

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD**

**FINANCIAL AUDIT  
FOR THE YEAR ENDED JUNE 30, 2008  
AND  
COMPLIANCE EXAMINATION  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

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



**E.C. ORTIZ & CO., LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

**STATE OF ILLINOIS**  
**CAPITAL DEVELOPMENT BOARD**  
**FINANCIAL AUDIT**  
**FOR THE YEAR ENDED JUNE 30, 2008**  
**AND**  
**COMPLIANCE EXAMINATION**  
**FOR THE TWO YEARS ENDED JUNE 30, 2008**

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**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
FINANCIAL AUDIT  
FOR THE YEAR ENDED JUNE 30, 2008  
AND  
COMPLIANCE EXAMINATION  
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**STATE OF ILLINOIS**  
**CAPITAL DEVELOPMENT BOARD**  
**FINANCIAL AUDIT**  
**FOR THE YEAR ENDED JUNE 30, 2008**  
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**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD**

**AGENCY OFFICIALS**

Executive Director	(05/13/08 to present) (04/16/08 to 05/12/08) (07/01/06 to 04/15/08)	James Riemer James Riemer* Janet Grimes
Deputy Director of Construction	(09/02/08 to present) (07/01/06 to 09/02/08)	James Underwood James Riemer
Deputy Director of Operations		Darryl Harris
Deputy Director of Professional Services	(07/01/06 to present)	Lisa Mattingly
Administrator of the Office of Fiscal Management		Gevan Behnke
Legal Counsel		Fred Hahn

\* “Acting” official during the dates indicated.

Agency Office is located at:

300 William G. Stratton Building  
401 South Spring Street  
Springfield, Illinois 62706

CAPITAL DEVELOPMENT BOARD



JIM RIEMER, SR. • Director

**Board Members**

Anthony R. Licata  
*Chairman*  
Mark J. Ladd  
Glyn Ramage  
Michael Chin  
Stewart A. Munoz  
Reagen C. Atwood  
Stephen A. Totin

January 20, 2009

E.C. Ortiz & Co., LLP  
333 S. DesPlaines 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 Capital Development Board (CDB). 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 CDB's compliance with the following assertions during the two-year period ended June 30, 2008. Based on this evaluation, we assert that during the years ended June 30, 2008 and June 30, 2007, CDB has materially complied with the assertions below.

- A. CDB 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. CDB 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. CDB has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. The State revenues and receipts collected by CDB 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. The money or negotiable securities or similar assets handled by CDB on behalf of the State or held in trust by CDB have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

Capital Development Board

James Riemer, Sr.  
Executive Director

Gevan Behnke  
Administrator of the Office of  
Fiscal Management

Fred Hahn  
Legal Counsel

Wm. C. Stratton Building  
401 South Spring Street  
Third Floor  
Springfield, Illinois  
62706-4050

James R. Thompson Center  
100 West Randolph Street  
Suite 14-600  
Chicago, Illinois 60601-3283

Dunn-Richmond Economic  
Development Center  
150 East Pleasant Hill Road  
Suite 258  
Carbondale, IL 62903

1222 Shooting Park Road  
Suite 108  
Peru, IL 61354

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
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' REPORTS**

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**

Number of	Current Report	Prior Report
Findings	5	8
Repeated findings	3	1
Prior recommendations implemented or not repeated	5	7

Details of findings are presented in a separately tabbed report section.

**SCHEDULE OF FINDINGS**

Item No.	Page	Description	Finding Type
<i>FINDING (GOVERNMENT AUDITING STANDARDS)</i>			
08-1	11	Inadequate Internal Control for Uninsured and Uncollateralized Deposits	Significant Deficiency and Noncompliance
<i>FINDINGS (STATE COMPLIANCE)</i>			
08-2	13	Failure to Publish Required Procurement Information	Significant Deficiency and Noncompliance
08-3	15	Performance Evaluation Not Completed	Significant Deficiency and Noncompliance
08-4	17	Inadequate Controls Over Personnel and Payroll Records	Significant Deficiency and Noncompliance
08-5	20	Art-in-Architecture Program Noncompliance	Significant Deficiency and Noncompliance

In addition, the following finding which is reported as current finding relating to *Government Auditing Standards* also meet the reporting requirements for State compliance.

