or held in trust by the State of Illinois, Environmental Protection Agency have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the Audit Guide as adopted by the Auditor General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the State of Illinois, Environmental Protection Agency's compliance with those requirements listed in the first paragraph of this report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the State of Illinois, Environmental Protection Agency's compliance with specified requirements.

In our opinion, the State of Illinois, Environmental Protection Agency complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the two years ended June 30, 2012. However, the results of our procedures disclosed instances of noncompliance with the requirements, which are required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of findings as items 12-1 to 12-10.

Internal Control

Management of the State of Illinois, Environmental Protection Agency is responsible for establishing and maintaining effective internal control over compliance with the requirements listed in the first paragraph of this report. In planning and performing our examination, we considered the State of Illinois, Environmental Protection Agency's internal control over compliance with the requirements listed in the first paragraph of this report as a basis for designing our examination procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Audit Guide, issued by the Illinois Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Environmental Protection Agency's internal control over compliance.

A deficiency in an entity's internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the requirements listed in the first paragraph of this report on a timely basis. *A material weakness in an entity's internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we considered to be significant deficiencies

as described in the accompanying schedule of findings as items 12-1 to 12-10. A *significant deficiency in an entity's internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

As required by the Audit Guide, immaterial findings excluded from this report have been reported in a separate letter to your office.

The State of Illinois, Environmental Protection Agency's responses to the findings identified in our examination are described in the accompanying schedule of findings. We did not examine the State of Illinois, Environmental Protection Agency's responses and, accordingly, we express no opinion on the responses.

Supplementary Information for State Compliance Purposes

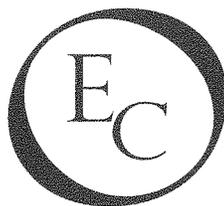
Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information for the years ended June 30, 2012 and June 30, 2011 in Schedules 1 through 13 and the Analysis of Operations Section is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the June 30, 2012 and June 30, 2011 accompanying supplementary information in Schedules 1 through 13. However, we do not express an opinion on the accompanying supplementary information.

We have not applied procedures to the June 30, 2010 accompanying supplementary information in Schedules 5 through 8, 10, and 11 and in the Analysis of Operations Section, and accordingly, we do not express an opinion or provide any assurance on it.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, and State of Illinois, Environmental Protection Agency management, and is not intended to be and should not be used by anyone other than these specified parties.

E.C. Ortiz & Co., LLP

Chicago, Illinois
February 27, 2013



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the Water Revolving Fund of the State of Illinois, Environmental Protection Agency, as of and for the year ended June 30, 2012, and have issued our report thereon dated February 27, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the State of Illinois, Environmental Protection Agency is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the State of Illinois, Environmental Protection Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State of Illinois, Environmental Protection Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Environmental Protection Agency's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings as item 12-1 that we consider to be a significant deficiency in internal control over financial reporting.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of Illinois, Environmental Protection Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The State of Illinois, Environmental Protection Agency's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the State of Illinois, Environmental Protection Agency's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, and State of Illinois, Environmental Protection Agency management and is not intended to be and should not be used by anyone other than these specified parties.

E. C. Ortiz & Co., LLP

Chicago, Illinois
February 27, 2013

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDING – GOVERNMENT AUDITING STANDARDS

12-1 **FINDING** (Inadequate Controls Over Financial Reporting)

The Illinois Environmental Protection Agency (Agency) did not exercise adequate internal control over financial reporting.

During our testing, we noted the following:

- The Agency did not develop a basis or prepare any calculation for the estimated arbitrage rebate of \$1,000,000 within the rebate fund of the State of Illinois Revolving Fund, Series 2004. During 2009, the Agency paid \$323,000 rebate on Bond Series 2004. In anticipation for a substantially higher rebate to be paid in May, 2014, the Agency transferred \$500,000 on both bond payment dates, September, 2011 and March, 2012.

Agency management is responsible under generally accepted accounting principles for establishing a process for preparing reasonable accounting estimates based upon an accumulation of relevant, sufficient and reliable data.

Management stated that the Agency recorded the accrual based upon a conversation between the Agency, bond counsel and bond trustee concerning the potential for a higher arbitrage tax liability.

- The Agency did not accrue interest income totaling \$388,909 from March 2012 through June 2012 on investments of the debt service fund under the Debt Service Forward Delivery Agreement for the State of Illinois Revolving Fund, Series 2004 issuance. This resulted in an overstatement of Due to Component Units by the same amount. This was not adjusted by the Agency since the amount was determined to be immaterial in relation to the financial statements.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Agency establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that revenues or funds applicable to operations are properly recorded and accounted for to permit the preparation of reliable financial reports.

Agency management stated that interest income was not accrued due to oversight.

Failure to document the calculation of estimated arbitrage liability based upon an accumulation of relevant, sufficient and reliable data and properly record interest accruals reduces the reliability of Statewide financial reporting and increases the risk of material misstatement within the Agency's financial statements. (Finding Code No. 12-1)

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – *GOVERNMENT AUDITING STANDARDS* (Continued)

Recommendation

We recommend the Agency document the calculation of estimated arbitrage liability based upon an accumulation of relevant, sufficient and reliable data and properly record interest accruals.

Agency Response

Accepted. Although the Agency believed its past transfers were a reasonable estimation of the future arbitrage tax liability, the Agency has established a formal process to document the relevant, sufficient and reliable data used for this accounting estimate. The Agency has also developed procedures to ensure interest income earned between March and June on investments of debt service funds is recorded in the financial statements.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE

12-2 **FINDING** (Inadequate Maintenance of Employee Personnel Files)

The Agency did not adequately maintain employee personnel files.

During our review of 40 employee personnel files, we noted the following:

- Seventeen (43%) employees tested did not have performance evaluations for the evaluation period tested. The time elapsed from the employee's previous performance reviews ranged from ten to 170 months.
- Seventeen (43%) employee evaluations were performed after the due date. The time elapsed from the due date to the performance review approval date ranged from five to 302 days.

In addition, we also noted that 16 (40%) employee files tested had missing signed withholding authorizations for union, association, credit union, or college savings.

Chapter 3 of the Agency's Employee Handbook (Handbook) states that employees are to be evaluated at least annually. Further, Chapter 4 of the Handbook states that all newly appointed employees hired on a permanent, full-time or part-time basis shall serve a probationary period of six months and are to be evaluated twice during the six-month probationary period, one written evaluation shall be prepared at the midpoint of the probationary period and one written evaluation shall be prepared two weeks before the end of the period.

The Illinois Administrative Code (Code) (Title 80, Subtitle B, 302.270) requires performance records to include an evaluation of employee performance prepared by each agency with such evaluation performed not less often than annually. Further, the Code requires that for any employee serving a six month probationary period, the Agency shall prepare and submit to the Department of Central Management Services two evaluations, one at the end of the third month of the employee's probationary period and another 15 days before the conclusion thereof. In addition, prudent business practices require employee performance evaluations to be performed to communicate to employees the strengths and deficiencies in meeting their job responsibilities.

The State Salary and Annuity Withholdings Act (5 ILCS 365/4) permits an employee to authorize a portion of their salary for payment of premiums for life or health insurance, credit union, contribution to an institution of higher education, charitable contribution, and for payment of optional contributions to a retirement plan. The Comptroller's Statewide Accounting Management System (SAMS) procedure 23.20.30 directs the employee to complete a Payroll Deduction Authorization form for these types of deductions.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE (Continued)

Agency management stated, as they did during the prior engagement, staff shortages and additional management assignments led to the Agency's inability to evaluate all employees in a timely manner. In addition, missing payroll deduction authorization cards may have been misplaced because of the relocation of the Fiscal Services office in fiscal year 2010.

Performance evaluations are a systematic and uniform approach for the development of employees and communication of performance expectations to employees. Performance evaluations should serve as a foundation for salary adjustments, promotions, demotions, discharge, layoff and reinstatement decisions. Inadequate maintenance of employee personnel files may result in personnel and payroll related issues not being resolved timely due to the absence of supporting documents. Failure to maintain adequate employee payroll deduction records may result in inaccurate or unauthorized deductions. (Finding Code Nos. 12-2, 10-1, 08-3, 06-1, 04-2, 02-1, 00-1, 99-4, 98-5, 96-7, 94-9)

Recommendation

We recommend the Agency comply with internal procedures and Administrative Code rules by performing annual evaluations for all employees in a timely manner. We also recommend the Agency ensure its personnel files contain all required payroll deduction and withholding documentation and obtain the missing documents from the employees.

Agency Response

Accepted. The Agency continues to face challenges in performing administrative functions where too few management employees remain outside of the union to perform timely evaluations. In addition, the evaluation tool has little to no impact on the majority of employees as 97% of the Agency employees are in a bargaining unit and salary increases are not dependent on performance. The Agency uses the evaluation tool where necessary to address performance issues in a disciplinary action. The Agency also recognizes employee successes through employee recognition events and messages from the Director. All required payroll deduction and withholding documentation found to be missing have been re-submitted by employees.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE (Continued)

12-3 **FINDING** (Failure to Approve and Maintain Written Agreement between Community Water Supplies (CWS) Facilities and Its Contracted Operators)

The Agency failed to approve and maintain written agreements between CWS facilities and its contracted operators.

During our testing, we noted that 15 of 40 (38%) CWS facilities sampled had contracted certified operators during the examination period. However, the Agency did not approve and maintain on file the agreement between the contracted operator and the CWS owner or official custodian for these 15 CWS facilities.

The Public Water Supply Operations Act (Act) (415 ILCS 45/1(3)) states a community water supply may satisfy the requirements of this Section by contracting the services of a properly qualified certified operator of the required class or higher. It further states that a written agreement to this effect must be on file with the Agency certifying that such an agreement exists, and delegating responsibility and authority to the contracted party. Such written agreement shall be signed by both the certified operator to be contracted and the responsible community water supply owner or official custodian and must be approved in writing by the Agency.

Agency management indicated they considered it necessary to establish administrative procedures before approving these agreements.

Failure to approve and maintain the agreement between the contracted operator and CWS owner or official custodian resulted in noncompliance with the Act. (Finding Code No. 12-3)

Recommendation

We recommend the Agency ensure compliance with the Act by approving the required contract agreement and maintaining a copy on file.

Agency Response

Accepted. On August 1, 2012, new administrative rules (35 IL Admin. Rule 680 Subpart J) were adopted to clarify the requirements for contracts between community water supply owners and contractual operators. These rules now outline the contract content as well as the timeframes for CWS submission and Agency approval /disapproval.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE (Continued)

12-4 **FINDING** (Failure to Notify the Public in Granting Provisional Variances)

The Agency failed to notify the public by issuing a press release for distribution to newspapers of general circulation in relation to granting provisional variances.

Provisional variances are orders that only the Agency can issue to give a petitioner very short-term relief from an environmental regulation, usually in emergency situations.

During our testing, we noted the Agency did not issue press releases for two of the 25 (8%) provisional variances granted during the examination period. The press releases are for distribution to newspapers of general circulation in the counties where the provisional variances were sought.

The Environmental Protection Act (Act) (415 ILCS 5/37(b)) states that if the Agency grants a provisional variance, the Agency shall give prompt notice of its action to the public by issuing a press release for distribution to newspapers of general circulation in the county.

During the prior engagement, Agency management stated the failure to issue press releases was due to requests for issuance not being forwarded to the Public Information Officer. During the current engagement, Agency management indicated the failure to issue press releases for the two provisional variances granted was due to oversight.

Publishing the provisional variances granted ensures the public is notified when relief of an environmental regulation in their area has been given by the Agency. (Finding Code Nos. 12-4, 10-6)

Recommendation

We recommend the Agency comply with the Act by ensuring that press releases are distributed as required.

Agency Response

Accepted. The Agency has developed procedures for use by the Division of Legal Counsel and the applicable Bureau to ensure that a press release is issued for each provisional variance. The Division of Legal Counsel and the applicable bureau will be responsible for notifying the Agency's CMS assigned Public Information Officer to ensure timely issue of the press release.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE (Continued)

12-5 **FINDING** (Community Water Supply Testing Council (Council) Did Not Have a Sufficient Number of Council Members)

The Council did not have a sufficient number of council members.

The Council shall have the duties to consider fee determinations submitted by the Agency, consider appropriate means for long-term financial support of water supply testing, review and evaluate financial implications of current and future federal requirements for monitoring public water supplies and review and evaluate financial audit reports related to testing programs.

During our current year testing, we noted the Council was still not composed of the required 15 members as noted during the prior year examination. Since January 2007, the Council was deficient in membership representation creating three vacancies in the following categories:

- One member from the group of community water supplies
- One member from the group of investor-owned utilities
- One member representing municipalities and community water supplies on a Statewide position

The Environmental Protection Act (Act) (415 ILCS 5/17.7(f)) states the Director of the Agency shall establish a Community Water Supply Testing Council consisting of five persons who are elected municipal officials, five persons representing community water supplies, one person representing the engineering profession, one person representing investor-owned utilities, one person representing the Illinois Association of Environmental Laboratories, and two persons representing municipalities and community water supplies on a statewide basis.

Agency management stated that at this time, appointments are not being made to the Council since there is no Council business to conduct.

Failure to maintain the required number of Council membership results in noncompliance with the Act.

In addition, during the prior engagement, the Council did not hold meetings at least twice as required by the Act. During the current period, the Agency sought legislative changes and the Act was amended, effective July 28, 2011, to require the Council to meet at the call of the Director or the Chairperson of the Council. (Finding Code Nos. 12-5, 10-10)

Recommendation

We recommend the Agency fill the vacancies in the Council to comply with the Act.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE (Continued)

Agency Response

Accepted. The Agency will continue to monitor the program for developing issues that require consideration of the Council and will make appointments at this time.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE (Continued)

12-6 **FINDING** (Noncompliance with the Illinois Lake Management Program Act)

The Agency did not fully comply with the Illinois Lake Management Program Act.

The Illinois Lake Management Program Act (Act) (525 ILCS 25/10) created the Task Force on the Conservation and Quality of the Great Lakes for the protection of the water quality of the Great Lakes and to educate members of the General Assembly and the general population on the conditions of the Great Lakes. The Act requires the Agency, with the assistance of the Department of Natural Resources, to provide staff and support and is responsible for the administration of the Task Force. The Act further requires the Task Force to meet at least once each calendar quarter, review and discuss various topics related to the supply and quality of water in the Great Lakes, and submit a report to the General Assembly outlining its recommendation concerning any legislative actions to protect the water quality and supply of the Great Lakes no later than June 1 of each year.

During our testing, we noted that the Task Force did not hold meetings on a quarterly basis during the examination period (the only meeting held was on January 31, 2011). In the absence of the meetings, the Task Force did not substantially perform its duties of review and discussion of various topics related to the supply and quality of water in the Great Lakes as required by the Act.

In addition, the Task Force did not submit to the General Assembly the required reports due June 1 of each year outlining its recommendation concerning any legislative actions to protect the water quality and supply of the Great Lakes.

Agency management stated the Agency's Bureau of Water (Bureau) administers many operations that support the water supply and quality of the Great Lakes, especially Lake Michigan. However, the Bureau did not have sufficient resources to provide staff and assist the Task Force with quarterly meetings and to prepare the required annual report.

Failure to hold the required meetings, review and discuss topics related to the quality of water in the Great Lakes and submit an annual recommendation report to the General Assembly resulted in noncompliance with the Act and could prevent the proper preservation and protection of Great Lakes. (Finding Code No. 12-6)

Recommendation

We recommend the Agency ensure the Task Force complies with the Act by holding the required meetings to review and discuss topics related to quality of water in the Great Lakes and submit the required annual recommendation report to the General Assembly.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE (Continued)

Agency Response

Accepted. The Agency will assess the Task Force's functions in relation to other existing Agency programs that serve to protect the water quality of the Great Lakes to determine whether this Task Force is needed to meet the objectives of the Illinois Lake Management Act.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE (Continued)

12-7 **FINDING** (Noncompliance with Electronic Products Recycling and Reuse Act)

The Agency did not fully comply with the requirements of the Electronic Products Recycling and Reuse Act.

During our testing of the Agency's compliance with the Electronic Products Recycling and Reuse Act (Act), we noted the following:

- There were no grants awarded in fiscal year 2012. The Act (415 ILCS 150/20(c-5)) required the Agency, no later than February 1, 2012 and every February 1 thereafter, to use a portion of the manufacturer, recycler, and refurbisher registration fees to provide a \$2,000 grant to the recycling coordinator in each county of the State in order to inform residents of each county about this Act and opportunities to recycle Computer Electronic Devices (CEDs) and Eligible Electronic Devices (EEDs).
- The Agency did not meet on June 15, 2012 with associations that represent Illinois retail merchants to discuss compliance with the retailer's responsibilities. The Act (415 ILCS 150/20(c-10)) required the Agency, by June 15, 2012, and every June 15 and December 15 thereafter through December 15, 2015 to meet with the associations of Illinois retail merchants.
- The Agency did not prepare and submit an annual report to the Governor and to the General Assembly on July 1, 2011 and May 15, 2012 as required. The Act (415 ILCS 150/20(d)) required the Agency, by July 1, 2011 for the first program year, and by May 15 for all subsequent program years, to report to the Governor and General Assembly annually on the previous program year's performance. The Act further requires the report to be posted on the Agency's website.
- The Agency had posted the list of registered collectors, the addresses of their collection sites and their business telephone numbers. However, a link to the collectors website was not included in the information posted. The Act (415 ILCS 150/20(e)) required the Agency to post on its website a list of registered collectors, the addresses of their collection sites, their business telephone numbers, and a link to their websites.

Agency management stated their workload and scheduling contributed to the delay in awarding grants, holding meetings with retail merchant associations, and submitting reports. While the Agency obtained the collectors' website addresses, this information was not posted to the Agency's website due to oversight.

Failure to award grants, hold meetings, submit annual reports and post the required information on the Agency's website resulted in noncompliance with the Act. (Finding Code No. 12-7)

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE (Continued)

Recommendation

We recommend the Agency ensure compliance with the requirements of the Electronic Products Recycling and Reuse Act.

Agency Response

Accepted. The Agency is accepting Electronic Products Recycling and Reuse Grant application forms until the February 1, 2013 application deadline with the grants being awarded by end of February 2013. Agency personnel will schedule the first meeting with the Illinois Retail Merchants prior to June 15, 2013. The Agency's 2012 Legislative Report for Program Year 2011 activities has now been filed with the required offices and posted to the Agency's website. In addition, the Agency's website now includes a link to the collectors' websites as required.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE (Continued)

12-8 **FINDING** (Noncompliance with the Fiscal Control and Internal Auditing Act)

The Agency did not ensure that its internal auditing program fully complied with the Fiscal Control and Internal Auditing Act (FCIAA).

Public Act 96-0795 eliminated the consolidation of internal auditors created by Executive Order 2003-10 and transferred the internal auditors back to the designated State agency effective July 1, 2010. Pursuant to the Act, an internal audit staff returned to the Agency from the Department of Central Management Services Illinois Office of Internal Audit (IOIA). The Agency's Internal Audit Division had only one staff member, an internal auditor, until February 2011 when a chief internal auditor was hired.

Based on our review of the Agency's Internal Audit Plan for fiscal year, we noted there were 13 planned audits for fiscal year 2012, however, the Internal Audit Division had not completed any internal audits during fiscal year 2012.

The Fiscal Control and Internal Auditing Act (FCIAA) (30 ILCS 10/2003) requires that the internal audit program include audits of major programs of internal accounting and administrative control conducted on a periodic basis so that all major systems are reviewed at least once every two years; reviews of the design of major new electronic data processing systems and major modifications of those systems before their installation to ensure the systems provide for adequate audit trails and accountability; and special audits of operations, procedures, programs, electronic data processing systems, and activities as directed by the Chief Executive Officer.

Agency management stated the condition noted was due to limited audit resources which were initially focused on documenting the internal audit division's understanding of the Agency's control environment by providing an independent validation of management's annual internal control assessment; assisting the external audit process; and analyzing the Agency's governance process, statutory requirements, internal control structures, and financial activity.

