



STATE OF ILLINOIS
**OFFICE OF THE
 AUDITOR GENERAL**

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

DRYCLEANER ENVIRONMENTAL RESPONSE TRUST FUND COUNCIL

Compliance Examination
 For the Year Ended June 30, 2014

Release Date: February 11, 2015

FINDINGS THIS AUDIT: 1	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	0	0	2007			1
Category 2:	0	0	0				
Category 3:	0	1	1				
TOTAL	0	1	1				
FINDINGS LAST AUDIT: 1							

INTRODUCTION

The Drycleaner Environmental Response Trust Fund Council (Council) oversees the licensure of all retail drycleaning facilities in the State of Illinois. The Council also reimburses drycleaner facilities for costs of remedial action for solvent releases, which occurred in Fiscal Years 1998 through 2006. The Council offers insurance to facilities to insure against solvent release cleanup costs subsequent to Fiscal Year 2006. The Council has contracted with a third party administrator to conduct daily operations and fiscal and administrative duties, under the oversight of the Council.

SYNOPSIS

- (14-1) Council member appointments or reappointments had not been made as required by statute.

Category 1: Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).
Category 2: Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.
Category 3: Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

{Expenditures and Activity Measures are summarized on next page.}

DRYCLEANER ENVIRONMENTAL RESPONSE TRUST FUND COUNCIL
COMPLIANCE EXAMINATION
For the Year Ended June 30, 2014

EXPENDITURE STATISTICS	2014	2013
Total Expenditures	\$ 3,487,557	\$ 3,160,513
OPERATIONS TOTAL.....	\$ 3,487,557	\$ 3,160,513
% of Total Expenditures.....	100.0%	100.0%
Total Council Receipts	\$ 609,842	\$ 646,977

SELECTED ACTIVITY MEASURES (Not Examined)	2014	2013
License applications received.....	917	958
License in force.....	914	953
Insurance applications received.....	514	531
Insurance policies in force.....	513	526
Open insurance claims.....	0	0
Insurance claims with payments made.....	1	1
Eligible remedial and insurance claims filed.....	699	699
Eligible remedial and insurance claims closed.....	502	477
Open remedial claims.....	197	222
Remedial claims with payments made.....	678	678
Cost per license application.....	\$105	\$104
Cost per insurance application.....	\$105	\$104
Cost per eligible claim filed.....	\$802	\$710

COUNCIL CHAIRMAN
During Examination Period: John Polak
Currently: John Polak

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

EXPIRED COUNCIL MEMBER APPOINTMENTS

Three of seven Council members had expired terms

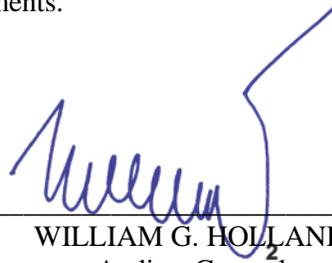
During Fiscal Year 2014, the appointed terms had expired for three of seven (43%) of the Council members. The appointed terms expired for the three Council members on May 1, 2007, May 1, 2008, and May 1, 2013. (Finding 1, Page 7) **This finding was first reported in 2007.**

We recommended the Council continue to work with the Governor's Office to obtain current appointments as soon as possible.

The Council administrator stated they have and will continue to make contact with the Governor's Office to secure appointments for the expired terms. *(For the previous Council response, see Digest Footnote #1)*

AUDITOR'S OPINION

We conducted a compliance examination of the Council in accordance with the Illinois State Auditing Act. The Council has no funds that require an audit leading to an opinion on financial statements.



WILLIAM G. HOLLAND
.. Auditor General

WGH:JGR

AUDITORS ASSIGNED

This examination was performed by the Office of the Auditor General's staff.

DIGEST FOOTNOTES

**#1 EXPIRED COUNCIL MEMBER APPOINTMENTS -
Previous Council Response**

2013: The Governor recently made two new appointments. The first effective June 26, 2013 and the second effective July 3, 2013. The Council has and will continue to make contacts with the Governor's Office to secure reappointments or new appointments for the terms that have expired. Beyond making these contacts, the appointments are out of the Council's control.