



**WISCONSIN LEGISLATIVE AUDIT BUREAU
AUDIT SUMMARY**

Report 00-16

December 2000

PETROLEUM INSPECTION FEE REVENUE OBLIGATIONS PROGRAM

The Petroleum Inspection Fee Revenue Obligations Program provides financing for payment of claims under the Wisconsin Petroleum Environmental Cleanup Fund Award (PECFA) program. As requested by the departments of Commerce and Administration, we performed an audit of the Revenue Obligations Program's Statement of Changes in Program Assets for the period March 2, 2000 through June 30, 2000.

As necessary parts of the financial audit, we reviewed the Program's control procedures, assessed the fair presentation of its financial statement and notes, and reviewed compliance with applicable laws and regulations. We were able to provide an unqualified auditor's report on the Program's financial statement and notes, and we found no instances of material weaknesses in the internal control structure or material instances of noncompliance.

During our audit period, the State issued \$230 million in revenue obligations. The debt proceeds, along with petroleum inspection fees in excess of debt service requirements, allowed the Department of Commerce to reduce a backlog of approved but unpaid PECFA claims from \$196 million as of January 1, 2000, to \$16 million as of June 30, 2000. However, as of June 30, the Department of Commerce had yet to review for approval approximately \$25 million in claimed costs, and it continues to receive new claims every month.

[full report, PDF file \(63KB\)](#)