08-1	11	Inadequate Internal Control for Uninsured and Uncollateralized Deposits	Significant Deficiency and Noncompliance
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**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
COMPLIANCE REPORT**

**SCHEDULE OF FINDINGS (Continued)**

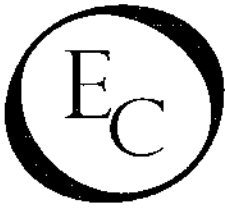
**PRIOR FINDINGS NOT REPEATED**

A	22	Inadequate Review of Retainage Payables and Related Contractor Accounts Payable Balances
B	22	Architect/Engineer Certification
C	22	Post Construction Visits
D	23	Lack of Control Over Changes to Computer System
E	23	Agency Publications

**EXIT CONFERENCE**

The findings and recommendations appearing in this report were discussed with Agency personnel at an exit conference on December 17, 2008 held at 300 William G. Stratton Building, 401 South Spring Street, Springfield, Illinois 62706. Representing the Office of the Auditor General were Lisa Warden and Joe Gudgel. Representing the Capital Development Board were James Riemer, Gus Behnke, and Daryl Harris. Representing E.C. Ortiz & Co., LLP were Leilani N. Rodrigo and Vivian J. Sigue. Responses to the recommendations were provided by Gus Behnke in a letter dated January 5, 2009.





**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

and

Board Members  
Capital Development Board

**Compliance**

As Special Assistant Auditors for the Auditor General, we have examined the State of Illinois Capital Development Board'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, 2008. The management of the State of Illinois Capital Development Board is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois Capital Development Board's compliance based on our examination.

- A. The State of Illinois Capital Development Board 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 Capital Development Board 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 Capital Development Board has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. The State revenues and receipts collected by the State of Illinois Capital Development Board are in accordance with applicable laws and regulations and whether 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 Capital Development Board on behalf of the State or held in trust by the State of Illinois Capital Development Board have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

We conducted our examination 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 Capital Development Board'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 Capital Development Board's compliance with specified requirements.

In our opinion, the State of Illinois Capital Development Board complied, in all material respects, with the requirements listed in the first paragraph of this report during the two years ended June 30, 2008. However, the results of our procedures disclosed instances of noncompliance, 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 State findings as findings 08-1, 08-2, 08-3, 08-4, and 08-5.

### **Internal Control**

The management of the State of Illinois Capital Development Board 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 Capital Development Board's internal control over compliance with the requirements listed in the first paragraph of this report in order to determine 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 the State of Illinois Capital Development Board's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois Capital Development Board's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies (and other deficiencies that we consider to be material weaknesses).

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to comply with the requirements listed in the first paragraph of this report such that there is more than a remote likelihood that noncompliance with a requirement that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings as items 08-1, 08-2, 08-3, 08-4, and 08-5 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying schedule of findings to be material weaknesses.

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 Capital Development Board'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 Capital Development Board's responses and, accordingly, we express no opinion on them.

### **Supplementary Information for State Compliance Purposes**

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the State of Illinois Capital Development Board as of and for the year ended June 30, 2008, which collectively comprise the State of Illinois Capital Development Board's basic financial statements, and have issued our report thereon dated January 20, 2009. The accompanying supplementary information, as listed in the table of contents as Supplementary Information for State Compliance Purposes, is presented for purposes of additional analysis and is not a required part of the basic financial statements of the State of Illinois Capital Development Board. The 2008 Supplementary Information for State Compliance Purposes, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2008 taken as a whole. We have also previously audited, in accordance with auditing standards generally accepted in the United States, the State of Illinois Capital Development Board's basic financial statements for the year ended June 30, 2007. In our report dated December 19, 2007 on basic financial statements, we expressed an unqualified opinion on the respective financial statements of the governmental activities, the major fund, and the aggregate remaining fund information. In our opinion, the 2008 and 2007 Supplementary Information for State Compliance Purposes, except for the portion marked "unaudited" is fairly stated in all material

respects in relation to the basic financial statements for the years ended June 30, 2008 and June 30, 2007 taken as a whole.

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

*E. C. Artiz & Co., LLP*

Chicago, Illinois  
January 20, 2009



**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

and

Board Members  
Capital Development Board

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the State of Illinois Capital Development Board, as of and for the year ended June 30, 2008, which collectively comprise the State of Illinois Capital Development Board's basic financial statements, and have issued our report thereon dated January 20, 2009. 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**

In planning and performing our audit, we considered the State of Illinois Capital Development Board's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements and not for the purpose of expressing an opinion on the effectiveness of the State of Illinois Capital Development Board's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois Capital Development Board's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency 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

misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting (08-1).

