



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

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**DRYCLEANER ENVIRONMENTAL RESPONSE TRUST FUND COUNCIL**

Compliance Examination  
 For the Year Ended June 30, 2015

Release Date: March 31, 2016

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			15-01
Category 2:	0	0	0				
Category 3:	0	1	1				
<b>TOTAL</b>	<b>0</b>	<b>1</b>	<b>1</b>				
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**

- (15-01) Council member appointments or reappointments not 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, 2015**

<b>EXPENDITURE STATISTICS</b>	<b>2015</b>	<b>2014</b>
<b>Total Expenditures</b> .....	<b>\$ 3,237,426</b>	<b>\$ 3,487,557</b>
OPERATIONS TOTAL.....	\$ 3,237,426	\$ 3,487,557
% of Total Expenditures.....	100.0%	100.0%
<b>Total Council Receipts</b> .....	<b>\$ 567,702</b>	<b>\$ 611,478</b>

<b>SELECTED ACTIVITY MEASURES (Not Examined)</b>	<b>2015</b>	<b>2014</b>
License applications received.....	873	917
License in force.....	868	914
Insurance applications received.....	487	514
Insurance policies in force.....	483	513
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.....	513	502
Open remedial claims.....	186	197
Remedial claims with payments made.....	677	678
Cost per license application.....	\$106	\$105
Cost per insurance application.....	\$107	\$105
Cost per eligible claim filed.....	\$776	\$802

<b>COUNCIL CHAIRMAN</b>
During Examination Period: John Polak
Currently: John Polak

**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**EXPIRED COUNCIL MEMBER APPOINTMENTS**

**Five of seven Council members had expired terms**

During Fiscal Year 2015, the appointed terms had expired for five of seven (71%) of the Council members. The appointed terms expired for the five Council members on May 1, 2007, May 1, 2008, May 1, 2013, May 1, 2015, and May 1, 2015. (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 Council member 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)*

**ACCOUNTANT'S OPINION**

We conducted a compliance examination of the Council for the year ended June 30, 2015 as required by the Illinois State Auditing Act. The accountants stated the Council complied, in all material respects, with the requirements described in the report.

**SIGNED ORIGINAL ON FILE**

FRANK J. MAUTINO  
Auditor General

FJM: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**

Council members have applied for reappointment directly and online. The Council has and will continue to make contacts with the Governor's Office to secure appointments for the terms that have expired.