The major areas of internal control must be audited timely to maintain an effective internal control system. Failure to perform regular audits of major systems of internal control and administrative controls may result in weaknesses in internal control not timely detected. Audits of major areas of internal control is necessary to ensure assets are safeguarded, accounting data is reliable, operations are efficient and that the Agency is in compliance with established policies, laws, regulations and contracts. Failure of the Agency's internal auditing program to complete internal audits based on the two-year internal audit plan is noncompliance with the FCIAA. (Finding Code No. 12-8)

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE (Continued)

Recommendation

We recommend the Agency complete internal audits of major areas of internal control and ensure compliance with FCIAA.

Agency Response

Accepted. On July 1, 2012, the Agency adopted a biennial internal audit plan including all major internal control areas, system development projects, and special audits. These projects will all be completed by June 30, 2013.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE (Continued)

12-9 **FINDING** (Failure to Comply with the Identity Protection Act)

The Agency failed to implement the provisions of the Identity Protection Act (Act).

The Identity Protection Act (5 ILCS 179) required the Agency to draft and approve an identity-protection policy by June 1, 2011. Per the Act, the Policy must:

- Identify the Act.
- Require all employees identified as having access to social security numbers in the course of performing their duties to be trained to protect the confidentiality of social security numbers.
- Direct that only employees who are required to use or handle information or documents that contain social security numbers have access to such information or documents.
- Require that social security numbers requested from an individual be placed in a manner that makes the social security number easily redacted if required to be released as part of a public records request.
- Require that, when collecting a social security number or upon request by the individual, a statement of the purpose or purposes for which the Agency is collecting and using the social security number be provided.

During our testing we noted that the Agency had not issued an identity protection policy.

Agency officials stated that development of the identity protection policy had been delayed due to higher priorities and available staff resources.

Failure to implement provisions of the Act results in noncompliance with the Act, does not promote the security and control of social security numbers, and increases the likelihood of identity theft. (Finding Code No. 12-9)

Recommendation

We recommend the Agency develop and approve an identity protection policy as required in the Identity Protection Act.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE (Continued)

Agency Response

Accepted. The Agency has substantially completed a survey to identify where social security numbers are obtained as well as how they are stored, secured and otherwise processed by Agency personnel. Overall, the Agency protects social security numbers through a card key building entry system, computer access controls, and various other physical methods. Based upon the results, the Agency will review the Central Management Services' Identity Protection Policy and modify as necessary to reflect the Agency operations. In addition, the Agency will provide training to ensure employees meet their responsibilities under the Identity Protection Act.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE (Continued)

12-10 **FINDING** (Noncompliance with the Collection of Fees from Landfill Owners or Operators)

The Agency did not comply with the collection of the Environmental Protection Clean Construction or Demolition Debris Fill Operation Fee and the Solid Waste Fee.

The Environmental Protection Act (415 ILCS 5/22.51b) states the Agency shall assess and collect a fee from the owner or operator of each clean construction or demolition debris fill operation that is permitted or required to be permitted by the Agency. The Agency shall establish rules relating to the collection of the fees, the time and manner of payment of fees, which payments shall not be more often than quarterly.

The Environmental Protection Act (415 ILCS 5/22.15(b) and 15(d)) state that the Agency shall assess and collect a fee from the owner or operator of each sanitary landfill permitted or required to be permitted by the Agency to dispose of solid waste if the sanitary landfill is located off the site where such waste was produced and if such sanitary landfill is owned, controlled, and operated by a person other than the generator of such waste. The Agency shall establish rules relating to the collection of the fees, the time and manner of payment of fees, which payments shall not be more often than quarterly.

The Illinois Administrative Code (Title 35 Section 1150.215 (Quarterly Fill Summary) and Section 858.207 (Quarterly Solid Waste Summary)) require the Quarterly Fill Summary and Quarterly Solid Waste Summary be received by the Agency on or before April 15, July 15, October 15 and January 15 of each year and must cover the preceding three calendar months.

During the examination period, we noted that 17 of the 25 (68%) Quarterly Fill Summary reports and payments tested were submitted late by the permitted facilities to the Agency (one to 52 days late).

We also noted that 13 of the 25 (52%) Quarterly Solid Waste Summary reports and payments tested were submitted late by the permitted sanitary landfill operators or owners to the Agency (four to seven days late).

Management stated that although most delinquent quarterly reports were submitted within two weeks following the due date, the Agency has not been able to actively pursue those sites that were more than two weeks delinquent during the audit period due to the retirements and resignation of Cash Management personnel, a fiscal reorganization, and the transition to electronic deposits.

Failure to collect fees in a timely manner may result in loss of revenue to the Agency and noncompliance with the Act. (Finding Code No. 12-10)

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

CURRENT FINDINGS – STATE COMPLIANCE (Continued)

Recommendation

We recommend the Agency strengthen its controls relating to the collection of fees from landfill operators and ensure that quarterly reports are submitted and fees are made timely to the Agency.

Agency Response

Accepted. The Agency has put in place a tracking mechanism to identify delinquent fees/reports. The Agency will send Non-Compliance Advisory letters for any delinquent quarterly Clean Construction Demolition Debris or Solid Waste reports and pursue collection of past due fees.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

PRIOR FINDINGS NOT REPEATED

A. Failure to Perform Quarterly Inspections on the Release of Radionuclides at Nuclear Power Plants

During the previous engagement, the Agency, in cooperation with the Illinois Emergency Management Agency, failed to perform quarterly inspections on the release of radionuclides at nuclear power plants.

It was recommended that the Agency ensure compliance with the provisions of the Act by performing the inspection of release of radionuclides at nuclear power plants on a quarterly basis.

Status: Implemented

During the current engagement, our sample testing disclosed that the power plants were inspected quarterly during fiscal year 2011 and 2012. (Finding Code Nos. 10-2, 08-9)

B. Improper Records of State Property

During the previous engagement, the Agency did not properly maintain records of State Property.

It was recommended that the Agency improve controls over property management and maintain accurate records of State property.

Status: Implemented

During the current engagement, our sample testing disclosed that the Agency has maintained accurate records of State property. (Finding Code No. 10-3)

C. Inadequate Controls Over Voucher Processing

During the previous engagement, the Agency did not have adequate controls over voucher processing.

It was recommend that the Agency strengthen its controls over voucher processing to ensure accuracy and compliance with State and Agency regulations.

Status: Partially Implemented, reported in the Letter of Immaterial Findings

During the current engagement, our sample testing disclosed fewer instances of late approval and miscoding of vouchers. (Finding Code No. 10-4)

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

PRIOR FINDINGS NOT REPEATED (Continued)

D. Failure to Update and Maintain Compliance Records for the Community Water Supplies (CWS) Treatment Services

During the previous engagement, the Agency failed to update and maintain records on changes in CWS treatment services for proper classification.

It was recommended that the Agency ensure compliance with the Act by performing timely update of the proper classification of CWS facility and maintenance of the required documentation.

Status: Implemented

During the current year engagement, our sample testing disclosed the Agency has updated and maintained records in CWS treatment services for proper classification. (Finding Code No. 10-5)

E. Lack of Industrial Hygiene Examining Board

During the previous engagement, the Agency's Director appointed an Industrial Hygiene Examining Board as required by the Industrial Hygienists Licensure Act (Act) in October 1994. However, the Board had been inactive since then.

It was recommended that the Agency comply with the Industrial Hygienists Licensure Act requirements or seek legislative remedy to the statutory requirement.

Status: Implemented

During the current engagement, our testing disclosed the Act was amended to include Section 35(6) stating the Board shall meet at the call of the Director. (Finding Code Nos. 10-7, 08-4, 06-2, 04-5)

F. Noncompliance with the Annual Illinois Water Quality Reporting Requirements

During the previous engagement, the Agency did not submit the 2009 and 2010 Lake Michigan water quality reports as required by the Rivers, Lakes and Streams Act.

It was recommended that the Agency ensure the Lake Michigan water quality report is submitted to the Governor and General Assembly on an annual basis.

Status: Implemented

During the current engagement, our testing disclosed that the 2011 and 2012 Lake Michigan water quality reports were submitted. (Finding Code Nos. 10-8, 08-5, 06-3, 04-6)

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

PRIOR FINDINGS NOT REPEATED (Continued)

G. Noncompliance with the Environmental Laboratory Certification Program

During the previous engagement, the Agency did not comply with the Environmental Laboratory Certification Assessment Program.

It was recommended that the Agency ensure it submits the assessment schedules determination, review appointment terms of the Environmental Laboratory Certification Committee (Committee) members, and ensure the Committee meets as required.

Status: Implemented

During the current engagement, the Agency sought legislative amendments to the statute. Public Act 97-1081 made the following changes to the Environmental Protection Act: (1) abolished the Agency's requirement to submit the annual assessment schedule to the Committee; (2) ended Committee appointments; and (3) permitted the Committee to meet at the call of the Director or the Commission Chair rather than being required to meet twice a year. (Finding Code No. 10-9)

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

SUMMARY

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

- Fiscal Schedules and Analysis:

- Schedule of Net Appropriations, Expenditures and Reappropriated/Lapsed Balances
By Fund

- Schedule of Net Appropriations, Expenditures and Reappropriated/Lapsed Balances
By Division By Fund

- Comparative Schedule of Net Appropriations, Expenditures and
Reappropriated/Lapsed Balances

- Comparative Schedule of Expenditures By Type

- Schedule of Changes in State Property

- Comparative Schedule of Cash Receipts

- Reconciliation Schedule of Cash Receipts to Deposits Remitted to the State
Comptroller

- Analysis of Significant Variations in Expenditures

- Analysis of Significant Variations in Receipts

- Analysis of Significant Lapse Period Spending

- Analysis of Accounts Receivable

- Analysis of Operations:

- Agency Functions and Planning Program (Not Examined)

- Average Number of Employees (Not Examined)

- Emergency Purchases (Not Examined)

- Service Efforts and Accomplishments (Not Examined)

The accountants' report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the June 30, 2012 and June 30, 2011 in Schedules 1 through 13. However, the accountants do not express an opinion on the supplementary information. The accountants' report also states that they have not applied procedures to the Analysis of Operations Section, and accordingly, they do not express an opinion or provide any assurance on it.

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY FUND
 Appropriations for Fiscal Year 2012
 Fourteen Months Ended August 31, 2012

	Appropriations (Net of Transfers)	Expenditures Through 6/30/12	Approximate Lapse Period Expenditures 7/01-8/31/12	Approximate Total Expenditures	Balances Reappropriated 7/1/12	Approximate Balances Lapsed
Public Act 97-0062, 97-0076						
<u>Appropriated Funds</u>						
Industrial Hygiene Regulatory and Enforcement Fund - 049	\$ 5,000	\$ 200	\$ -	\$ 200	\$ -	\$ 4,800
U.S. Environmental Protection Fund - 065	70,285,600	39,503,105	2,707,332	42,210,437	-	28,075,163
Underground Storage Tank Fund - 072	60,288,700	43,466,801	6,487,048	49,953,849	-	10,334,851
EPA Special State Projects Trust Fund - 074	1,525,000	136,462	3,052	139,514	-	1,385,486
Solid Waste Management Fund - 078	17,268,100	10,761,151	823,099	11,584,250	-	5,683,850
Subtitle D Management Fund - 089	2,567,000	1,549,242	25,830	1,575,072	-	991,928
Clean Air Act (CAA) Permit Fund - 091	21,231,100	15,850,291	579,755	16,430,046	-	4,801,054
Capital Development Fund - 141	5,300,000	-	-	-	-	5,300,000
Brownfields Redevelopment Fund - 214	7,750,000	5,436,686	158,053	5,594,739	-	2,155,261
Water Revolving Fund - 270	1,392,322,056	414,392,786	265,068	414,657,854	660,351,125	317,313,077
Pollution Control Board Fund - 277	18,200	7,982	55	8,037	-	10,163
Hazardous Waste Occupational Licensing Fund - 282	35,000	321	-	321	-	34,679
Community Water Supply Laboratory Fund - 288	1,426,000	1,029,646	155,340	1,184,986	-	241,014
Used Tire Management Fund - 294	9,224,800	5,362,802	132,777	5,495,579	-	3,729,221
Environmental Laboratory Certification Fund - 336	540,000	462,192	779	462,971	-	77,029
Alternative Fuels Fund - 422	1,225,000	820,787	388,420	1,209,207	-	15,793
Anti-Pollution Fund - 551	168,354,091	40,467,974	-	40,467,974	127,886,117	-
Conservation 2000 Fund - 608	1,609,700	57,798	11,781	69,579	-	1,540,121
Electronics Recycling Fund - 675	500,000	312,149	-	312,149	-	187,851
Illinois Clean Water Fund - 731	16,950,500	15,817,545	151,024	15,968,569	-	981,931
Alternate Compliance Market Fund - 738	150,000	-	-	-	-	150,000
Oil Spill Response Fund - 774	50,000	-	-	-	-	50,000
Hazardous Waste Fund - 828	16,315,100	9,441,849	260,251	9,702,100	-	6,613,000
Environmental Protection Trust Fund - 845	5,300,000	2,000,000	-	2,000,000	-	3,300,000
Environmental Protection Permit and Inspection Fund - 944	10,712,100	8,040,100	138,743	8,178,843	-	2,533,257
Landfill Closure and Post-Closure Fund - 945	400,000	-	-	-	-	400,000
Vehicle Inspection Fund - 963	24,565,900	22,816,474	1,266,650	24,083,124	-	482,776
Build Illinois Bond Fund - 971	108,875,639	10,855,325	-	10,855,325	98,020,314	-
Total Appropriated Funds	\$ 1,944,794,586	\$ 648,589,668	\$ 13,555,057	\$ 662,144,725	\$ 886,257,556	\$ 396,392,305
<u>Non-appropriated Funds</u>						
EPA Special State Projects Trust Fund - 074	\$ -	\$ 281,518	\$ 55,860	\$ 337,378	\$ -	\$ -
Pollution Control Board State Trust Fund - 207	-	462,992	39,564	502,556	-	-
Total Non-appropriated Funds	\$ -	\$ 744,510	\$ 95,424	\$ 839,934	\$ -	\$ -
Grand Total - All Funds	\$ 1,944,794,586	\$ 649,334,178	\$ 13,650,481	\$ 662,984,659	\$ 886,257,556	\$ 396,392,305

Notes: The data contained in this schedule was taken directly from the Agency records which have been reconciled to those of the State Comptroller. Expenditure amounts are vouchers approved for payment by the Agency and submitted to the State Comptroller for payment to the vendor. Approximate lapse period expenditures do not include interest payments approved for payment by the Agency and submitted to the Comptroller for payment after August.

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY FUND
 Appropriations for Fiscal Year 2011

Schedule 2

Eighteen Months Ended December 31, 2011

	Appropriations (Net of Transfers)	Expenditures Through 6/30/11	Lapse Period Expenditures 7/1-12/31/11	Total Expenditures	Balances Reappropriated 7/1/11	Balances Lapsed
<u>Public Act 96-0956</u>						
<u>Appropriated Funds</u>						
Industrial Hygiene Regulatory and Enforcement Fund - 049	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000
U.S. Environmental Protection Fund - 065	69,537,600	41,501,775	4,713,648	46,215,423	-	23,322,177
Underground Storage Tank Fund - 072	59,804,600	46,259,044	3,626,698	49,885,742	-	9,918,858
EPA Special State Projects Trust Fund - 074	1,525,000	121,138	1,000	122,138	-	1,402,862
Solid Waste Management Fund - 078	11,801,500	9,968,531	450,679	10,419,210	-	1,382,290
Subtitle D Management Fund - 089	2,053,200	1,584,810	45,447	1,630,257	-	422,943
Clean Air Act (CAA) Permit Fund - 091	20,491,300	15,966,162	173,008	16,139,170	-	4,352,130
Capital Development Fund - 141	5,300,000	-	-	-	-	5,300,000
Brownfields Redevelopment Fund - 214	11,050,000	3,989,842	748,864	4,738,706	-	6,311,294
Water Revolving Fund - 270	1,496,937,889	546,851,610	135,710	546,987,320	942,286,156	7,664,413
Pollution Control Board Fund - 277	18,200	-	-	-	-	18,200
Hazardous Waste Occupational Licensing Fund - 282	70,000	1,683	-	1,683	-	68,317
Community Water Supply Laboratory Fund - 288	1,626,000	736,779	35,913	772,692	-	853,308
Used Tire Management Fund - 294	9,185,200	4,435,109	301,713	4,736,822	-	4,448,378
Environmental Laboratory Certification Fund - 336	609,900	455,539	-	455,539	-	154,361
Alternative Fuels Fund - 422	1,225,000	705,114	173,306	878,420	-	346,580
Anti-Pollution Fund - 551	199,048,037	30,693,946	-	30,693,946	93,354,091	75,000,000
Partners for Conservation Fund - 608	1,634,900	135,684	-	135,684	-	1,499,216
Electronics Recycling Fund - 675	500,000	314,016	-	314,016	-	185,984
Illinois Clean Water Fund - 731	15,252,800	13,715,197	453,862	14,169,059	-	1,083,741
Alternate Compliance Market Fund - 738	150,000	-	-	-	-	150,000
Oil Spill Response Fund - 774	60,000	-	-	-	-	60,000
Hazardous Waste Fund - 828	15,814,300	8,274,460	272,237	8,546,697	-	7,267,603
Environmental Protection Trust Fund - 845	4,750,000	2,970,000	-	2,970,000	-	1,780,000
Environmental Protection Permit and Inspection Fund - 944	11,109,100	7,591,505	26,913	7,618,418	-	3,490,682
Landfill Closure and Post-Closure Fund - 945	400,000	-	-	-	-	400,000
Vehicle Inspection Fund - 963	22,849,300	18,695,309	2,748,023	21,443,332	-	1,405,968
Build Illinois Bond Fund - 971	139,941,254	31,065,615	-	31,065,615	108,875,639	-
Total Appropriated Funds	\$ 2,102,750,080	\$ 786,032,868	\$ 13,907,021	\$ 799,939,889	\$ 1,144,515,886	\$ 158,294,305
<u>Non-appropriated Funds</u>						
EPA Special State Projects Trust Fund - 074	\$ -	\$ 581,584	\$ 133,441	\$ 715,025	\$ -	\$ -
Pollution Control Board State Trust Fund - 207	-	334,920	47,406	382,326	-	-
Total Non-appropriated Funds	\$ -	\$ 916,504	\$ 180,847	\$ 1,097,351	\$ -	\$ -
Grand Total - All Funds	\$ 2,102,750,080	\$ 786,949,372	\$ 14,087,868	\$ 801,037,240	\$ 1,144,515,886	\$ 158,294,305

Notes: The data contained in this schedule was taken directly from the Agency records which have been reconciled to those of the State Comptroller. Expenditure amounts are vouchers approved for payment by the Agency and submitted to the State Comptroller for payment to the vendor.

**STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2012**

Fourteen Months Ended August 31, 2012

	Appropriations (Net of Transfers)	Expenditures Through 6/30/12	Approximate Lapse Period Expenditures 7/01-8/31/12	Approximate Total Expenditures	Balances Reappropriated 7/1/12	Approximate Balances Lapsed
<u>Public Act 97-0062, 97-0076</u>						
<u>Appropriated Funds</u>						
Industrial Hygiene Regulatory and Enforcement Fund - 049						
Administration	\$ 5,000	\$ 200	\$ -	\$ 200	\$ -	\$ 4,800
Total Industrial Hygiene Regulatory and Enforcement Fund	<u>5,000</u>	<u>200</u>	<u>-</u>	<u>200</u>	<u>-</u>	<u>4,800</u>
U.S. Environmental Protection Fund - 065						
Administration	2,614,400	1,616,648	407,596	2,024,244	-	590,156
Air Pollution Control	15,506,000	11,110,591	866,951	11,977,542	-	3,528,458
Land Pollution Control	20,407,700	9,856,605	290,085	10,146,690	-	10,261,010
Bureau of Water	28,517,500	16,813,671	1,142,700	17,956,371	-	10,561,129
Federal Stimulus - ARRA	3,240,000	105,590	-	105,590	-	3,134,410
Total U.S. Environmental Protection Fund	<u>70,285,600</u>	<u>39,503,105</u>	<u>2,707,332</u>	<u>42,210,437</u>	<u>-</u>	<u>28,075,163</u>
Underground Storage Tank Fund - 072						
Administration	659,500	659,500	-	659,500	-	-
Land Pollution Control	59,629,200	42,807,301	6,487,048	49,294,349	-	10,334,851
Total Underground Storage Tank Fund	<u>60,288,700</u>	<u>43,466,801</u>	<u>6,487,048</u>	<u>49,953,849</u>	<u>-</u>	<u>10,334,851</u>

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2012

Fourteen Months Ended August 31, 2012

	Appropriations (Net of Transfers)	Expenditures Through 6/30/12	Approximate Lapse Period Expenditures 7/01-8/31/12	Approximate Total Expenditures	Balances Reappropriated 7/1/12	Approximate Balances Lapsed
<u>Public Act 97-0062, 97-0076</u>						
EPA Special State Projects Trust Fund - 074						
Administration	\$ 250,000	\$ 136,462	\$ 3,052	\$ 139,514	\$ -	\$ 110,486
Air Pollution Control	250,000	-	-	-	-	250,000
Laboratory Services	75,000	-	-	-	-	75,000
Land Pollution Control	250,000	-	-	-	-	250,000
Bureau of Water	700,000	-	-	-	-	700,000
Total EPA Special State Projects Trust Fund	<u>1,525,000</u>	<u>136,462</u>	<u>3,052</u>	<u>139,514</u>	<u>-</u>	<u>1,385,486</u>
Solid Waste Management Fund - 078						
Administration	731,100	731,100	-	731,100	-	-
Land Pollution Control	16,537,000	10,030,051	823,099	10,853,150	-	5,683,850
Total Solid Waste Management Fund	<u>17,268,100</u>	<u>10,761,151</u>	<u>823,099</u>	<u>11,584,250</u>	<u>-</u>	<u>5,683,850</u>
Subtitle D Management Fund - 089						
Administration	178,300	178,300	-	178,300	-	-
Land Pollution Control	2,388,700	1,370,942	25,830	1,396,772	-	991,928
Total Subtitle D Management Fund	<u>2,567,000</u>	<u>1,549,242</u>	<u>25,830</u>	<u>1,575,072</u>	<u>-</u>	<u>991,928</u>

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2012

Fourteen Months Ended August 31, 2012

	Appropriations (Net of Transfers)	Expenditures Through 6/30/12	Approximate Lapse Period Expenditures 7/01-8/31/12	Approximate Total Expenditures	Balances Reappropriated 7/1/12	Approximate Balances Lapsed
<u>Public Act 97-0062, 97-0076</u>						
Clean Air Act (CAA) Permit Fund - 091						
Administration	\$ 1,590,600	\$ 691,598	\$ 468,843	\$ 1,160,441	\$ -	\$ 430,159
Air Pollution Control	18,215,000	13,758,568	109,143	13,867,711	-	4,347,289
Pollution Control Board	1,425,500	1,400,125	1,769	1,401,894	-	23,606
Total Clean Air Act (CAA) Permit Fund	21,231,100	15,850,291	579,755	16,430,046	-	4,801,054
Capital Development Fund - 141						
Land Pollution Control	5,300,000	-	-	-	-	5,300,000
Total Capital Development Fund	5,300,000	-	-	-	-	5,300,000
Brownfields Redevelopment Fund - 214						
Land Pollution Control	4,250,000	3,061,445	24,185	3,085,630	-	1,164,370
Federal Stimulus - ARRA	3,500,000	2,375,241	133,868	2,509,109	-	990,891
Total Brownfields Redevelopment Fund	7,750,000	5,436,686	158,053	5,594,739	-	2,155,261
Water Revolving Fund - 270						
Administration	1,297,100	1,289,649	7,451	1,297,100	-	-
Bureau of Water	1,387,521,408	413,018,489	257,617	413,276,106	659,689,125	314,556,177
Federal Stimulus - ARRA	3,503,548	84,648	-	84,648	662,000	2,756,900
Total Water Revolving Fund	1,392,322,056	414,392,786	265,068	414,657,854	660,351,125	317,313,077

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2012

Fourteen Months Ended August 31, 2012

	Appropriations (Net of Transfers)	Expenditures Through 6/30/12	Approximate Lapse Period Expenditures 7/01-8/31/12	Approximate Total Expenditures	Balances Reappropriated 7/1/12	Approximate Balances Lapsed
<u>Public Act 97-0062, 97-0076</u>						
Pollution Control Board Fund - 277						
Pollution Control Board	\$ 18,200	\$ 7,982	\$ 55	\$ 8,037	\$ -	\$ 10,163
Total Pollution Control Board Fund	18,200	7,982	55	8,037	-	10,163
Hazardous Waste Occupational Licensing Fund - 282						
Land Pollution Control	35,000	321	-	321	-	34,679
Total Hazardous Waste Occupational Licensing Fund	35,000	321	-	321	-	34,679
Community Water Supply Laboratory Fund - 288						
Laboratory Services	1,426,000	1,029,646	155,340	1,184,986	-	241,014
Total Community Water Supply Laboratory Fund	1,426,000	1,029,646	155,340	1,184,986	-	241,014
Used Tire Management Fund - 294						
Administration	543,700	533,920	9,780	543,700	-	-
Land Pollution Control	8,662,600	4,815,427	117,952	4,933,379	-	3,729,221
Pollution Control Board	18,500	13,455	5,045	18,500	-	-
Total Used Tire Management Fund	9,224,800	5,362,802	132,777	5,495,579	-	3,729,221

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2012

Fourteen Months Ended August 31, 2012

	Appropriations (Net of Transfers)	Expenditures Through 6/30/12	Approximate Lapse Period Expenditures 7/01-8/31/12	Approximate Total Expenditures	Balances Reappropriated 7/1/12	Approximate Balances Lapsed
<u>Public Act 97-0062, 97-0076</u>						
Environmental Laboratory Certification Fund - 336						
Laboratory Services	\$ 540,000	\$ 462,192	\$ 779	\$ 462,971	\$ -	\$ 77,029
Total Environmental Laboratory Certification Fund	540,000	462,192	779	462,971	-	77,029
Alternative Fuels Fund - 422						
Air Pollution Control	1,225,000	820,787	388,420	1,209,207	-	15,793
Total Alternative Fuels Fund	1,225,000	820,787	388,420	1,209,207	-	15,793
Anti-Pollution Fund - 551						
Land Pollution Control	75,000,000	31,999,740	-	31,999,740	43,000,260	-
Bureau of Water	93,354,091	8,468,234	-	8,468,234	84,885,857	-
Total Anti-Pollution Fund	168,354,091	40,467,974	-	40,467,974	127,886,117	-
Conservation 2000 Fund - 608						
Bureau of Water	1,609,700	57,798	11,781	69,579	-	1,540,121
Total Conservation 2000 Fund	1,609,700	57,798	11,781	69,579	-	1,540,121

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2012

Fourteen Months Ended August 31, 2012

	Appropriations (Net of Transfers)	Expenditures Through 6/30/12	Approximate Lapse Period Expenditures 7/01-8/31/12	Approximate Total Expenditures	Balances Reappropriated 7/1/12	Approximate Balances Lapsed
<u>Public Act 97-0062, 97-0076</u>						
Electronics Recycling Fund - 675						
Land Pollution Control	\$ 500,000	\$ 312,149	\$ -	\$ 312,149	\$ -	\$ 187,851
Total Electronics Recycling Fund	500,000	312,149	-	312,149	-	187,851
Illinois Clean Water Fund - 731						
Administration	4,020,500	3,580,967	38,828	3,619,795	-	400,705
Laboratory Services	1,279,800	1,188,565	65,462	1,254,027	-	25,773
Bureau of Water	11,650,200	11,048,013	46,734	11,094,747	-	555,453
Total Illinois Clean Water Fund	16,950,500	15,817,545	151,024	15,968,569	-	981,931
Alternate Compliance Market Fund - 738						
Air Pollution Control	150,000	-	-	-	-	150,000
Total Alternate Compliance Market Fund	150,000	-	-	-	-	150,000
Oil Spill Response Fund - 774						
Administration	50,000	-	-	-	-	50,000
Total Oil Spill Response Fund	50,000	-	-	-	-	50,000

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2012

Fourteen Months Ended August 31, 2012

	Appropriations (Net of Transfers)	Expenditures Through 6/30/12	Approximate Lapse Period Expenditures 7/01-8/31/12	Approximate Total Expenditures	Balances Reappropriated 7/1/12	Approximate Balances Lapsed
<u>Public Act 97-0062, 97-0076</u>						
Hazardous Waste Fund - 828						
Administration	\$ 630,700	\$ 377,252	\$ 96,278	\$ 473,530	\$ -	\$ 157,170
Land Pollution Control	15,684,400	9,064,597	163,973	9,228,570	-	6,455,830
Total Hazardous Waste Fund	16,315,100	9,441,849	260,251	9,702,100	-	6,613,000
Environmental Protection Trust Fund - 845						
Administration	4,000,000	2,000,000	-	2,000,000	-	2,000,000
Land Pollution Control	1,300,000	-	-	-	-	1,300,000
Total Environmental Protection Trust Fund	5,300,000	2,000,000	-	2,000,000	-	3,300,000
Environmental Protection Permit and Inspection Fund - 944						
Administration	518,300	-	-	-	-	518,300
Air Pollution Control	4,861,900	3,992,595	132,654	4,125,249	-	736,651
Land Pollution Control	2,742,400	2,685,011	1,026	2,686,037	-	56,363
Bureau of Water	1,369,100	160,140	5,063	165,203	-	1,203,897
Pollution Control Board	1,220,400	1,202,354	-	1,202,354	-	18,046
Total Environmental Protection Permit and Inspection Fund	10,712,100	8,040,100	138,743	8,178,843	-	2,533,257

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2012

Fourteen Months Ended August 31, 2012

	Appropriations (Net of Transfers)	Expenditures Through 6/30/12	Approximate Lapse Period Expenditures 7/01-8/31/12	Approximate Total Expenditures	Balances Reappropriated 7/1/12	Approximate Balances Lapsed
<u>Public Act 97-0062, 97-0076</u>						
Landfill Closure and Post-Closure Fund - 945						
Land Pollution Control	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Total Landfill Closure and Post-Closure Fund	400,000	-	-	-	-	400,000
42 Vehicle Inspection Fund - 963						
Administration	700,700	662,359	38,341	700,700	-	-
Air Pollution Control	23,865,200	22,154,115	1,228,309	23,382,424	-	482,776
Total Vehicle Inspection Fund	24,565,900	22,816,474	1,266,650	24,083,124	-	482,776
Build Illinois Bond Fund - 971						
Administration	15,168,782	10,355,325	-	10,355,325	4,813,457	-
Land Pollution Control	18,776,725	500,000	-	500,000	18,276,725	-
Bureau of Water	74,930,132	-	-	-	74,930,132	-
Total Build Illinois Bond Fund	108,875,639	10,855,325	-	10,855,325	98,020,314	-
Total Appropriated Funds	\$1,944,794,586	\$ 648,589,668	\$ 13,555,057	\$ 662,144,725	\$ 886,257,556	\$ 396,392,305

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2012

Fourteen Months Ended August 31, 2012

	Appropriations (Net of Transfers)	Expenditures Through 6/30/12	Approximate Lapse Period Expenditures 7/01-8/31/12	Approximate Total Expenditures	Balances Reappropriated 7/1/12	Approximate Balances Lapsed
<u>Public Act 97-0062, 97-0076</u>						
<u>Non-appropriated Expenditures</u>						
EPA Special State Projects Trust Fund - 074						
Administration	\$ -	\$ 281,119	\$ 55,860	\$ 336,979	\$ -	\$ -
Refund	-	399	-	399	-	-
Total EPA Special State Projects Trust Fund	-	281,518	55,860	337,378	-	-
Pollution Control Board State Trust Fund - 207						
Pollution Control Board	-	462,992	39,564	502,556	-	-
Total Pollution Control Board State Trust Fund	-	462,992	39,564	502,556	-	-
Total Non-appropriated Funds	\$ -	\$ 744,510	\$ 95,424	\$ 839,934	\$ -	\$ -
Grand Total - All Funds	<u>\$1,944,794,586</u>	<u>\$ 649,334,178</u>	<u>\$ 13,650,481</u>	<u>\$ 662,984,659</u>	<u>\$ 886,257,556</u>	<u>\$ 396,392,305</u>

Notes: This schedule contained data that was taken directly from Agency records which have been reconciled to those of the State Comptroller. Expenditure amounts are vouchers approved for payment by the Agency and submitted to the State Comptroller to the vendor. Approximate lapse period expenditures do not include interest payments approved for payment by the Agency and submitted to the Comptroller for payment after August. We have not performed any procedures on the expenditures related to Division 70 (Pollution Control Board). The expenditures were tested in a separate examination of the Pollution Control Board.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
Appropriations for Fiscal Year 2011**

Eighteen Months Ended December 31, 2011

	Appropriations (Net of Transfers)	Expenditures Through 6/30/11	Lapse Period Expenditures 7/1-12/31/11	Total Expenditures	Balances Reappropriated 7/1/11	Balances Lapsed
<u>Public Act 96-0956</u>						
<u>Appropriated Funds</u>						
Industrial Hygiene Regulatory and Enforcement Fund - 049						
Administration	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Total Industrial Hygiene Regulatory and Enforcement Fund	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
U.S. Environmental Protection Fund - 065						
Administration	2,614,400	1,804,658	338,163	2,142,821	-	471,579
Air Pollution Control	14,323,700	9,248,725	1,188,968	10,437,693	-	3,886,007
Land Pollution Control	18,147,400	9,439,891	413,455	9,853,346	-	8,294,054
Bureau of Water	27,852,100	18,307,302	2,601,689	20,908,991	-	6,943,109
Federal Stimulus - ARRA	6,600,000	2,701,199	171,373	2,872,572	-	3,727,428
Total U.S. Environmental Protection Fund	<u>69,537,600</u>	<u>41,501,775</u>	<u>4,713,648</u>	<u>46,215,423</u>	<u>-</u>	<u>23,322,177</u>
Underground Storage Tank Fund - 072						
Administration	659,500	659,500	-	659,500	-	-
Land Pollution Control	59,145,100	45,599,544	3,626,698	49,226,242	-	9,918,858
Total Underground Storage Tank Fund	<u>59,804,600</u>	<u>46,259,044</u>	<u>3,626,698</u>	<u>49,885,742</u>	<u>-</u>	<u>9,918,858</u>

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2011

Eighteen Months Ended December 31, 2011

	Appropriations (Net of Transfers)	Expenditures Through 6/30/11	Lapse Period Expenditures 7/1-12/31/11	Total Expenditures	Balances Reappropriated 7/1/11	Balances Lapsed
<u>Public Act 96-0956</u>						
EPA Special State Projects Trust Fund - 074						
Administration	\$ 250,000	\$ 121,138	\$ 1,000	\$ 122,138	\$ -	\$ 127,862
Air Pollution Control	250,000	-	-	-	-	250,000
Laboratory Services	75,000	-	-	-	-	75,000
Land Pollution Control	250,000	-	-	-	-	250,000
Bureau of Water	700,000	-	-	-	-	700,000
Total EPA Special State Projects Trust Fund	<u>1,525,000</u>	<u>121,138</u>	<u>1,000</u>	<u>122,138</u>	<u>-</u>	<u>1,402,862</u>
Solid Waste Management Fund - 078						
Administration	731,100	731,100	-	731,100	-	-
Land Pollution Control	11,070,400	9,237,431	450,679	9,688,110	-	1,382,290
Total Solid Waste Management Fund	<u>11,801,500</u>	<u>9,968,531</u>	<u>450,679</u>	<u>10,419,210</u>	<u>-</u>	<u>1,382,290</u>
Subtitle D Management Fund - 089						
Administration	178,300	132,853	45,447	178,300	-	-
Land Pollution Control	1,874,900	1,451,957	-	1,451,957	-	422,943
Total Subtitle D Management Fund	<u>2,053,200</u>	<u>1,584,810</u>	<u>45,447</u>	<u>1,630,257</u>	<u>-</u>	<u>422,943</u>

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2011

Eighteen Months Ended December 31, 2011

	Appropriations (Net of Transfers)	Expenditures Through 6/30/11	Lapse Period Expenditures 7/1-12/31/11	Total Expenditures	Balances Reappropriated 7/1/11	Balances Lapsed
<u>Public Act 96-0956</u>						
Clean Air Act (CAA) Permit Fund - 091						
Administration	\$ 1,590,600	\$ 873,917	\$ 173,008	\$ 1,046,925	\$ -	\$ 543,675
Air Pollution Control	17,545,200	13,866,627	-	13,866,627	-	3,678,573
Pollution Control Board	1,355,500	1,225,618	-	1,225,618	-	129,882
Total Clean Air Act (CAA) Permit Fund	20,491,300	15,966,162	173,008	16,139,170	-	4,352,130
Capital Development Fund - 141						
Land Pollution Control	5,300,000	-	-	-	-	5,300,000
Total Capital Development Fund	5,300,000	-	-	-	-	5,300,000
Brownfields Redevelopment Fund - 214						
Land Pollution Control	4,050,000	2,399,109	-	2,399,109	-	1,650,891
Federal Stimulus - ARRA	7,000,000	1,590,733	748,864	2,339,597	-	4,660,403
Total Brownfields Redevelopment Fund	11,050,000	3,989,842	748,864	4,738,706	-	6,311,294
Water Revolving Fund - 270						
Administration	1,297,100	1,233,084	64,016	1,297,100	-	-
Bureau of Water	1,376,429,326	429,910,611	71,694	429,982,305	938,782,608	7,664,413
Federal Stimulus - ARRA	119,211,463	115,707,915	-	115,707,915	3,503,548	-
Total Water Revolving Fund	1,496,937,889	546,851,610	135,710	546,987,320	942,286,156	7,664,413

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2011

Eighteen Months Ended December 31, 2011

	Appropriations (Net of Transfers)	Expenditures Through 6/30/11	Lapse Period Expenditures 7/1-12/31/11	Total Expenditures	Balances Reappropriated 7/1/11	Balances Lapsed
<u>Public Act 96-0956</u>						
Pollution Control Board Fund - 277						
Pollution Control Board	\$ 18,200	\$ -	\$ -	\$ -	\$ -	\$ 18,200
Total Pollution Control Board Fund	18,200	-	-	-	-	18,200
Hazardous Waste Occupational Licensing Fund - 282						
Land Pollution Control	70,000	1,683	-	1,683	-	68,317
Total Hazardous Waste Occupational Licensing Fund	70,000	1,683	-	1,683	-	68,317
Community Water Supply Laboratory Fund - 288						
Laboratory Services	1,626,000	736,779	35,913	772,692	-	853,308
Total Community Water Supply Laboratory Fund	1,626,000	736,779	35,913	772,692	-	853,308
Used Tire Management Fund - 294						
Administration	543,700	390,200	152,335	542,535	-	1,165
Land Pollution Control	8,623,000	4,044,909	149,378	4,194,287	-	4,428,713
Pollution Control Board	18,500	-	-	-	-	18,500
Total Used Tire Management Fund	9,185,200	4,435,109	301,713	4,736,822	-	4,448,378

