



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ENVIRONMENTAL PROTECTION TRUST FUND COMMISSION

State Compliance Examination
 For the Two Years Ended June 30, 2022

Release Date: July 20, 2023

FINDINGS THIS AUDIT: 2	AGING SCHEDULE OF REPEATED FINDINGS			
	Repeated Since	Category 1	Category 2	Category 3
Category 1:	2010		22-1	
Category 2:				
Category 3:				
TOTAL				
FINDINGS LAST AUDIT: 1				

SYNOPSIS

- (22-1) The Commission did not have adequate controls over the administration of its accounts receivable.

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.

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**INADEQUATE CONTROLS OVER ACCOUNTS
RECEIVABLE**

The Environmental Protection Trust Fund Commission (Commission) did not have adequate controls over the administration of its accounts receivable. As of June 30, 2022, the Commission's accounts receivable balance was approximately \$21.4 million, of which approximately \$20.8 million had been due over one year.

During testing, the auditors noted the following:

Receivable accounts not referred to the Offset System or to the Debt Collection Bureau

- Thirty-five of 40 (88%) accounts receivable tested, totaling \$6,548,004, were over one year past due and had not been referred to the Comptroller's Offset System, the Department of Revenue's Debt Collection Bureau, or the Attorney General as of June 30, 2022.

Account not aged properly

- One of 40 (3%) accounts receivable tested, totaling \$278,268, was not properly aged.

Two receivable account balances in the aging report were incorrect

- For two of 40 (5%) accounts receivable tested, totaling \$279,155, the balances recorded in the accounts receivable aging report were incorrect.
- For two of 40 (5%) accounts receivable tested, totaling \$40,120, the Commission did not provide documentation to determine if the Commission pursued collection efforts in accordance with the Commission's collection procedures and State rules and regulations. (Finding 1, pages 7-9) **This finding has been reported since 2010.**

We recommended the Commission pursue all reasonable and appropriate procedures to collect outstanding debts as required by State laws and regulations. We also recommended the Commission maintain records of accounts receivable and documentation of its collection efforts.

Commission agrees with auditors

Commission officials agreed with the recommendation and described corrective actions underway.

OTHER FINDING

The remaining finding pertains to cash receipts not being timely deposited. We will review the Agency's progress towards the implementation of our recommendations in our next compliance examination.

ACCOUNTANT'S OPINION

The accountants conducted a compliance examination of the Commission for the two years ended June 30, 2022, as required by the Illinois State Auditing Act. The accountants stated the Commission complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by Roth & Company, LLP.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

FJM:lkw