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2011

Eighteen Months Ended December 31, 2011

	Appropriations (Net of Transfers)	Expenditures Through 6/30/11	Lapse Period Expenditures 7/1-12/31/11	Total Expenditures	Balances Reappropriated 7/1/11	Balances Lapsed
<u>Public Act 96-0956</u>						
Environmental Laboratory Certification Fund - 336						
Laboratory Services	\$ 609,900	\$ 455,539	\$ -	\$ 455,539	\$ -	\$ 154,361
Total Environmental Laboratory Certification Fund	609,900	455,539	-	455,539	-	154,361
<u>Alternative Fuels Fund - 422</u>						
Air Pollution Control	1,225,000	705,114	173,306	878,420	-	346,580
Total Alternative Fuels Fund	1,225,000	705,114	173,306	878,420	-	346,580
<u>Anti-Pollution Fund - 551</u>						
Land Pollution Control	75,000,000	-	-	-	-	75,000,000
Bureau of Water	124,048,037	30,693,946	-	30,693,946	93,354,091	-
Total Anti-Pollution Fund	199,048,037	30,693,946	-	30,693,946	93,354,091	75,000,000
<u>Partners for Conservation Fund - 608</u>						
Bureau of Water	1,634,900	135,684	-	135,684	-	1,499,216
Total Partners for Conservation Fund	1,634,900	135,684	-	135,684	-	1,499,216

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2011

Eighteen Months Ended December 31, 2011

	Appropriations (Net of Transfers)	Expenditures Through 6/30/11	Lapse Period Expenditures 7/1-12/31/11	Total Expenditures	Balances Reappropriated 7/1/11	Balances Lapsed
<u>Public Act 96-0956</u>						
Electronics Recycling Fund - 675						
Land Pollution Control	\$ 500,000	\$ 314,016	\$ -	\$ 314,016	\$ -	\$ 185,984
Total Electronics Recycling Fund	500,000	314,016	-	314,016	-	185,984
Illinois Clean Water Fund - 731						
Administration	3,817,500	3,254,207	159,954	3,414,161	-	403,339
Laboratory Services	1,214,700	1,067,526	35,544	1,103,070	-	111,630
Bureau of Water	10,220,600	9,393,464	258,364	9,651,828	-	568,772
Total Illinois Clean Water Fund	15,252,800	13,715,197	453,862	14,169,059	-	1,083,741
Alternate Compliance Market Fund - 738						
Air Pollution Control	150,000	-	-	-	-	150,000
Total Alternate Compliance Market Fund	150,000	-	-	-	-	150,000
Oil Spill Response Fund - 774						
Administration	60,000	-	-	-	-	60,000
Total Oil Spill Response Fund	60,000	-	-	-	-	60,000

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2011

Eighteen Months Ended December 31, 2011

	Appropriations (Net of Transfers)	Expenditures Through 6/30/11	Lapse Period Expenditures 7/1-12/31/11	Total Expenditures	Balances Reappropriated 7/1/11	Balances Lapsed
<u>Public Act 96-0956</u>						
Hazardous Waste Fund - 828						
Administration	\$ 630,700	\$ 427,821	\$ 14,570	\$ 442,391	\$ -	\$ 188,309
Land Pollution Control	15,183,600	7,846,639	257,667	8,104,306	-	7,079,294
Total Hazardous Waste Fund	15,814,300	8,274,460	272,237	8,546,697	-	7,267,603
Environmental Protection Trust Fund - 845						
Administration	4,000,000	2,970,000	-	2,970,000	-	1,030,000
Land Pollution Control	750,000	-	-	-	-	750,000
Total Environmental Protection Trust Fund	4,750,000	2,970,000	-	2,970,000	-	1,780,000
Environmental Protection Permit and Inspection Fund - 944						
Administration	518,300	-	-	-	-	518,300
Air Pollution Control	5,418,500	3,821,659	23,469	3,845,128	-	1,573,372
Land Pollution Control	2,516,800	2,251,008	3,121	2,254,129	-	262,671
Bureau of Water	1,489,400	420,480	-	420,480	-	1,068,920
Pollution Control Board	1,166,100	1,098,358	323	1,098,681	-	67,419
Total Environmental Protection Permit and Inspection Fund	11,109,100	7,591,505	26,913	7,618,418	-	3,490,682

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2011

Eighteen Months Ended December 31, 2011

	Appropriations (Net of Transfers)	Expenditures Through 6/30/11	Lapse Period Expenditures 7/1-12/31/11	Total Expenditures	Balances Reappropriated 7/1/11	Balances Lapsed
<u>Public Act 96-0956</u>						
Landfill Closure and Post-Closure Fund - 945						
Land Pollution Control	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Total Landfill Closure and Post-Closure Fund	400,000	-	-	-	-	400,000
Vehicle Inspection Fund - 963						
Administration	700,700	680,545	20,155	700,700	-	-
Air Pollution Control	22,148,600	18,014,764	2,727,868	20,742,632	-	1,405,968
Total Vehicle Inspection Fund	22,849,300	18,695,309	2,748,023	21,443,332	-	1,405,968
Build Illinois Bond Fund - 971						
Administration	46,234,397	31,065,615	-	31,065,615	15,168,782	-
Land Pollution Control	18,776,725	-	-	-	18,776,725	-
Bureau of Water	74,930,132	-	-	-	74,930,132	-
Total Build Illinois Bond Fund	139,941,254	31,065,615	-	31,065,615	108,875,639	-
Total Appropriated Funds	\$ 2,102,750,080	\$ 786,032,868	\$ 13,907,021	\$ 799,939,889	\$ 1,144,515,886	\$ 158,294,305

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES BY DIVISION BY FUND
 Appropriations for Fiscal Year 2011

Eighteen Months Ended December 31, 2011

	Appropriations (Net of Transfers)	Expenditures Through 6/30/11	Lapse Period Expenditures 7/1-12/31/11	Total Expenditures	Balances Reappropriated 7/1/11	Balances Lapsed
<u>Public Act 96-0956</u>						
<u>Non-appropriated Funds</u>						
EPA Special State Projects Trust Fund - 074						
Administration	\$ -	\$ 581,584	\$ 133,441	\$ 715,025	\$ -	\$ -
Total EPA Special State Projects Trust Fund	-	581,584	133,441	715,025	-	-
Pollution Control Board State Trust Fund - 207						
Pollution Control Board	-	334,920	47,406	382,326	-	-
Total Pollution Control Board State Trust Fund	-	334,920	47,406	382,326	-	-
Total Non-appropriated Funds	-	916,504	180,847	1,097,351	-	-
Grand Total - All Funds	\$ 2,102,750,080	\$ 786,949,372	\$ 14,087,868	\$ 801,037,240	\$ 1,144,515,886	\$ 158,294,305

52

Notes: This schedule contained data that was taken directly from Agency records which have been reconciled to those of the State Comptroller. Expenditure amounts are vouchers approved for payment by the Agency and submitted to the State Comptroller to the vendor. We have not performed any procedures on the expenditures related to Division 70 (Pollution Control Board). The expenditures were tested in a separate examination of the Pollution Control Board.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES**

	Fiscal Year		
	2012	2011	2010
	PA 97-0062, PA 97-0076	PA 96-0956	PA 96-0046
General Revenue Fund - 001			
<u>Appropriations (Net After Transfers)</u>	\$ -	\$ -	\$ 145,965
<u>Expenditures</u>			
Administration			
Laboratory Services			
Bureau of Water	-	-	145,965
Total Expenditures	-	-	145,965
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	-	-	-
Industrial Hygiene Regulatory and Enforcement Fund - 049			
<u>Appropriations (Net After Transfers)</u>	5,000	5,000	5,000
<u>Expenditures</u>			
Administration	200	-	-
Total Expenditures	200	-	-
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	4,800	5,000	5,000
U.S. Environmental Protection Fund - 065			
<u>Appropriations (Net After Transfers)</u>	70,285,600	69,537,600	83,710,351
<u>Expenditures</u>			
Administration	2,024,244	2,142,821	1,687,830
Air Pollution Control	11,977,542	10,437,693	8,525,992
Land Pollution Control	10,146,690	9,853,346	15,029,982
Bureau of Water	17,956,371	20,908,991	20,777,901
Federal Stimulus - ARRA	105,590	2,872,572	4,588,867
Total Expenditures	42,210,437	46,215,423	50,610,572
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	28,075,163	23,322,177	33,099,779

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES**

	Fiscal Year		
	2012 PA 97-0062, PA 97-0076	2011 PA 96-0956	2010 PA 96-0046
Underground Storage Tank Fund - 072			
<u>Appropriations (Net After Transfers)</u>	\$ 60,288,700	\$ 59,804,600	\$ 59,550,857
<u>Expenditures</u>			
Administration	659,500	659,500	641,521
Land Pollution Control	49,294,349	49,226,242	55,105,354
Total Expenditures	<u>49,953,849</u>	<u>49,885,742</u>	<u>55,746,875</u>
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	<u>10,334,851</u>	<u>9,918,858</u>	<u>3,803,982</u>
EPA Special State Projects Trust Fund - 074			
<u>Appropriations (Net After Transfers)</u>	<u>1,525,000</u>	<u>1,525,000</u>	<u>1,625,000</u>
<u>Expenditures</u>			
Administration	139,514	122,138	113,745
Air Pollution Control	-	-	249,796
Laboratory Services	-	-	74,933
Land Pollution Control	-	-	249,507
Bureau of Water	-	-	657,029
Total Expenditures	<u>139,514</u>	<u>122,138</u>	<u>1,345,010</u>
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	<u>1,385,486</u>	<u>1,402,862</u>	<u>279,990</u>
Solid Waste Management Fund - 078			
<u>Appropriations (Net After Transfers)</u>	<u>17,268,100</u>	<u>11,801,500</u>	<u>16,728,249</u>
<u>Expenditures</u>			
Administration	731,100	731,100	474,270
Land Pollution Control	10,853,150	9,688,110	10,017,831
Total Expenditures	<u>11,584,250</u>	<u>10,419,210</u>	<u>10,492,101</u>
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	<u>5,683,850</u>	<u>1,382,290</u>	<u>6,236,148</u>

STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES

	Fiscal Year		
	2012	2011	2010
	PA 97-0062, PA 97-0076	PA 96-0956	PA 96-0046
Subtitle D Management Fund - 089			
<u>Appropriations (Net After Transfers)</u>	\$ 2,567,000	\$ 2,053,200	\$ 3,111,035
<u>Expenditures</u>			
Administration	178,300	178,300	-
Land Pollution Control	1,396,772	1,451,957	2,467,654
Total Expenditures	<u>1,575,072</u>	<u>1,630,257</u>	<u>2,467,654</u>
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	<u>991,928</u>	<u>422,943</u>	<u>643,381</u>
Clean Air Act (CAA) Permit Fund - 091			
<u>Appropriations (Net After Transfers)</u>	21,231,100	20,491,300	19,734,983
<u>Expenditures</u>			
Administration	1,160,441	1,046,925	1,564,850
Air Pollution Control	13,867,711	13,866,627	14,558,710
Pollution Control Board	1,401,894	1,225,618	1,072,451
Total Expenditures	<u>16,430,046</u>	<u>16,139,170</u>	<u>17,196,011</u>
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	<u>4,801,054</u>	<u>4,352,130</u>	<u>2,538,972</u>
Capital Development Board - 141			
<u>Appropriations (Net of Transfers)</u>	5,300,000	5,300,000	5,300,000
<u>Expenditures</u>			
Land Pollution Control	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	<u>5,300,000</u>	<u>5,300,000</u>	<u>5,300,000</u>

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES**

	Fiscal Year		
	2012 PA 97-0062, PA 97-0076	2011 PA 96-0956	2010 PA 96-0046
EPA Court Ordered Trust - 154			
<u>Appropriations (Net of Transfers)</u>	\$ -	\$ -	\$ 2,000,000
<u>Expenditures</u>			
Land Pollution Control	-	-	-
Total Expenditures	-	-	-
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	-	-	2,000,000
Brownfields Redevelopment Fund - 214			
<u>Appropriations (Net After Transfers)</u>	7,750,000	11,050,000	13,813,000
<u>Expenditures</u>			
Land Pollution Control	3,085,630	2,399,109	1,590,923
Federal Stimulus - ARRA	2,509,109	2,339,597	1,870,177
Total Expenditures	5,594,739	4,738,706	3,461,100
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	2,155,261	6,311,294	10,351,900
Water Revolving Fund - 270			
<u>Appropriations (Net After Transfers)</u>	1,392,322,056	1,496,937,889	1,483,513,090
<u>Expenditures</u>			
Administration	1,297,100	1,297,100	1,292,497
Bureau of Water	413,276,106	429,982,305	187,954,644
Federal Stimulus - ARRA	84,648	115,707,915	140,988,537
Total Expenditures	414,657,854	546,987,320	330,235,678
<u>Balances Reappropriated</u>	660,351,125	942,286,156	913,058,026
<u>Lapsed Balances</u>	317,313,077	7,664,413	240,219,386

STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES

	Fiscal Year		
	2012 PA 97-0062, PA 97-0076	2011 PA 96-0956	2010 PA 96-0046
Pollution Control Board Fund - 277			
<u>Appropriations (Net After Transfers)</u>	\$ 18,200	\$ 18,200	\$ 18,200
<u>Expenditures</u>			
Pollution Control Board	8,037	-	80
Total Expenditures	8,037	-	80
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	10,163	18,200	18,120
Hazardous Waste Occupational Licensing Fund - 282			
<u>Appropriations (Net After Transfers)</u>	35,000	70,000	70,000
<u>Expenditures</u>			
Land Pollution Control	321	1,683	62,289
Total Expenditures	321	1,683	62,289
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	34,679	68,317	7,711
Community Water Supply Laboratory Fund - 288			
<u>Appropriations (Net After Transfers)</u>	1,426,000	1,626,000	1,626,000
<u>Expenditures</u>			
Laboratory Services	1,184,986	772,692	1,236,225
Total Expenditures	1,184,986	772,692	1,236,225
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	241,014	853,308	389,775

STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES

	Fiscal Year		
	2012 PA 97-0062, PA 97-0076	2011 PA 96-0956	2010 PA 96-0046
Used Tire Management Fund - 294			
<u>Appropriations (Net After Transfers)</u>	\$ 9,224,800	\$ 9,185,200	\$ 9,533,834
<u>Expenditures</u>			
Administration	543,700	542,535	311,706
Land Pollution Control	4,933,379	4,194,287	5,009,266
Pollution Control Board	18,500	-	18,500
Total Expenditures	5,495,579	4,736,822	5,339,472
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	3,729,221	4,448,378	4,194,362
Environmental Laboratory Certification Fund - 336			
<u>Appropriations (Net After Transfers)</u>	540,000	609,900	678,300
<u>Expenditures</u>			
Laboratory Services	462,971	455,539	428,514
Total Expenditures	462,971	455,539	428,514
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	77,029	154,361	249,786
Alternative Fuels Fund - 422			
<u>Appropriations (Net After Transfers)</u>	1,225,000	1,225,000	1,225,000
<u>Expenditures</u>			
Air Pollution Control	1,209,207	878,420	787,829
Total Expenditures	1,209,207	878,420	787,829
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	15,793	346,580	437,171

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES**

	Fiscal Year		
	2012 PA 97-0062, PA 97-0076	2011 PA 96-0956	2010 PA 96-0046
Anti-Pollution Fund - 551			
<u>Appropriations (Net After Transfers)</u>	\$ 168,354,091	\$ 199,048,037	\$ 250,572,116
<u>Expenditures</u>			
Bureau of Land	31,999,740	-	-
Bureau of Water	8,468,234	30,693,946	1,524,080
Total Expenditures	<u>40,467,974</u>	<u>30,693,946</u>	<u>1,524,080</u>
<u>Balances Reappropriated</u>	<u>127,886,117</u>	<u>93,354,091</u>	<u>124,048,037</u>
<u>Lapsed Balances</u>	<u>-</u>	<u>75,000,000</u>	<u>124,999,999</u>
Partners for Conservation Fund - 608			
<u>Appropriations (Net After Transfers)</u>	<u>1,609,700</u>	<u>1,634,900</u>	<u>2,589,300</u>
<u>Expenditures</u>			
Bureau of Water	69,579	135,684	881,948
Total Expenditures	<u>69,579</u>	<u>135,684</u>	<u>881,948</u>
<u>Balances Reappropriated</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Lapsed Balances</u>	<u>1,540,121</u>	<u>1,499,216</u>	<u>1,707,352</u>
Electronics Recycling Fund - 675			
<u>Appropriations (Net of Transfers)</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
<u>Expenditures</u>			
Land Pollution Control	312,149	314,016	286,148
Total Expenditures	<u>312,149</u>	<u>314,016</u>	<u>286,148</u>
<u>Balances Reappropriated</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Lapsed Balances</u>	<u>187,851</u>	<u>185,984</u>	<u>213,852</u>

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES**

	Fiscal Year		
	2012 PA 97-0062, PA 97-0076	2011 PA 96-0956	2010 PA 96-0046
Illinois Clean Water Fund - 731			
<u>Appropriations (Net After Transfers)</u>	\$ 16,950,500	\$ 15,252,800	\$ 11,572,725
<u>Expenditures</u>			
Administration	3,619,795	3,414,161	2,580,189
Laboratory Services	1,254,027	1,103,070	546,298
Bureau of Water	11,094,747	9,651,828	7,926,685
Total Expenditures	<u>15,968,569</u>	<u>14,169,059</u>	<u>11,053,172</u>
<u>Balances Reappropriated</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Lapsed Balances</u>	<u>981,931</u>	<u>1,083,741</u>	<u>519,553</u>
Alternate Compliance Market Fund - 738			
<u>Appropriations (Net After Transfers)</u>	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
<u>Expenditures</u>			
Air Pollution Control	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<u>Balances Reappropriated</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Lapsed Balances</u>	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
Oil Spill Response Fund - 774			
<u>Appropriations (Net After Transfers)</u>	<u>50,000</u>	<u>60,000</u>	<u>75,000</u>
<u>Expenditures</u>			
Administration	<u>-</u>	<u>-</u>	<u>6,822</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>6,822</u>
<u>Balances Reappropriated</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Lapsed Balances</u>	<u>50,000</u>	<u>60,000</u>	<u>68,178</u>

STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES

	Fiscal Year		
	2012 PA 97-0062, PA 97-0076	2011 PA 96-0956	2010 PA 96-0046
Hazardous Waste Fund - 828			
<u>Appropriations (Net After Transfers)</u>	\$ 16,315,100	\$ 15,814,300	\$ 25,578,828
<u>Expenditures</u>			
Administration	473,530	442,391	214,874
Land Pollution Control	9,228,570	8,104,306	9,364,030
Bureau of Water	-	-	498,173
Total Expenditures	9,702,100	8,546,697	10,077,077
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	6,613,000	7,267,603	15,501,751
Environmental Protection Trust Fund - 845			
<u>Appropriations (Net After Transfers)</u>	5,300,000	4,750,000	4,000,000
<u>Expenditures</u>			
Administration	2,000,000	2,970,000	2,969,241
Total Expenditures	2,000,000	2,970,000	2,969,241
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	3,300,000	1,780,000	1,030,759
Environmental Protection Permit and Inspection Fund - 944			
<u>Appropriations (Net After Transfers)</u>	10,712,100	11,109,100	11,562,922
<u>Expenditures</u>			
Air Pollution Control	4,125,249	3,845,128	4,113,949
Land Pollution Control	2,686,037	2,254,129	1,888,421
Bureau of Water	165,203	420,480	165,802
Pollution Control Board	1,202,354	1,098,681	934,104
Total Expenditures	8,178,843	7,618,418	7,102,276
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	2,533,257	3,490,682	4,460,646

STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES

	Fiscal Year		
	2012 PA 97-0062, PA 97-0076	2011 PA 96-0956	2010 PA 96-0046
Landfill Closure and Post-Closure Fund - 945			
<u>Appropriations (Net After Transfers)</u>	\$ 400,000	\$ 400,000	\$ 400,000
<u>Expenditures</u>			
Land Pollution Control	-	-	-
Total Expenditures	-	-	-
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	400,000	400,000	400,000
Vehicle Inspection Fund - 963			
<u>Appropriations (Net After Transfers)</u>	24,565,900	22,849,300	22,784,176
<u>Expenditures</u>			
Administration	700,700	700,700	675,331
Air Pollution Control	23,382,424	20,742,632	18,635,501
Total Expenditures	24,083,124	21,443,332	19,310,832
<u>Balances Reappropriated</u>	-	-	-
<u>Lapsed Balances</u>	482,776	1,405,968	3,473,344
Build Illinois Bond Fund - 971			
<u>Appropriations (Net After Transfers)</u>	108,875,639	139,941,254	140,236,328
<u>Expenditures</u>			
Administration	10,355,325	31,065,615	-
Land Pollution Control	500,000	-	129,675
Bureau of Water	-	-	165,400
Total Expenditures	10,855,325	31,065,615	295,075
<u>Balances Reappropriated</u>	98,020,314	108,875,639	93,706,856
<u>Lapsed Balances</u>	-	-	46,234,397

STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES

	Fiscal Year		
	2012 PA 97-0062, PA 97-0076	2011 PA 96-0956	2010 PA 96-0046
<u>Total - All Appropriated Funds</u>			
Appropriations (Net After Transfers)	\$ 1,944,794,586	\$ 2,102,750,080	\$ 2,172,410,259
Total Expenditures	662,144,725	799,939,889	533,062,046
Balances Reappropriated	886,257,556	1,144,515,886	1,130,812,919
Lapsed Balances	396,392,305	158,294,305	508,535,294
<u>Non-Appropriated Funds</u>			
EPA Special State Projects Trust Fund - 074			
<u>Expenditures</u>			
Administration	337,378	715,025	620,861
Total Expenditures	337,378	715,025	620,861
Pollution Control Board State Trust Fund - 207			
<u>Expenditures</u>			
Pollution Control Board	502,556	382,326	771,500
Total Expenditures	502,556	382,326	771,500
Environmental Protection Trust Fund - 845			
<u>Expenditures</u>			
Administration	-	-	250,759
Land Pollution Control	-	-	501,427
Total Expenditures	-	-	752,186
Total - All Non-appropriated Funds	839,934	1,097,351	2,144,547
Total Expenditures - All Appropriated and Non-appropriated Funds	\$ 662,984,659	\$ 801,037,240	\$ 535,206,593

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
 EXPENDITURES AND REAPPROPRIATED/LAPSED BALANCES

	Fiscal Year		
	2012 PA 97-0062, PA 97-0076	2011 PA 96-0956	2010 PA 96-0046
State Officers' Salaries			
<u>Appropriation</u>	\$ 133,300	\$ 133,300	\$ 133,300
<u>Expenditures</u>	133,486	126,652	133,273
<u>Lapsed Balances</u>	\$ (186)	\$ 6,648	\$ 27

Notes: For fiscal years 2012 and 2010, expenditures and lapse period expenditures do not include interest payments approved for payment by the Agency and submitted to the Comptroller for payment after August. We have not performed any procedures on the expenditures related to Division 70 (Pollution Control Board). The expenditures were tested in a separate examination of the Pollution Control Board.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF EXPENDITURES BY TYPE**

	Fiscal Year		
	2012	2011	2010
	PA 97-0062, PA 97-0076	PA 96-0956	PA 96-0046
<u>Total Expenditures By Fund</u>			
General Revenue Fund - 001	\$ -	\$ -	\$ 145,965
Industrial Hygiene Regulatory and Enforcement Fund - 049	200	-	-
U.S. Environmental Protection Fund - 065	42,210,437	46,215,423	50,610,572
Underground Storage Tank Fund - 072	49,953,849	49,885,742	55,746,875
EPA Special State Projects Trust Fund - 074	476,892	837,163	1,965,871
Solid Waste Management Fund - 078	11,584,250	10,419,210	10,492,101
Subtitle D Management Fund - 089	1,575,072	1,630,257	2,467,654
Clean Air Act (CAA) Permit Fund - 091	16,430,046	16,139,170	17,196,011
Pollution Control Board State Trust Fund - 207	502,556	382,326	771,500
Brownfields Redevelopment Fund - 214	5,594,739	4,738,706	3,461,100
Water Revolving Fund - 270	414,657,854	546,987,320	330,235,678
Pollution Control Board Fund - 277	8,037	-	80
Hazardous Waste Occupational Licensing Fund - 282	321	1,683	62,289
Community Water Supply Laboratory Fund - 288	1,184,986	772,692	1,236,225
Used Tire Management Fund - 294	5,495,579	4,736,822	5,339,472
Environmental Laboratory Certification Fund - 336	462,971	455,539	428,514
Alternative Fuels Fund - 422	1,209,207	878,420	787,829
Anti-Pollution Fund - 551	40,467,974	30,693,946	1,524,080
Partners for Conservation Fund - 608	69,579	135,684	881,948
Electronics Recycling Fund - 675	312,149	314,016	286,148
Illinois Clean Water Fund - 731	15,968,569	14,169,059	11,053,172
Oil Spill Response Fund - 774	-	-	6,822
Hazardous Waste Fund - 828	9,702,100	8,546,697	10,077,077
Environmental Protection Trust Fund - 845	2,000,000	2,970,000	3,721,427
Environmental Protection Permit and Inspection Fund - 944	8,178,843	7,618,418	7,102,276
Vehicle Inspection Fund - 963	24,083,124	21,443,332	19,310,832
Build Illinois Bond Fund - 971	10,855,325	31,065,615	295,075
	<u>\$ 662,984,659</u>	<u>\$ 801,037,240</u>	<u>\$ 535,206,593</u>
<u>Personal Services By Fund</u>			
U.S. Environmental Protection Fund - 065	\$ 15,894,559	\$ 15,412,301	\$ 15,797,593
Underground Storage Tank Fund - 072	3,332,417	3,214,150	3,056,189
Solid Waste Management Fund - 078	4,626,231	4,309,616	4,721,911
Subtitle D Management Fund - 089	729,617	829,130	1,445,976
Clean Air Act (CAA) Permit Fund - 091	8,781,732	9,133,060	9,408,001
Pollution Control Board State Trust Fund - 207	129,401	-	116,984
Brownfields Redevelopment Fund - 214	852,893	800,271	62,030
Water Revolving Fund - 270	8,619,683	8,311,263	8,292,592
Hazardous Waste Occupational Licensing Fund - 282	-	-	38,263

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF EXPENDITURES BY TYPE**

	Fiscal Year		
	2012	2011	2010
	PA 97-0062, PA 97-0076	PA 96-0956	PA 96-0046
<u>Personal Services By Fund (continued)</u>			
Community Water Supply Laboratory Fund - 288	\$ 415,023	\$ 321,208	\$ 512,871
Used Tire Management Fund - 294	2,514,403	2,336,621	2,385,572
Environmental Laboratory Certification Fund - 336	258,340	279,366	265,175
Alternative Fuels Fund - 422	130,980	139,739	111,376
Partners for Conservation Fund - 608	-	35,306	225,015
Electronics Recycling Fund - 675	183,937	188,562	116,389
Illinois Clean Water Fund - 731	7,655,200	6,820,157	5,492,027
Hazardous Waste Fund - 828	4,568,920	4,326,019	4,487,115
Environmental Protection Permit and Inspection Fund - 944	4,797,913	4,686,198	4,374,690
Vehicle Inspection Fund - 963	4,647,789	3,612,767	3,084,476
	<u>\$ 68,139,038</u>	<u>\$ 64,755,734</u>	<u>\$ 63,994,245</u>
<u>Other Payroll Costs By Fund</u>			
U.S. Environmental Protection Fund - 065	\$ 10,237,228	\$ 8,723,259	\$ 8,825,899
Underground Storage Tank Fund - 072	2,180,562	1,822,763	1,484,631
EPA Special State Projects Trust Fund - 074	10,476	8,819	8,387
Solid Waste Management Fund - 078	3,070,709	2,500,685	2,644,859
Subtitle D Management Fund - 089	468,265	453,072	804,202
Clean Air Act (CAA) Permit Fund - 091	5,657,757	5,148,090	5,222,203
Pollution Control Board State Trust Fund - 207	78,014	-	58,552
Brownfields Redevelopment Fund - 214	549,496	452,173	345,418
Water Pollution Control Revolving Fund - 270	5,674,329	4,823,028	4,735,330
Hazardous Waste Occupational Licensing Fund - 282	-	-	18,692
Community Water Supply Laboratory Fund - 288	285,969	199,797	334,497
Used Tire Management Fund - 294	1,649,391	1,365,554	1,367,396
Environmental Laboratory Certification Fund - 336	164,346	155,238	147,687
Alternative Fuels Fund - 422	76,793	74,463	59,915
Partners for Conservation Fund - 608	-	17,792	128,392
Electronics Recycling Fund - 675	126,493	118,516	60,717
Illinois Clean Water Fund - 731	4,997,357	3,942,384	3,109,379
Hazardous Waste Fund - 828	2,925,125	2,455,086	2,523,903
Environmental Protection Permit and Inspection Fund - 944	3,053,057	2,647,242	2,424,569
Vehicle Inspection Fund - 963	3,329,292	2,275,112	1,954,310
	<u>\$ 44,534,659</u>	<u>\$ 37,183,073</u>	<u>\$ 36,258,938</u>

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF EXPENDITURES BY TYPE**

	Fiscal Year		
	2012	2011	2010
	PA 97-0062, PA 97-0076	PA 96-0956	PA 96-0046
<u>Contractual Services By Fund</u>			
Industrial Hygiene Fund - 049	\$ 200	\$ -	\$ -
U.S. Environmental Protection Fund - 065	8,346,706	9,438,038	12,612,833
Underground Storage Tank Fund - 072	502,678	531,625	611,177
EPA Special State Projects Trust Fund - 074	281,785	660,540	714,763
Solid Waste Management Fund - 078	2,052,239	1,570,849	358,756
Subtitle D Management Fund - 089	276,293	271,453	170,545
Clean Air Act (CAA) Permit Fund - 091	1,394,260	1,460,869	1,825,387
Pollution Control Board State Trust Fund - 207	221,803	305,609	257,545
Brownfields Redevelopment Fund - 214	2,542,935	2,352,200	1,888,729
Water Revolving Fund - 270	1,482,993	1,365,775	1,575,171
Pollution Control Board Fund - 277	4,037	-	-
Community Water Supply Laboratory Fund - 288	222,385	251,687	388,857
Used Tire Management Fund - 294	1,075,552	796,484	1,426,347
Environmental Laboratory Certification Fund - 336	26,918	2,000	1,040
Alternative Fuels Fund - 422	-	-	604
Partners for Conservation Fund - 608	-	137	83,156
Electronics Recycling Fund - 675	1,666	5,250	108,879
Illinois Clean Water Fund - 731	1,800,037	1,811,914	1,361,896
Hazardous Waste Fund - 828	2,004,987	1,677,160	2,950,100
Environmental Protection Trust Fund - 845	-	-	658,651
Environmental Protection Permit and Inspection Fund - 944	107,627	133,425	147,579
Vehicle Inspection Fund - 963	15,538,964	15,107,844	13,774,123
Total Contractual Services	\$ 37,884,065	\$ 37,742,859	\$ 40,916,138
<u>All Other Operating Costs By Fund</u>			
General Revenue Fund - 001	\$ -	\$ -	\$ -
U.S. Environmental Protection Fund - 065	1,467,263	1,457,316	1,576,084
Underground Storage Tank Fund - 072	290,047	318,079	472,271
EPA Special State Projects Trust Fund - 074	106,631	90,804	647,014
Solid Waste Management Fund - 078	187,812	227,242	1,345,582
Subtitle D Management Fund - 089	100,897	76,602	46,931
Clean Air Act (CAA) Permit Fund - 091	596,297	397,151	740,420
Pollution Control Board State Trust Fund - 207	73,338	76,717	338,419
Brownfields Redevelopment Fund - 214	31,648	21,500	597,968
Water Revolving Fund - 270	577,907	503,921	714,784
Pollution Control Board Fund - 277	4,000	-	80
Hazardous Waste Occupational Licensing Fund - 282	321	1,683	5,334
Community Water Supply Laboratory Fund - 288	261,609	-	-
Used Tire Management Fund - 294	256,233	238,163	160,157

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF EXPENDITURES BY TYPE**

	Fiscal Year		
	2012	2011	2010
	PA 97-0062, PA 97-0076	PA 96-0956	PA 96-0046
<u>All Other Operating Costs By Fund (continued)</u>			
Environmental Laboratory Certification Fund - 336	\$ 13,367	\$ 18,935	\$ 14,612
Alternative Fuels Fund - 422	1,554	1,181	2,859
Anti-Pollution Fund - 551	8,400,000	29,970,000	420,527
Partners for Conservation Fund - 608	-	217	161,996
Electronics Recycling Fund - 675	53	1,688	163
Illinois Clean Water Fund - 731	1,513,733	1,580,001	1,089,870
Oil Spill Response Fund - 774	-	-	6,822
Hazardous Waste Fund - 828	203,068	88,432	115,959
Environmental Protection Trust Fund - 845	-	-	16,535
Environmental Protection Permit and Inspection Fund - 944	220,246	151,553	155,438
Vehicle Inspection Fund - 963	567,079	447,609	497,923
Build Illinois Bond Fund - 971	500,000	-	165,400
Total Other Operating Costs	<u>\$ 15,373,103</u>	<u>\$ 35,668,794</u>	<u>\$ 9,293,148</u>
 TOTAL OPERATING COSTS	 <u>\$ 165,930,865</u>	 <u>\$ 175,350,460</u>	 <u>\$ 150,462,469</u>
 <u>Grants By Fund</u>			
General Revenue Fund - 001	\$ -	\$ -	\$ 145,965
U.S. Environmental Protection Fund - 065	6,264,681	11,184,509	11,798,163
Underground Storage Tank Fund - 072	43,648,145	43,999,125	50,122,607
EPA Special State Projects Trust Fund - 074	78,000	77,000	595,707
Solid Waste Management Fund - 078	1,647,259	1,810,818	1,420,993
Brownfields Redevelopment Fund - 214	1,617,767	1,112,562	566,955
Water Revolving Fund - 270	398,302,942	531,983,333	314,917,801
Alternative Fuels Fund - 422	999,880	663,037	613,075
Anti-Pollution Fund - 551	32,067,974	723,946	1,103,553
Partners for Conservation Fund - 608	69,579	82,232	283,389
Illinois Clean Water Fund - 731	2,242	14,603	-
Environmental Protection Trust Fund - 845	2,000,000	2,970,000	3,046,241
Build Illinois Bond Fund - 971	10,355,325	31,065,615	129,675
Total Grants	<u>\$ 497,053,794</u>	<u>\$ 625,686,780</u>	<u>\$ 384,744,124</u>
 TOTAL EXPENDITURES	 <u>\$ 662,984,659</u>	 <u>\$ 801,037,240</u>	 <u>\$ 535,206,593</u>

Notes: For fiscal years 2012 and 2010, expenditures and lapse period expenditures do not include interest payments approved for payment by the Agency and submitted to the Comptroller for payment after August. We have not performed any procedures on the expenditures related to Division 70 (Pollution Control Board). The expenditures were tested in a separate examination of the Pollution Control Board.

**STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 SCHEDULE OF CHANGES IN STATE PROPERTY
 YEAR ENDED JUNE 30, 2012**

Year Ended June 30, 2012

Balance per Agency, Beginning	\$ 24,299,888
Additions	611,666
Deletions	<u>(614,057)</u>
Balance per Agency, Ending	<u><u>\$ 24,297,497</u></u>

Year Ended June 30, 2011

Balance per Agency, Beginning	\$ 25,242,781
Additions	526,581
Deletions	<u>(1,469,474)</u>
Balance per Agency, Ending	<u><u>\$ 24,299,888</u></u>

Notes: Beginning and ending balances per Agency include the Pollution Control Board. The Schedule of Changes in State Property reflects all Agency property, including amounts falling below the capitalization thresholds set for financial statement reporting purposes.

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 COMPARATIVE SCHEDULE OF CASH RECEIPTS
 For Fiscal Years 2012, 2011 and 2010

	FISCAL YEAR		
	2012	2011	2010
General Revenue Fund - 001			
Jury Duty	\$ 37	\$ 40	\$ 406
Copying Charges	2,086	5,759	12,895
Miscellaneous	49	20	146,334
Total General Revenue Fund	<u>2,172</u>	<u>5,819</u>	<u>159,635</u>
Industrial Hygiene Regulatory and Enforcement Fund - 049			
License	<u>2,350</u>	<u>3,715</u>	<u>3,185</u>
U.S. Environmental Protection Fund - 065			
Federal Grant Proceeds	45,453,488	39,029,676	50,821,456
Jury Duty	135	184	79
Witness Fees	-	-	174
Travel Reimbursement	-	958	887
IDOT Agreement	1,514,459	491,099	913,849
Federal Grants (Department of Defense)	1,122,908	987,286	1,092,112
Great Lakes Commission	113,662	10,604	11,275
Personal Phone Calls	-	-	248
Other States	6,500	23,605	-
Illinois Emergency Management Agency	-	50,000	-
Miscellaneous	-	252	351
Total U.S. Environmental Protection Fund	<u>48,211,152</u>	<u>40,593,664</u>	<u>52,840,431</u>
Underground Storage Tank Fund - 072			
Travel Reimbursement	190	100	137
Jury Duty	31	16	32
Total Underground Storage Tank Fund	<u>221</u>	<u>116</u>	<u>169</u>
EPA Special State Projects Trust Fund - 074			
Transfer from Environmental Protection Fund	500,000	1,889,241	50,000
P2 Intern and Governor's Environmental Corps	96,000	119,415	100,000
Great Lakes Com.	-	200,215	-
Miscellaneous	-	429	-
Household Haz. Waste	-	-	46,000
Lab Cost Recovery	-	-	25,664
Penalties	-	-	540,707
Total EPA Special State Projects Trust Fund	<u>596,000</u>	<u>2,209,300</u>	<u>762,371</u>
Solid Waste Management Fund - 078			
Solid Waste Collection Fees	20,557,266	20,647,700	20,953,299
Jury Duty	-	120	18
Witness Fees	-	55	-
Miscellaneous	-	2,534	-
Total Solid Waste Management Fund	<u>20,557,266</u>	<u>20,650,409</u>	<u>20,953,317</u>

STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF CASH RECEIPTS
For Fiscal Years 2012, 2011 and 2010

	FISCAL YEAR		
	2012	2011	2010
Subtitle D Management Fund - 089			
Solid Waste Collection Fees	\$ 2,261,942	\$ 2,272,677	\$ 2,306,573
Jury Duty	-	43	-
Total Subtitle D Management Fund	<u>2,261,942</u>	<u>2,272,720</u>	<u>2,306,573</u>
Clean Air Act (CAA) Permit Fund - 091			
Fees	15,887,484	15,057,488	13,293,105
Jury Duty	16	73	65
Witness Fees	22	-	80
Total Clean Air Act Permit Fund	<u>15,887,522</u>	<u>15,057,561</u>	<u>13,293,250</u>
Pollution Control Board Trust - 207			
Trust Fund Grant	<u>500,000</u>	<u>400,000</u>	<u>500,000</u>
Brownfields Redevelopment Fund - 214			
Federal Grant Receipts	5,612,119	4,696,083	2,971,273
Miscellaneous Receipts	27,158	-	-
Total Brownfields Redevelopment Fund	<u>5,639,277</u>	<u>4,696,083</u>	<u>2,971,273</u>
Water Pollution Control Revolving Fund - 270			
Federal Grant Proceeds	73,408,833	298,172,652	153,757,565
Jury Duty	29	62	236
Witness Fees	-	30	-
Loan Payments - Principal	121,762,806	108,611,114	100,781,233
Loan Payments - Interest	18,255,190	17,740,259	18,008,888
Loan Payments - Support	21,302,177	20,972,072	21,646,462
Escrow	9,992,500	9,760,000	9,470,000
Fund Interest	17,887	18,569	36,566
Leveraged Loan Repayments	15,812,932	14,739,426	16,167,534
Total Water Pollution Control Revolving Fund	<u>260,552,354</u>	<u>470,014,184</u>	<u>319,868,484</u>
Pollution Control Board Fund - 277			
Opinion Sales	3,596	4,621	2,940
Filing Fees	2,250	2,250	3,150
Subscription Sales	180	140	120
Total Pollution Control Board Fund	<u>6,026</u>	<u>7,011</u>	<u>6,210</u>
Hazardous Waste Occupational Licensing Fund - 282			
Hazardous Waste Laborers Licenses	<u>15,750</u>	<u>19,400</u>	<u>18,150</u>
Community Water Supply Laboratory Fund - 288			
PWS Laboratory Fees	<u>1,034,844</u>	<u>2,102,143</u>	<u>195,481</u>

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF CASH RECEIPTS
For Fiscal Years 2012, 2011 and 2010**

	FISCAL YEAR		
	2012	2011	2010
Used Tire Management Fund - 294			
Jury Duty	\$ -	\$ 17	\$ 111
Miscellaneous	-	712	301
Civil Penalties	-	182,000	-
Cost Recovery	1,200	1,600	2,150
Total Used Tire Management Fund	<u>1,200</u>	<u>184,329</u>	<u>2,562</u>
Environmental Laboratory Certification Fund - 336			
Cost Recovery	-	-	5,893
Jury Duty	-	1,638	-
Lab Certification Fees	440,721	534,800	453,600
Total Laboratory Certification Fund	<u>440,721</u>	<u>536,438</u>	<u>459,493</u>
Electronic Recycling Fund - 675			
Electronic Recycling fee	485,354	400,276	275,000
Jury Duty	-	45	-
Total Electronic Recycling Fund	<u>485,354</u>	<u>400,321</u>	<u>275,000</u>
Clean Water Fund - 731			
NPDES Fees	15,620,049	13,889,242	15,178,597
Water Quality Certification	203,583	190,374	222,628
Jury Duty	51	135	30
Miscellaneous	3,630	-	-
NPDES Interest	20,165	19,596	33,248
Total Clean Water Fund	<u>15,847,478</u>	<u>14,099,347</u>	<u>15,434,503</u>
Alternative Compliance Market Account - 738			
Fees	6,048	569	1,716
Oil Spill Response Fund - 774			
Penalty	-	-	51,034
Total Oil Spill Response Fund	<u>-</u>	<u>-</u>	<u>51,034</u>
Hazardous Waste Fund - 828			
Hazardous Waste Collection Fees	860,422	759,119	784,306
Hazardous Waste Cost Recoveries	5,478,623	4,798,326	5,728,603
Hazardous Waste Grant from 0845	-	50,000	-
Penalties and Fines	170,242	742,167	1,577,743
Miscellaneous	21	70	92,833
Jury Duty	127	16	65
Witness Fees	-	202	231
Penalty Interest on Penalties	-	673	-
Total Hazardous Waste Fund	<u>6,509,435</u>	<u>6,350,573</u>	<u>8,183,781</u>

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF CASH RECEIPTS
For Fiscal Years 2012, 2011 and 2010**

	FISCAL YEAR		
	2012	2011	2010
Hazardous Waste Research Fund - 840			
Hazardous Waste Collection Fees	\$ 94,221	\$ 88,727	\$ 87,145
Hazardous Waste Hauler Fees	312,299	259,886	208,769
Total Hazardous Waste Research Fund	<u>406,520</u>	<u>348,613</u>	<u>295,914</u>
Environmental Protection Trust Fund - 845			
Penalty Payments	3,814,986	2,859,481	4,721,132
Interest on Past Due Penalties	-	87	1,653
Total Environmental Protection Trust Fund	<u>3,814,986</u>	<u>2,859,568</u>	<u>4,722,785</u>
Environmental Protection Permit and Inspection Fund - 944			
Permit & Inspection Fees - APC	2,491,465	2,006,130	2,055,876
Asbestos Fee	554,400	535,400	479,700
Air Construction Fee	2,148,725	2,003,207	2,017,400
Permit & Inspection Fees - LPC	140,000	157,000	228,000
Hazardous Waste Hauler Fees - LPC	55,112	45,862	36,842
Large Generator Fees	457,000	354,000	392,000
Manifest Fees - LPC	17,652	20,607	26,172
PIMW Manifests - LPC	752,200	821,646	803,260
PIMW Haulers - LPC	138,705	159,305	160,350
PIMW Transporters - LPC	1,422,083	1,451,563	1,461,421
Used Tire Storage Fee - LPC	21,800	24,100	24,200
Uniform Hazardous Waste Transport Permit - LPC	5,335	66,550	66,535
Permit & Inspection Fees - Industrial Construction	124,500	96,200	135,600
Permit & Inspection Fees - PWS Oper	29,790	26,310	26,880
Permit & Inspection Fees - PWS Cons	183,510	178,960	233,330
Permit & Inspection Fees - WPC Cons	255,900	253,400	295,500
Penalty	12,000	52,700	-
Miscellaneous	-	274	-
Jury Duty	117	247	32
Clean Const or Demo Debris Fee	719,086	354,509	-
Expedited Fees	345,200	-	-
Total Environmental Protection Permit and Inspection Fund	<u>9,874,580</u>	<u>8,607,970</u>	<u>8,443,098</u>
Vehicle Inspection Fund - 963			
Jury Duty	295	103	121
Vehicle Emissions Inspection Fee	46,380	41,120	29,720
Total Vehicle Inspection Fund	<u>46,675</u>	<u>41,223</u>	<u>29,841</u>
Industrial Hygiene Regulatory - 049			
Fund Borrowing Repayment	<u>8,000</u>	<u>-</u>	<u>-</u>
Clean Air Act Permit Fund - 091			
Sales Tax On Sorbents	2,000,000	-	-
Audit Expense Money Returned	-	1,904	-
Total Clean Air Act Permit Fund	<u>2,000,000</u>	<u>1,904</u>	<u>-</u>

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
COMPARATIVE SCHEDULE OF CASH RECEIPTS
For Fiscal Years 2012, 2011 and 2010**

	FISCAL YEAR		
	2012	2011	2010
Anti-Pollution Bond Fund - 551			
Bond Sale	\$ 49,809,700	\$ 37,731,142	\$ 2,584,554
Clean Water Fund - 731			
Fund Borrowing Repayment	1,334,258	-	-
Audit Expense Money Returned	-	857	-
Total IL Clean Water Fund	<u>1,334,258</u>	<u>857</u>	<u>-</u>
Alternative Compliance Market - 738			
Fund Borrowing Repayment	<u>203,421</u>	<u>-</u>	<u>-</u>
Oil Spill Response Fund - 774			
Fund Borrowing Repayment	<u>14,082</u>	<u>-</u>	<u>-</u>
Hazardous Waste Fund - 828			
Transfer from Solid Waste Management Fund - 078	2,000,000	2,000,000	2,000,000
Audit Expense Money returned	-	2,342	-
Total Hazardous Waste Fund	<u>2,000,000</u>	<u>2,002,342</u>	<u>2,000,000</u>
Environmental Protection Trust Fund - 845			
Fund Borrowing Repayment	<u>1,557,000</u>	<u>-</u>	<u>-</u>
Environmental Protect Permit & Inspection - 944			
Statutory Transfer in	<u>-</u>	<u>1,156</u>	<u>-</u>
Vehicle Inspection Fund - 963			
Transfer from DOT	30,000,000	30,000,000	30,000,000
Fund Borrowing Repayment	18,060,000	-	-
Audit Expense money returned	126	3,635	-
	<u>48,060,126</u>	<u>30,003,635</u>	<u>30,000,000</u>
Total Agency Cash Receipts Before Interest	<u>497,686,460</u>	<u>661,202,112</u>	<u>486,362,810</u>
Interest Deposited Directly into State Treasury			
Clean Air Act Permit Fund - 091	29,099	38,906	61,124
EPA Court Trust Fund - 154	28	35	39
Brownfields Redevelopment Fund - 214	11,450	14,174	13,813
Water Pollution Control Revolving Fund - 270	1,615,019	1,996,604	2,735,911
Community Water Supply Lab Fund - 288	4,798	3,235	3,832
Environmental Lab Certification Fund - 336	1,218	1,732	1,921
Electronic Recycling - 675	1,667	1,409	1,757
Clean Water Fund - 731	39,504	41,138	79,307
Alternative Compliance Market Fund - 738	393	790	2,315
Oil Spill Response Fund - 774	200	91	-
Total Interest Deposited Directly into State Treasury	<u>1,703,376</u>	<u>2,098,114</u>	<u>2,900,019</u>
Total Agency Receipts After Interest	<u>\$ 499,389,836</u>	<u>\$ 663,300,226</u>	<u>\$ 489,262,829</u>

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
 REMITTED TO THE STATE COMPTROLLER
 For the Two Years Ended June 30, 2012

	FISCAL YEAR	
	2012	2011
<u>GENERAL REVENUE FUND - 001</u>		
Receipts per Agency Records	\$ 2,172	\$ 5,819
Yearend Adjustment to correct cash forward	-	(60)
Plus deposits in transit, beginning of year	12	35
Less deposits in transit, end of year	149	12
Deposits Recorded by the Comptroller	<u>2,035</u>	<u>5,782</u>
<u>INDUSTRIAL HYGIENE REGULATORY AND ENFORCEMENT FUND - 049</u>		
Receipts per Agency Records	2,350	3,715
Plus deposits in transit, beginning of year	50	-
Less deposits in transit, end of year	-	50
Deposits Recorded by the Comptroller	<u>2,400</u>	<u>3,665</u>
<u>U.S. ENVIRONMENTAL PROTECTION FUND - 065</u>		
Receipts per Agency Records	48,211,152	40,593,664
Yearend Adjustment to correct cash forward	-	(70)
Plus deposits in transit, beginning of year	624,550	-
Less deposits in transit, end of year	2,169,187	624,550
Deposits Recorded by the Comptroller	<u>46,666,515</u>	<u>39,969,044</u>
<u>UNDERGROUND STORAGE TANK FUND - 072</u>		
Receipts per Agency Records	221	116
Plus deposits in transit, beginning of year	-	-
Less deposits in transit, end of year	-	-
Deposits Recorded by the Comptroller	<u>221</u>	<u>116</u>
<u>EPA SPECIAL STATE PROJECTS TRUST FUND - 074</u>		
Receipts per Agency Records	596,000	2,209,300
Plus deposits in transit, beginning of year	-	-
Less deposits in transit, end of year	6,000	-
Deposits Recorded by the Comptroller	<u>590,000</u>	<u>2,209,300</u>
<u>SOLID WASTE MANAGEMENT FUND - 078</u>		
Receipts per Agency Records	20,557,266	20,650,409
Plus deposits in transit, beginning of year	-	-
Less deposits in transit, end of year	-	-
Deposits Recorded by the Comptroller	<u>20,557,266</u>	<u>20,650,409</u>

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER
For the Two Years Ended June 30, 2012**

	FISCAL YEAR	
	2012	2011
<u>SUBTITLE D MANAGEMENT FUND - 089</u>		
Receipts per Agency Records	\$ 2,261,942	\$ 2,272,720
Plus deposits in transit, beginning of year	-	-
Less deposits in transit, end of year	-	-
Deposits Recorded by the Comptroller	<u>2,261,942</u>	<u>2,272,720</u>
<u>CLEAN AIR ACT (CAA) PERMIT FUND - 091</u>		
Receipts per Agency Records	15,887,522	15,057,561
Yearend Adjustment to correct cash forward	600	18,564
Plus deposits in transit, beginning of year	751,278	317,137
Less deposits in transit, end of year	3,156,989	751,278
Deposits Recorded by the Comptroller	<u>13,482,411</u>	<u>14,641,984</u>
<u>POLLUTION CONTROL BOARD STATE TRUST - 207</u>		
Receipts per Agency Records	500,000	400,000
Plus deposits in transit, beginning of year	-	-
Less deposits in transit, end of year	-	-
Deposits Recorded by the Comptroller	<u>500,000</u>	<u>400,000</u>
<u>BROWNFIELDS REDEVELOPMENT FUND - 214</u>		
Receipts per Agency Records	5,639,277	4,696,083
Plus deposits in transit, beginning of year	399,564	-
Less deposits in transit, end of year	-	399,564
Deposits Recorded by the Comptroller	<u>6,038,841</u>	<u>4,296,519</u>
<u>WATER REVOLVING FUND - 270</u>		
Receipts per Agency Records	260,552,354	470,014,184
Plus deposits in transit, beginning of year	17	-
Less deposits in transit, end of year	-	17
Deposits Recorded by the Comptroller	<u>260,552,371</u>	<u>470,014,167</u>
<u>POLLUTION CONTROL BOARD - 277</u>		
Receipts per Agency Records	6,026	7,011
Plus deposits in transit, beginning of year	40	170
Less deposits in transit, end of year	20	40
Deposits Recorded by the Comptroller	<u>6,046</u>	<u>7,141</u>

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
 REMITTED TO THE STATE COMPTROLLER
 For the Two Years Ended June 30, 2012

	FISCAL YEAR	
	2012	2011
<u>HAZARDOUS WASTE OCCUPATIONAL LICENSING FUND - 282</u>		
Receipts per Agency Records	\$ 15,750	\$ 19,400
Plus deposits in transit, beginning of year	-	1,650
Less deposits in transit, end of year	2,400	-
Deposits Recorded by the Comptroller	<u>13,350</u>	<u>21,050</u>
<u>COMMUNITY WATER SUPPLY LABORATORY FUND - 288</u>		
Receipts per Agency Records	1,034,844	2,102,143
Yearend Adjustment to correct cash forward	-	(9,446)
Plus deposits in transit, beginning of year	76,491	13,980
Less deposits in transit, end of year	173,526	76,491
Deposits Recorded by the Comptroller	<u>937,809</u>	<u>2,030,186</u>
<u>USED TIRE MANAGEMENT FUND - 294</u>		
Receipts per Agency Records	1,200	184,329
Plus deposits in transit, beginning of year	-	-
Less deposits in transit, end of year	-	-
Deposits Recorded by the Comptroller	<u>1,200</u>	<u>184,329</u>
<u>ENVIRONMENTAL LABORATORY CERTIFICATION FUNDS - 336</u>		
Receipts per Agency Records	440,721	536,438
Plus deposits in transit, beginning of year	-	-
Less deposits in transit, end of year	5,400	-
Deposits Recorded by the Comptroller	<u>435,321</u>	<u>536,438</u>
<u>ELECTRONIC RECYCLING FUND - 675</u>		
Receipts per Agency Records	485,354	400,321
Plus deposits in transit, beginning of year	-	-
Less deposits in transit, end of year	7,546	-
Deposits Recorded by the Comptroller	<u>477,808</u>	<u>400,321</u>
<u>CLEAN WATER FUND - 731</u>		
Receipts per Agency Records	15,847,478	14,099,347
Yearend Adjustment to correct cash forward	-	(36)
Adjustment for deposits to Protest Fund	(146,000)	(111,000)
Plus deposits in transit, beginning of year	1,715,398	2,501,140
Less deposits in transit, end of year	566,886	1,715,398
Deposits Recorded by the Comptroller	<u>16,849,990</u>	<u>14,774,053</u>

STATE OF ILLINOIS
 ENVIRONMENTAL PROTECTION AGENCY
 RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
 REMITTED TO THE STATE COMPTROLLER
 For the Two Years Ended June 30, 2012

	FISCAL YEAR	
	2012	2011
<u>ALTERNATIVE COMPLIANCE MARKET - 738</u>		
Receipts per Agency Records	\$ 6,048	\$ 569
Plus deposits in transit, beginning of year	-	-
Less deposits in transit, end of year	-	-
Deposits Recorded by the Comptroller	6,048	569
<u>HAZARDOUS WASTE FUND - 828</u>		
Receipts per Agency Records	6,509,435	6,350,573
Yearend Adjustment to correct cash forward	(737)	(23,084)
Plus deposits in transit, beginning of year	125,438	98,220
Less deposits in transit, end of year	185,437	125,438
Deposits Recorded by the Comptroller	6,448,699	6,300,271
<u>HAZARDOUS WASTE RESEARCH FUND - 840</u>		
Receipts per Agency Records	406,520	348,613
Yearend Adjustment to correct cash forward	1,382	-
Plus deposits in transit, beginning of year	3,851	2,593
Less deposits in transit, end of year	4,906	3,851
Deposits Recorded by the Comptroller	406,847	347,355
<u>ENVIRONMENTAL PROTECTION TRUST FUND - 845</u>		
Receipts per Agency Records	3,814,986	2,859,568
Adjustment for deposits to Protest Fund	-	-
Plus deposits in transit, beginning of year	100	5,602
Less deposits in transit, end of year	41,300	100
Deposits Recorded by the Comptroller	3,773,786	2,865,070
<u>ENVIRONMENTAL PROTECTION PERMIT AND INSPECTION FUND - 944</u>		
Receipts per Agency Records	9,874,580	8,607,970
Yearend Adjustment to correct cash forward	(4,745)	(27,904)
Plus deposits in transit, beginning of year	176,535	134,891
Less deposits in transit, end of year	230,807	176,535
Deposits Recorded by the Comptroller	9,815,563	8,538,422
<u>VEHICLE INSPECTION FUND - 963</u>		
Receipts per Agency Records	46,675	41,223
Yearend Adjustment to correct cash forward	-	-
Plus deposits in transit, beginning of year	-	-
Less deposits in transit, end of year	-	-
Deposits Recorded by the Comptroller	46,675	41,223

STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER
For the Two Years Ended June 30, 2012

	FISCAL YEAR	
	2012	2011
<u>AGENCY TOTALS</u>		
Receipts per Agency Records	\$ 392,699,873	\$ 591,461,076
Protest Adjustments to Agency Funds	(146,000)	(111,000)
Protest Receipts on the Comptroller Reports	146,000	111,000
Yearend adjustment to correct cash forward	(3,500)	(42,036)
Plus deposits in transit, beginning of year	3,873,324	3,075,418
Less deposits in transit, end of year	6,550,553	3,873,324
Deposits Recorded by the Comptroller	<u>\$ 390,019,144</u>	<u>\$ 590,621,134</u>
Reconciliation of receipts per Agency records per the Reconciliation of Cash Receipts to Deposits Remitted to the State Comptroller to receipts before interest per Agency records on the Comparative Schedule of Cash Receipts:		
Receipts per Agency Records - Reconciliation of Cash Receipts to Deposits Remitted to the State Comptroller	\$ 392,699,873	\$ 591,461,076
Plus deposits made to the Comptroller through an auto-transfer, not in the form of a warrant:		
Industrial Hygiene Regulatory (049)	8,000	-
Clean Air Act Fund (091)	2,000,000	1,904
Anti-Pollution Bond Fund (551)	49,809,700	37,731,142
IL Clean Water Fund (731)	1,334,258	857
Alternative Compliance Market (738)	203,421	-
Oil Spill Response Fund (774)	14,082	-
Hazardous Waste (828)	2,000,000	2,002,342
Environmental Protection Trust (845)	1,557,000	-
Environmental Protection Permit and Inspection (944)	-	1,156
Vehicle Inspection (963)	48,060,126	30,003,635
Receipts per Agency Records before interest - Comparative Schedule of Cash Receipts	<u>\$ 497,686,460</u>	<u>\$ 661,202,112</u>

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES

A comparative schedule of net appropriations, expenditures and reappropriated/lapsed balances is presented on pages 53 through 64. The following is an explanation of significant fluctuations in expenditures, by fund total, among the years. Funds with appropriated and non-appropriated expenditures were analyzed. We considered fluctuations in excess of \$250,000 and 20% to be significant. Explanations of significant expenditure fluctuations are as follows:

Fiscal Year 2012

Fund 074 – EPA Special State Projects Trust Fund

The non-appropriated expenditures decreased by \$377,647 or 53%. Expenditures are based on available revenue. Revenue comes from Fund 845 and once deposited, the Agency has two years to spend.

Fund 270 – Water Pollution Control Revolving Fund

The expenditures decreased by \$132,329,466 or 24%. The decrease was due to ARRA funding related to drinking water and clean water projects awarded during 2009 which ended in fiscal year 2011. No further State match was provided in fiscal year 2012.

Fund 288 – Community Water Supply Laboratory Fund

The expenditures increased by \$412,294 or 53%. The expenditures were largely dependent upon receipt of construction application fees and annual water supply testing fees thus, increase was due to higher level of available revenue. The fund's expenditures were used for administrative and laboratory costs associated with the testing of samples from community water supplies. The monies expended on laboratory testing vary directly in relation to cash availability.

Fund 422 – Alternative Fuels Fund

The expenditures increased by \$330,787 or 38%. The fund is utilized to process rebates for the use of alternate fuels as part of the Alternate Fuel Rebate Program of the Agency. The increase was due to higher number of rebates applications received and approved by the Agency in fiscal year 2012.

Fund 551 – Anti-Pollution Fund

The expenditures increased by \$9,774,028 or 32%. The increase was due to the Governor's Office of Management and Budget (GOMB) issuing bonds. The bond proceeds were received for Leaking Underground Storage Tank (LUST) claims. The bond proceeds were used for reimbursements to owners/operators of leaking underground storage tanks for remediation costs.

Fund 845 – Environmental Protection Trust Fund

The expenditure decreased by \$970,000 or 33%. This fund is used by the Environmental Protection Trust Fund Commission for the purposes of funding grants to the Illinois Environmental Protection Agency, the Pollution Control Board, the Attorney General, and the Illinois Department of Natural Resources for the enhancement of environmental protection, enforcement and case processing activities. The funding varies from year to year as it is based

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES

Fiscal Year 2012 (Continued)

on collections from penalties, court orders and administrative citations for violating environmental laws and regulations. The Commission meets twice annually in January and June. In June, the Commission reviews the receipts and determines how much can be allocated to each of the four agencies. Funds are transferred throughout the year based on cash availability. Expenditures relate to cash availability.

Fund 971 – Build Illinois Bond Fund

The expenditure decreased by \$20,201,290 or 65%. These expenditures represented a portion of the remaining balance of State matches on infrastructure projects relating to centralized collection systems for unsewered communities.

Fiscal Year 2011

Fund 074 – EPA Special State Projects Trust Fund

The appropriated expenditures decreased by \$1,222,873 or 91%. Expenditures are based on available revenue. Revenue comes from Fund 845 and once deposited, the Agency has two years to spend.

Fund 089 – Subtitle D Management Fund

The expenditures decreased by \$837,397 or 34%. The decrease was due to realignment of expenditures with revenue as a result of the Agency's reassessment of cash flows. The Bureau of Land reduced personal services and related fringe benefit costs to ensure adequate cash flow of revenues with expenditures.

Fund 207 – Pollution Control Board Trust Fund

The non-appropriated expenditures decreased by \$389,174 or 50%. The decrease was due to decreased grant funds from the EPTF Commission.

Fund 214 – Brownfields Redevelopment Fund

The expenditures increased by \$1,277,606 or 37%. The Brownfields program provides municipalities with financial assistance in the form of grants or loans for coordination of activities related to Brownfields redevelopment, including identification of Brownfields sites, site investigation, determination of remediation objectives, development and implementation of remedial action plans. The increase was due to additional federal funding including ARRA funding that was expended during fiscal year 2011 to support Brownfields grant and loan programs, voluntary Site Remediation Program and related administrative costs.

Fund 270 – Water Pollution Control Revolving Fund

The expenditures increased by \$216,751,642 or 66%. The increase was due to ARRA funding and related State match used for drinking water and clean water projects awarded during 2009. All related State matches were used in fiscal year 2011.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES

Fiscal Year 2011 (Continued)

Fund 288 – Community Water Supply Laboratory Fund

The expenditure decreased by \$463,533 or 37%. The decrease was due to employee retirements which reduced expenditures for personal services and other payroll related costs.

Fund 551 – Anti-Pollution Fund

The expenditure increased by \$29,169,866 or 1914%. The abrupt increase was due to the 20% State match provided to federal capitalization grants in fiscal year 2011. The State match was funded by the proceeds of general obligation bonds issued by GOMB.

Fund 608 – Conservation 2000 Fund

The expenditures decreased by \$746,264 or 85%. The decrease in expenditures was due to the fund transfers pursuant to Public Act 096-0044 which reduced available cash balance for spending.

Fund 731 – Illinois Clean Water Fund

The expenditures increased by \$3,115,887 or 28%. The increase was due to water pollution control costs associated with Emergency response and laboratory analysis which were paid out of this fund. Such costs were activities related to Fund 828 Hazardous Waste however, management decided, per Section 12.5(j) of the Environmental Protection Act (Act), to allocate the cost to Fund 731 since Fund 828 cash availability for these activities decreased as a result of increased operating costs on retirement and group insurance. Under this Act, subject to appropriation, the moneys in Fund 731 shall be used by the Agency to carry out the Agency's clean water activities. The expenditures of Fund 828 were part of the allocation for support programs that benefit the Agency's clean water programs.

Fund 845 – Environmental Protection Trust Fund

The non-appropriated expenditures decreased by \$752,186 or 100%. The fund is used by the Environmental Protection Trust Fund Commission for the purposes of funding grants to the Illinois Environmental Protection Agency, the Pollution Control Board, the Attorney General, and the Illinois Department of Natural Resources for the enhancement of environmental protection, enforcement and case processing activities. The funding varies from year to year as it is based on collections from penalties, court orders and administrative citations for violating environmental laws and regulations. The Commission meets twice annually in January and June. In June, the Commission reviews the receipts and determines how much can be allocated to each of the four agencies. Funds are transferred throughout the year based on cash availability. Expenditures relate to cash availability.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES

Fiscal Year 2011 (Continued)

Fund 971 – Build Illinois Bond Fund

The expenditures increased by \$30,770,540 or 10428%. These expenditures represented continuing State matches on project costs for unsewered communities. The Agency received State matches in fiscal year 2011 from proceeds of the general obligation bonds issued by GOMB. No matches were provided during fiscal year 2010.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS

A comparative schedule of cash receipts is presented on pages 70 through 74. The following is an explanation of significant fluctuations in receipts, by fund total, among years. We considered fluctuations in excess of \$250,000 and 20% to be significant. Explanations of significant receipts fluctuations are as follows:

Fiscal Year 2012

Fund 074 – EPA Special State Projects Trust Fund

The receipts decreased by \$1,613,300 or 73%. The purpose of this fund is to receive and expend funds made available from the Environmental Protection Trust Fund (EPTF) Commission. The funding varies from year to year as it is based on collections from penalties, court orders and administrative citations for violating environmental laws and regulations.

Fund 091 – Clean Air Act Permit Fund

The receipts increased by \$1,998,096 or 100%. The increase was due to the Agency's receipt of sales tax on sorbents beginning fiscal year 2012. Pursuant to HB1297 beginning July 1, 2011, each month the Department of Revenue shall pay into the Clean Air Act (CAA) Permit Fund 80% of the net revenue realized for the preceding month from the 6.25% general rate on the selling price of sorbents used in Illinois in the process of sorbent injection as used to comply with the Environmental Protection Act or the federal Clean Air Act, but the total payment into the CAA Permit Fund under this Act and the Retailers' Occupation Tax Act shall not exceed \$2,000,000 in any fiscal year.

Fund 214 – Brownfields Redevelopment Fund

The receipts increased by \$943,194 or 20%. Brownfields program provides municipalities with financial assistance in the form of grants or loans for coordination of activities related to Brownfields redevelopment, including identification of Brownfields sites, site investigation, determination of remediation objectives, development and implementation of remedial action plans. The increase was due to ARRA funds received for Brownfields projects in fiscal year 2012.

Fund 270 – Water Pollution Control Revolving Fund

The receipts decreased by \$209,461,830 or 45%. The decrease was due to lower federal grant proceeds in fiscal year 2012. The lower federal grant proceeds is a result of the decline in funds available for State match.

Fund 288 – Community Water Supply Laboratory Fund

The receipts decreased by \$1,067,299 or 51%. This fund receives annual testing fees from each community water supply based on sampling projections. Fiscal year 2011 balance was significantly higher than fiscal year 2012 due to the delay in the fiscal year 2010 billings which were only received during fiscal year 2011.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS

Fiscal Year 2012 (Continued)

Fund 551 – Anti-Pollution Bond Fund

The receipts increased by \$12,078,558 or 32%. The increase was due to bond sales during fiscal year 2012. The receipts were provided as State match for federal capitalization grants and for payment of leaking underground storage tank claims.

Fund 731 – Clean Water Fund

The receipts increased by \$1,333,401 or 100%. The increase was a result of repayment of funds borrowed in accordance with P.A. 096-0958.

Fund 845 – Environmental Protection Trust Fund

The receipts increased by \$955,418 or 33%. The funding varies from year to year as it is based on collections from penalties, court orders and administrative citations for violating environmental laws and regulations. The increase will result in additional revenue to the four Agencies this fund supports in the following year.

Receipts from fund borrowing repayment increased by \$1,557,000 or 100%. The increase was a result of repayment of funds borrowed in accordance with P.A. 096-0958.

Fund 963 – Vehicle Inspection Fund

The receipts increased by \$18,056,491 or 60%. The increase was a result of repayment of funds borrowed in accordance P.A. 096-0958.

Fiscal Year 2011

Fund 065 – U.S. Environmental Protection Fund

The receipts decreased by \$12,246,767 or 23%. The decrease was due to lower ARRA federal grant funds received in fiscal year 2011. The U.S. Environmental Protection Fund receives and expends, based on appropriation, monies granted to the Environmental Protection Agency by the federal government pursuant to specific grant programs.

Fund 074 – EPA Special State Projects Trust Fund

The receipts increased by \$1,446,929 or 190%. Revenue comes from the EPTF Commission and varies from year to year. Fiscal year 2011 receipts was based on an allocation of fiscal year 2010 Fund 845 revenue.

Fund 214 – Brownfields Redevelopment Fund

The receipts increased by \$1,724,810 or 58%. The increase was due to higher federal financial assistance received from Brownfields loan grants in fiscal year 2011.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS

Fiscal Year 2011 (Continued)

Fund 270 – Water Pollution Control Revolving Fund

The receipts increased by \$150,145,700 or 47%. The increase was due to the increase in federal grant proceeds as a result of higher funding available from State match and ARRA.

The receipts pertaining to interest deposited directly into State Treasury decreased by \$739,307 or 27%. The decrease was due to lower interest rate for fiscal year 2011.

Fund 288 – Community Water Supply Laboratory Fund

The receipts increased by \$1,906,662 or 975%. The increase was due to delay in mailing of fiscal year 2010 billing notices due to shortage of staff.

Fund 551 – Anti-Pollution Bond Fund

The receipts increased by \$35,146,588 or 1,360%. The increase was due to proceeds from bond sales which were provided as State match for federal capitalization grants.

Fund 828 – Hazardous Waste Fund

The receipts decreased by \$1,833,208 or 22%. The decrease in receipts was due to reduction in cost recovery settlements, penalties and fines received in fiscal year 2011. Receipts associated with Hazardous Fund vary every year depending on the cost recovery settlements received from responsible parties for hazardous waste cleanups.

Fund 845 – Environmental Protection Trust Fund

The receipts decreased by \$1,863,217 or 39%. The funding varies from year to year as it is based on collections from penalties, court orders and administrative citations for violating environmental laws and regulations. The fiscal year 2011 decrease resulted in decreased revenue to Fund 074 in fiscal year 2012.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING

The schedule of net appropriations, expenditures and reappropriated/lapsed balances by fund is presented on pages 33 through 34. Following is an explanation of significant lapse period spending. We considered spending of \$250,000 and 15% or more of total expenditures to be significant. Explanations of significant lapsed period spending are as follows:

Fiscal Year 2012

Fund 422 – Alternative Fuels Fund

Lapse period expenditures were \$388,420 or 32% of total expenditures. This program provides a rebate check as an incentive for the purchase of clean alternate fuel vehicles, an incentive for the conversion of vehicles to a clean alternate fuel using certified or approved conversion systems and an incentive for the use of renewable E85 and biodiesel fuels. Lapse period expenditures pertain to rebates for fiscal year 2012 from the Alternate Fuels Rebate Program processed and paid during lapse.

Fiscal Year 2011

Fund 214 – Brownfields Redevelopment Fund

Lapse period expenditures were \$748,864 or 16% of total expenditures. Lapse period expenditures pertain to ARRA expenditures for contractor services performed related to cleanup projects as of end of fiscal year 2011 paid during the lapse.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
ANALYSIS OF ACCOUNTS RECEIVABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

The Agency's net accounts receivable balance was approximately \$2,597,708 (in thousands) at June 30, 2012. The Agency utilizes the Attorney General, a private collection agency, and the Comptroller's Offset System to collect unpaid receivables.

An aging schedule of the Agency's accounts receivable at June 30, 2012 is presented below:

<u>Fund</u>	(Amounts in Thousands)						<u>Total</u>
	<u>Current</u>	<u>Less than 30 Days</u>	<u>31 to 90 Days</u>	<u>91 to 180 Days</u>	<u>181 to 365 Days</u>	<u>Over 365 Days</u>	
General Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 2
Environmental Protection	3,718	-	-	-	-	-	3,718
EPA Special Project Trust	-	-	-	-	-	103	103
Solid Waste Management	5,057	-	-	-	-	-	5,057
Subtitle D	556	-	-	-	-	-	556
Clean Air Act Permit	7,064	66	41	32	102	184	7,489
Brownfields	129	-	-	-	-	-	129
Water Revolving Loan	2,563,772	-	-	-	-	-	2,563,772
Community Water Supply	88	-	-	-	-	-	88
Used Tire Management	14	-	-	-	-	865	879
Laboratory Certification	-	-	-	-	-	2	2
Clean Water Fund	15,869	15	32	-	462	2,558	18,936
Alternative Compliance Market	6	-	-	-	-	43	49
Hazardous Waste	988	81	197	74	79	12,573	13,992
Hazardous Waste Research	32	-	-	-	-	-	32
Trust Fund Commission	472	-	1	17	2	8,299	8,791
Environmental Protection Permit and Inspection	314	39	34	37	67	370	861
Total	<u>\$ 2,598,079</u>	<u>\$ 201</u>	<u>\$ 305</u>	<u>\$ 160</u>	<u>\$ 712</u>	<u>\$ 24,999</u>	<u>\$ 2,624,456</u>
Accrued interest receivable - all funds							(3,859)
Allowance for uncollectible accounts							(22,889)
Net Receivable							<u>\$ 2,597,708</u>

STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
ANALYSIS OF ACCOUNTS RECEIVABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

The Agency's net accounts receivable balance was approximately \$2,376,043 (in thousands) at June 30, 2011. The Agency utilizes the Attorney General, a private collection agency, and the Comptroller's Offset System to collect unpaid receivables.

An aging schedule of the Agency's accounts receivable at June 30, 2011 is presented below:

Fund	(Amounts in Thousands)						Total
	Current	Less than 30 Days	31 to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	
General Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 2
Environmental Protection	7,009	-	-	-	-	-	7,009
EPA Special Project Trust	-	-	-	-	-	101	101
Solid Waste Management	5,410	-	-	-	-	-	5,410
Subtitle D	595	-	-	-	-	-	595
Clean Air Act Permit	5,291	85	28	46	31	154	5,635
Brownfields	487	-	-	-	-	-	487
Water Revolving Loan	2,341,018	-	-	-	-	-	2,341,018
Community Water Supply	52	-	-	-	-	-	52
Used Tire Management	15	-	-	-	-	865	880
Laboratory Certification	-	-	-	-	-	1	1
Clean Water Fund	14,547	27	7	22	415	2,401	17,419
Alternative Compliance Market	-	-	-	-	-	44	44
Hazardous Waste	983	83	164	123	171	12,845	14,369
Hazardous Waste Research	38	-	-	-	-	-	38
Trust Fund Commission	476	-	2	1	23	8,139	8,641
Environmental Protection Permit and Inspection	256	22	37	28	91	274	708
Total	<u>\$ 2,376,177</u>	<u>\$ 217</u>	<u>\$ 238</u>	<u>\$ 220</u>	<u>\$ 731</u>	<u>\$ 24,826</u>	<u>\$ 2,402,409</u>
Accrued interest receivable - all funds							(3,611)
Allowance for uncollectible accounts							<u>(22,755)</u>
Net Receivable							<u>\$ 2,376,043</u>

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

AGENCY FUNCTIONS AND PLANNING PROGRAM (Not Examined)

Agency Functions

The mission of the Illinois Environmental Protection Agency (Agency) is to safeguard environmental quality, consistent with the social and economic needs of the State, so as to protect health, welfare, property and the quality of life.

In support of this mission statement, the following program goals have been developed:

1. Provide leadership to chart a new course for clean air which is responsive to relevant needs in Illinois and complies with priority aspects of the Clean Air Act Amendments.
2. Address outstanding solid and hazardous waste management concerns and participate, as appropriate, in the national deliberations on reauthorization of the hazardous waste program.
3. Utilize creative means to address the priority needs for clean and safe water in Illinois and participate, as appropriate, in the national deliberations on reauthorization of the water programs.
4. Enhance capability to fund environmental cleanup, when necessary, and to provide better service for private party actions.
5. Promote pollution prevention and market-based approaches for continued environmental progress.
6. Develop an environmental planning capability which emphasizes risk-based analysis, good science and sound data, and open communication and informed participation.

The IEPA is organized into three principal bureaus to carry out the Agency's mission. Each bureau is described below:

The **Bureau of Air** monitors air quality throughout the State to determine existing levels of pollution and evaluate historical trends. The Bureau of Air also addresses future needs of the State through an air quality planning program, analyzes alternative control strategies, proposes new or revised quality standards to the Pollution Control Board and conducts the Illinois Vehicle Emissions Testing Program to reduce air pollution from vehicle emissions in those sections of Illinois which do not meet federal air quality standards.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

AGENCY FUNCTIONS AND PLANNING PROGRAM (Not Examined) (Continued)

The **Bureau of Water** includes the Division of Public Water Supplies and the Division of Water Pollution Control. The Division of Public Water Supplies regulates operation of public water systems including inspections, water quality monitoring, technical assistance, facility permitting, system operator training, and enforcement programs. The Division of Water Pollution Control is responsible for identifying sources of water pollution and implementing procedures to abate the pollution.

The **Bureau of Land** administers the federal hazardous waste program pursuant to the federal Resource Conservation and Recovery Act and the State's solid waste program through permitting, surveillance, compliance and enforcement activities which control the transport, storage, treatment, and disposal of hazardous wastes. The Bureau also administers the Leaking Underground Storage Tank Program.

The Agency's Headquarters and Laboratory facility are in Springfield. Field offices are located in Rockford, Des Plaines, Elgin, Elk Grove, Peoria, Springfield, Champaign, Collinsville, Marion, Rock Island and Ottawa.

Planning

The Agency established a strategic plan that runs for four years and is updated every year going forward. The plan includes the set-up of five priorities. These are 1) to enhance air quality, 2) to reduce contamination of the land through prevention and cleanup, 3) clean and safe water, 4) good information about environmental conditions to educate the public and guide use of resources, and 5) innovative programs that promote economic development and benefit the environment. Each priority was set-up with various initiatives in order to achieve the above program goals. These initiatives were programmed to direct the day to day operations of the Agency's various bureaus (air, land, and water).

In addition, the Agency also has the following Strategic Management Directives wherein the Agency widens its focus of promoting public awareness through social activities:

1. Pursue the State's environmental interests in concert with applicable national environmental programs.
2. Produce sound environmental decisions that are conducive to environmental progress.
3. Strengthen the government framework for environmental protection in Illinois.
4. Foster innovation, systems improvement and human resource development.
5. Stress responsiveness to relevant publics.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

AGENCY FUNCTIONS AND PLANNING PROGRAM (Not Examined) (Continued)

American Recovery and Reinvestment Act of 2009 (ARRA)

During fiscal year 2009, the Agency was awarded approximately \$272 million of ARRA funds for the following programs of the different Bureaus:

The **Bureau of Air** received funding for the Illinois Green Fleets Project (\$4.1 million) and the Clean Diesel Grant Program (\$1.7 million). These two programs will provide clean diesel vehicles and engines both on-road vehicles and off-road equipment as part of the Midwest Clean Diesel initiative.

The **Bureau of Water** received funding for the State Clean (\$177.2 million) and Drinking Water (\$79.5 million) Programs and the Water Quality Management Planning (\$1.8 million). The State Clean Water grant provides funding to capitalize the State revolving loan fund for the financing of the construction of wastewater treatment facilities and associated infrastructure, nonpoint source projects, estuary projects and program administration. The Drinking Water grant provides funding to capitalize the State revolving loan fund for the financing of the construction of drinking water facilities, green infrastructure, program administration and drinking water related activities. ARRA funds for the Water Quality Management Planning will continue to support the water quality (WQ) management planning activities such as:

- 1) IEPA and the Illinois State Water Survey (ISWS) updates to 1999 IEPA baseline loading report;
- 2) Precision estimates of macroinvertebrate and fish indexes of biological integrity; and
- 3) ISWS continuous dissolved oxygen/temperature and water sample collections.

The **Bureau of Land** received funding for Leaking Underground Storage Tank Trust Fund (\$7.4 million). The ARRA fund is an additional financial assistance source for IEPA's efforts to assess and cleanup petroleum releases from LUST sites in Illinois.

As of June 30, 2012, only \$78,462.00 of the total \$271,855,735.00 ARRA funds received by the Agency remained unexpended. This unexpended amount is for the funding of the Water Quality Management Planning.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

AVERAGE NUMBER OF EMPLOYEES (Not Examined)

The following information was prepared from Agency records and represents the average number of employees for the three years ended June 30:

	Fiscal Year		
	2012	2011	2010
Administrative Services	12	14	9
Bureau of Air	254	262	269
Laboratories	17	17	18
Bureau of Land	300	313	341
Bureau of Water	279	290	299
	<u>862</u>	<u>896</u>	<u>936</u>

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

EMERGENCY PURCHASES (Not Examined)

The Agency reported the following emergency purchases to the Office of the Auditor General during fiscal year 2012:

Obligation Number	Vendor	Description	Estimated Amount	Actual Amount
MUL-7307	Com Microfilm Company	To continue to evaluate and disseminate the large and ever-growing volume of information contained within the documents, data and engineering drawings it receives and maintains. This information enables the Agency to conduct its environmental programs protecting human health, the air, land and waters of the state.	\$ 100,000	\$ 41,666
94 HWA-6303 A	Bodine Environmental Services	To continue the corrective action contracts which provide remediation action at the sites stated which are necessary to protect the public health, public welfare and the environment from actual releases of hazardous substances.	221,775	340,625
HWA-6303 B	Bodine Environmental Services	To continue the corrective action contracts which provide remediation action at the sites stated which are necessary to protect the public health, public welfare and the environment from actual releases of hazardous substances.	89,068	73,169
HWA-6303 C	Bodine Environmental Services	To continue the corrective action contracts which provide remediation action at the sites stated which are necessary to protect the public health, public welfare and the environment from actual releases of hazardous substances.	91,729	109,411

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

EMERGENCY PURCHASES (Not Examined) (Continued)

Obligation Number	Vendor	Description	Estimated Amount	Actual Amount
HWA-6306 A	Apex Companies, LLC	To continue the corrective action contracts which provide remediation action at the sites stated which are necessary to protect the public health, public welfare and the environment from actual releases of hazardous substances.	105,000	94,732
EPA 12-66411	D.W. Ryckman & Associates, Inc. d/b/a REACT Environmental	To extend its contract with the vendor to allow time for the State to complete the competitive procurement process. The contract pertains to waste removal and ditch construction, the potential consequences of failure to extend the contract includes flooding of the adjacent properties to the Tarkowski Property site near Lake Barrington during the spring thaw and rains.	399,939	398,342
12-71438	Extra Mile Public Relations, LLC	To continue the purchase of media advertising which promotes the clean air messages in Northeastern Illinois. The Agency extended its contract with the vendor until the resolution to a protest on the new contract becomes final.	65,000	62,691
TOTAL			<u>\$ 1,072,511</u>	<u>\$ 1,120,636</u>

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

SERVICE EFFORTS AND ACCOMPLISHMENTS (Not Examined)

Environmental Protection Agency
(Dollars in Thousands)

<u>Program</u>	<u>Fiscal 2012</u>		<u>Fiscal Year 2011</u>	
	<u>Expenditures</u>	<u>Headcount</u>	<u>Expenditures</u>	<u>Headcount</u>
Clean Water	\$ 469,600.4	306	\$ 646,769.6	316
Clean Land	132,966.5	306	96,175.4	328
Clean Air	<u>59,577.7</u>	<u>263</u>	<u>56,994.9</u>	<u>273</u>
Agency Totals	<u>\$ 662,144.6</u>	<u>875</u>	<u>\$ 799,939.9</u>	<u>917</u>

The Illinois Environmental Protection Agency (Agency) was created as part of the Environmental Protection Act of 1970. The Agency’s mission is to protect, restore, and enhance the quality of air, land and water resources to benefit current and future generations. In fiscal year 2012, the Agency expended \$662.1 million to fund the activities of the Agency, which included administering State and federal programs to protect and improve air, land and water resources. These expenditures were \$138 million less than fiscal year 2011 primarily due to decreased spending of Federal American Recovery and Reinvestment Act funds on local water and wastewater infrastructure projects across the State.

The Agency employed 875 people in fiscal year 2012, including engineers, biologists, attorneys and other professionals with skills necessary to carry out the functions of the Agency. Activities of the Agency include issuing permits for air, land and water to restrict pollutants into the environment from industrial and commercial sources; regulating pollution control facilities and solid waste disposal sites; testing the quality of water processing procedures for operators of sewage treatment plants and public drinking water supplies and testing gasoline powered vehicles in the Chicago and Metro-East ozone non-attainment areas. The Agency also administers grants and loans to local governments for wastewater and drinking water treatment facilities and for Brownfields redevelopment projects.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

SERVICE EFFORTS AND ACCOMPLISHMENTS (Not Examined) (Continued)

Clean Air

Mission Statement:

Protect the health, welfare, property and the quality of life of the citizens of Illinois through the elimination or control of harmful pollutants in the air.

Program Goals - Objectives:

1. Ensure that all federal and state air quality standards are being achieved.
 - a. Issue permits; conduct inspections, compliance activities, and air monitoring; and track air quality trends.
 - b. Assess the status of air quality through data collection, modeling and analysis.
2. Implement air pollution control strategies to reduce industrial emissions.
 - a. Reduce power plant emissions by establishing requirements necessary to meet federal and State standards.
 - b. Promote clean coal technologies and encourage the development of new clean coal energy plants.
3. Reduce emissions from mobile sources (i.e., transportation) that impact air quality in the State.
 - a. Reduce emissions from diesel school buses.
 - b. Educate school administrators and bus drivers about reducing emissions from diesel school buses.
 - c. Encourage use of pollution control retrofit devices on diesel vehicles.
 - d. Promote clean burning alternate fuels.
4. Implement an improved vehicle emission test program in non-attainment areas.
 - a. Implement, in coordination with the Secretary of State, the license renewal testing and enforcement program.
 - b. Administer an effective and efficient vehicle emissions testing program in the Chicago and Metro-East Non-attainment areas.
5. Participate in Midwest Governors Association Air Initiative.
 - a. Continue dialogue with other states on improving air quality in the Midwest by reducing emissions from power plants and other targeted sources.
 - b. Work collectively with other states toward achieving state and regional air quality goals.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

SERVICE EFFORTS AND ACCOMPLISHMENTS (Not Examined) (Continued)

Funds: U.S. Environmental Protection Fund, EPA State Projects Trust Fund, Clean Air Act (CAA) Permit Fund, Alternate Fuels Fund, Alternative Compliance Market Account Fund, Environmental Protection Permit and Inspection Fund, Vehicle Inspection Fund

	Fiscal Year 2010 Actual	Fiscal Year 2011 Actual	Fiscal Year 2012 Target /Projected	Fiscal Year 2012 Actual	Fiscal Year 2013 Target /Projected
<u>Input Indicators</u>					
• Total expenditures – all sources (in thousands)	\$52,186.4	\$57,326.9	\$73,577.1	\$59,834.0	\$73,535.8
• Total expenditures – State appropriated funds (in thousands)	\$51,529.1	\$56,994.9	\$72,977.3	\$59,577.7	\$72,739.2
• Average monthly full-time equivalents	285.0	273.0	312.0	263.0	272.0
<u>Output Indicators</u>					
• Number of permits issued to non-Title V sources	2,139	2,286	1,300	2,438	2,000
• Number of initial vehicle emission tests performed	1,758,708	1,845,780	1,830,900	1,930,424	2,020,000
• Number of pollutant emitting facilities inspected	992.0	926.0	900.0	688.0	650.0
• Number of permits issued to large pollutant emitting facilities (Title V) for the operation of such facilities	316.0	282.0	300.0	340.0	300.0
• Number of violation notices issued	210.0	147.0	150.0	163.0	140.0
• Number of enforcement cases referred to Attorney General	24.0	34.0	32.0	34.0	34.0
<u>Outcome Indicators</u>					
• Reduce pollution from diesel school buses (in tons) (a)	5,800	3,340	5,000	1,108	1,500
• Percent days with “Good” air quality in Chicago	96%	98%	94%	93%	95%
• Percent days with “Good” air quality in St. Louis area	98%	96%	94%	94%	94%
• Percent industrial source emission reductions	62%	59%	60%	62%	63%
• Percent mobile source emission reductions	55%	60%	61%	63%	64%
<u>Emission/Cost Effectiveness</u>					
• Cost of inspecting and permitting each small (non-Title V) pollutant-emitting facility (in dollars)	\$3,940.0	\$3,373.0	\$3,474.0	\$3,553.0	\$3,600.0
• Cost of inspecting and permitting each large (Title V) pollutant-emitting facility (in dollars)	\$84,804.0	\$89,968.0	\$94,467.0	\$95,333.0	\$95,000.0
• Cost per vehicle tested in the Chicagoland and Metro-East areas to ensure compliance with state and federal air quality standards (in dollars)	\$6.95	\$6.95	\$6.95	\$6.95	\$6.95

Footnote

a The USEPA Diesel Emission Quantifier is constantly being tweaked, which leads to variation in emission levels reported. The projection is based on anticipated quantifier results.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

SERVICE EFFORTS AND ACCOMPLISHMENTS (Not Examined) (Continued)

Clean Land

Mission Statement:

Reduce contamination of the land through prevention and cleanup.

Program Goals - Objectives:

1. Ensure that hazardous and nonhazardous wastes are managed in an environmentally sound manner.
 - a. Review and evaluate permit applications for hazardous, non-hazardous and special waste management facilities.
 - b. Complete closure of all inactive waste management units.
 - c. Review permitted groundwater monitoring programs, interpret groundwater standards, and offer assistance concerning impacts on groundwater.
 - d. Perform compliance inspections at waste generating facilities.
2. Encourage the recycling and recovery of waste materials.
 - a. Oversee a cleanup program for used tires.
 - b. Provide financial support to the five permanent household hazardous waste collection facilities.
 - c. Implement Beneficial Use Determination legislation that provides for re-use of waste.
3. Cleanup sites with contaminated land and groundwater.
 - a. Investigate, reduce, eliminate, and manage impacts of contaminated land and contaminated groundwater.
 - b. Provide opportunities for the cleanup and reuse of brownfields.
 - c. Cleanup abandoned landfills.
 - d. Target sites to be referred to the Attorney General.
 - e. Implement cleanup of Chicago cluster sites.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

SERVICE EFFORTS AND ACCOMPLISHMENTS (Not Examined) (Continued)

Funds: U.S. Environmental Protection Fund, Underground Storage Tank Fund, EPA State Projects Trust Fund, Solid Waste Management Fund, Subtitle D Management Fund, Brownfields Redevelopment Fund, Hazardous Waste Occupational Licensing Fund, Used Tire Management Fund, Anti-Pollution Fund, Electronics Recycling Fund, Hazardous Waste Fund, Environmental Protection Permit and Inspection Fund, Landfill Closure and Post-Closure Fund, Build Illinois Bond Fund

	Fiscal Year 2010 Actual	Fiscal Year 2011 Actual	Fiscal Year 2012 Target /Projected	Fiscal Year 2012 Actual	Fiscal Year 2013 Target /Projected
<u>Input Indicators</u>					
• Total expenditures – all sources (in thousands)	\$107,442.9	\$96,572.0	\$243,376.3	\$133,264.5	\$214,418.2
• Total expenditures – state appropriated funds (in thousands)	\$106,677.8	\$96,175.4	\$242,726.5	\$132,966.5	\$213,533.1
• Average monthly full-time equivalents	334.0	328.0	340.0	306.0	304.0
<u>Output Indicators</u>					
• Facility permits issued	530.0	537.0	550.0	600.0	550.0
• Facilities inspected	4,246	4,959	4,600	4,800	4,700
• Solid waste administrative citations	18.0	26.0	50.0	55.0	30.0
• Number of enforcement cases referred to Attorney General	65.0	85.0	62.0	62.0	60.0
• LUST (Leaking Underground Storage Tanks) incidents reported	355.0	320.0	300.0	355.0	360.0
• Number of violation notices issued (a)	464.0	498.0	300.0	239.0	200.0
• State cleanup projects completed (b)	6.0	N/A	N/A	N/A	N/A
• Superfund constructions completed (b)	0	N/A	N/A	N/A	N/A
• One-day household hazardous waste collection events	0	N/A	N/A	2.0	6.0
<u>Outcome Indicators</u>					
• Waste diverted from landfills by household hazardous waste collections at permanent facilities (measured in drums)	4,630	5,193	5,200	6,556	8,000
• Waste diverted from landfills by tire collections (measured in tons)	2,122	1,600	3,000	1,400	3,000
• Land remediated (measured in acres) (c)	3,544	1,444	1,830	1,149	1,145
• Waste permits issued as a percent of applications reviewed (d)	94%	N/A	N/A	N/A	N/A
• Waste facilities in corrective action (d)	33%	N/A	N/A	N/A	N/A

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

SERVICE EFFORTS AND ACCOMPLISHMENTS (Not Examined) (Continued)

	Fiscal Year 2010 Actual	Fiscal Year 2011 Actual	Fiscal Year 2012 Target /Projected	Fiscal Year 2012 Actual	Fiscal Year 2013 Target /Projected
<u>Emission/Cost Effectiveness</u>					
• Cost per facility permitted (in dollars)	\$8,800.0	\$8,642.0	\$9,000.0	\$9,157.0	\$9,900.0

Footnotes

a Decrease in fiscal year 2012 is due to implementation of PA 097-0519, which modifies Section 31 of the Illinois Environmental Protection Act. More Administrative Citation Warning Notices and Non-Compliance Advisories will be issued in lieu of Violation Notices during the first year of implementation.

b Indicator has been discontinued due to persistently low output in recent years caused by funding constraints.

c Decreased activity due to depressed real estate development = fewer voluntary land remediations.

d Indicator has been discontinued because it does not accurately reflect work performance or level of activity.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

SERVICE EFFORTS AND ACCOMPLISHMENTS (Not Examined) (Continued)

Clean Water

Mission Statement:

Illinois rivers, streams and lakes will support all designated uses; every public water supply will provide water that is consistently safe to drink and resource groundwater will be protected.

Program Goals - Objectives:

1. Implement programs to sustain beneficial uses of streams, lakes, and groundwater.
 - a. Protect and maintain existing high quality waters.
 - b. Eliminate use impairments in Illinois waters with identified problems.
 - c. Promote nutrient management practices.
 - d. Work toward science-based standards (nutrients, bacteria, dissolved oxygen, sulfate) and more accurate use classifications.
 - e. Address non-continuous but recurring pollutant discharges related to wet weather conditions.
 - f. Develop a permit program for surface-discharging septic systems.
 - g. Continue financial assistance to communities seeking to achieve or maintain Non-Point Discharge Elimination System (NPDES) compliance.
 - h. Increase awareness of groundwater contamination, non-degradation standards, wellhead protection, source water protection through outreach and education.
 - i. Implement a permit program for discharging combined animal feeding operations.
2. Ensure that public water supply systems provide water that is consistently safe to drink.
 - a. Reduce the population served by community water supplies with violations of drinking water standards to less than 5%.
 - b. Work toward enhancing rules for groundwater protection, source water protection, and wellhead protection areas.
 - c. Target financial assistance to assure compliance with new and existing drinking water standards.
3. Protect and restore Lake Michigan.
 - a. Maintain the percentage of open shoreline miles in good condition.
 - b. Assist with remediation of Waukegan Harbor.
 - c. Continue work at contaminated cluster sites in Lake Calumet area.
4. Reduce mercury in the Illinois environment.
 - a. Administer reduction programs, including capture and disposal of mercury vehicle switches and mercury thermostats recycling program.
 - b. Identify and assess current levels of mercury loading to Illinois water environment and assess trends in fish tissue.
 - c. Implement mercury reduction requirements from Illinois power plants.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

SERVICE EFFORTS AND ACCOMPLISHMENTS (Not Examined) (Continued)

Program Goals – Objectives (Continued)

5. Move from facility planning to watershed protection.
 - a. Develop Total Maximum Daily Loads (TMDLs) for waters that fail to meet the use for which they have been designated.
 - b. Align the Agency's program activities on a watershed basis.
 - c. Foster local watershed management planning.
6. Assist with statewide water quantity planning.
 - a. Provide technical assistance to the Illinois Department of Natural Resources and regional planning groups.
 - b. Inform stakeholders of the impacts of water quantity on water quality and vice versa.

**STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY
For the Two Years Ended June 30, 2012**

SERVICE EFFORTS AND ACCOMPLISHMENTS (Not Examined) (Continued)

Funds: U.S. Environmental Protection Fund, Water Revolving Fund, Anti-Pollution Fund, Partners for Conservation Fund, Illinois Clean Water Fund, Environmental Protection Permit and Inspection Fund, Build Illinois Bond Fund

	Fiscal Year 2010 Actual	Fiscal Year 2011 Actual	Fiscal Year 2012 Target /Projected	Fiscal Year 2012 Actual	Fiscal Year 2013 Target /Projected
<u>Input Indicators</u>					
• Total expenditures – all sources (in thousands)	\$375,523.2	\$647,138.3	\$1,629,782.5	\$469,886.1	\$1,488,822.1
• Total expenditures – state appropriated funds (in thousands)	\$374,801.1	\$646,769.6	\$1,629,090.7	\$469,600.4	\$1,487,952.3
• Average monthly full-time equivalents	328.0	316.0	374.0	306.0	312.0
<u>Output Indicators</u>					
• Drinking water permits issued	2,794	2,502	2,500	3,395	3,400
• Wastewater permits issued	2,639	2,519	2,700	3,839	3,200
• Drinking water facilities inspected	636.0	634.0	600.0	720.0	650.0
• Wastewater facilities inspected	494.0	710.0	500.0	580.0	500.0
• Wastewater loans	71.0	43.0	30.0	59.0	60.0
• Drinking water loans	69.0	29.0	30.0	41.0	40.0
• Non-point source control projects	18.0	12.0	27.0	33.0	26.0
• Number of violation notices issued	281.0	509.0	505.0	402.0	455.0
• Number of enforcement cases referred to Attorney General	68.0	62.0	71.0	74.0	70.0
• Infrastructure grants (a)	9.0	N/A	N/A	N/A	N/A
• Lake restoration/protection grants	0	N/A	N/A	0	6.0
<u>Outcome Indicators</u>					
• Groundwater with “Good Quality” rating	67%	67%	67%	67%	65%
• Illinois streams with “Good Quality” rating	63.2%	63.2%	63.2%	62.2%	62.2%
• Lakes with “Good Quality” rating	91.3%	91.3%	91.3%	92.7%	92.7%
• Major wastewater-discharging facilities in compliance	93.7%	93%	93%	95%	96%
• Population served with good quality drinking water from community water supplies	96%	96.6%	95%	97%	95%
<u>Emission/Cost Effectiveness</u>					
• Cost per facility permitted (in dollars)	\$956.0	\$999.0	\$1,040.0	\$1,053.0	\$1,000.0

Footnote

a Indicator has been discontinued due to inactivity in recent years caused by funding constraints.