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described is a not a material weakness.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the State of Illinois Capital Development Board'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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 08-1.

The State of Illinois Capital Development Board'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 Capital Development Board's response and, accordingly, we express no opinion 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, Agency management, and board members and audit committee members of the State of Illinois Capital Development Board 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  
January 20, 2009

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SCHEDULE OF FINDINGS  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**CURRENT FINDINGS - *GOVERNMENT AUDITING STANDARDS***

**Finding No. 08-1 - Inadequate Internal Control for Uninsured and Uncollateralized Deposits**

The Capital Development Board (CDB) did not maintain adequate controls over the collateralization of locally held construction retention trust accounts.

As of June 30, 2008, bank balances held in local funds as retainage on open construction projects for 33 accounts with 27 banks totaled \$5.820 million. Of this total, \$1.922 million exceeded Federal Deposit Insurance Corporation (FDIC) coverage and was not adequately collateralized. In FY 2008, the FDIC covered up to a maximum of \$100,000 per account holder. The CDB confirmed biannually, with the individual banks holding the deposits, the balance of the deposits held and whether these deposits were insured or if collateral was pledged to secure these deposits. The CDB did not obtain additional collateral for some deposit amounts exceeding the FDIC coverage.

The CDB's revised Retention Trust Agreement requires the bank, as trustee, to ensure that all time deposits, open accounts, certificates of deposits, and savings accounts be covered by a pledge of securities for the difference between the FDIC insurance and the total unsecured amount.

The State Officers and Employees Money Disposition Act (30 ILCS 230/2c) requires that a bond, pledged securities, or other eligible collateral be obtained whenever funds deposited with a bank or savings and loan association exceed the amount of federal deposit insurance coverage. Also, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that funds are safeguarded against loss.

According to CDB management, amendments in the Retention Trust Agreement adding the need for collateralization were sent out to the banks and the contractors in June of 2007; however, some banks responded they were unable to post the required additional collateral due to internal guidelines or a prohibitive cost. Effective January 1, 2008, CDB only allowed new retention trust agreements if the bank agreed to collateralize balances over the \$100,000 FDIC insured amount. However, no further actions were taken to address existing uninsured account balances.

Failure to secure full collateral on retention trust accounts increases the risk that the deposits on these accounts may not be repaid or returned to CDB in case of bank failure. (Finding Code Nos. 08-1, 07-1, 06-1 and 05-1)

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SCHEDULE OF FINDINGS  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**CURRENT FINDINGS - *GOVERNMENT AUDITING STANDARDS*** (CONTINUED)

**Finding No. 08-1 - Inadequate Internal Control for Uninsured and Uncollateralized Deposits** (Continued)

*Recommendation:*

We recommend that CDB continue to monitor account balances and take appropriate action to ensure that bank accounts are collateralized adequately.

*Board Response:*

We agree with the finding. CDB sent agreement amendments requiring collateralization to 71 accounts. Responses were returned by 24. Those not responding with a signed agreement cited their inability to provide the collateralization due to internal guidelines or a prohibitive cost. CDB began a new policy that new retention trust agreements be allowed only if the bank specifically responds to the collateralization requirement beginning January 1, 2008. Those accounts already in place will remain. CDB understands that the potential for a repeat finding will exist until the old accounts all are paid out.



**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SCHEDULE OF FINDINGS  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**CURRENT FINDINGS - STATE**

**Finding No. 08-2 - Failure to Publish Required Procurement Information**

The Capital Development Board (CDB) did not fully comply with the Illinois Procurement Code's provisions for publishing procurement information in the Illinois Procurement Bulletin.

CDB is responsible for publishing its volumes of the Illinois Procurement Bulletin (the Bulletin), which is available electronically. The Bulletin contains notices and other information required by the Illinois Procurement Code (the Code) or by rules promulgated under the Code to be published in the Bulletin. (30 ILCS 500/15-1, 15-10) Based on our review of procurement information on CDB's website, the following were noted:

- Invitation for bids did not include information about the responsible State purchasing officer, the method of source selection, and encouragement to prospective vendors to hire qualified veterans and Illinois residents discharged from any Illinois adult correctional center.
- Contracts let or awarded did not include information about the due date of submission of offers, the location where offers were submitted, the responsible State purchasing officer, how bidders obtained a comprehensive purchase description and any disclosure and contract forms, and encouragement to prospective vendors to hire qualified veterans and Illinois residents discharged from any Illinois adult correctional center.
- Notice of 1 of 25 (4%) emergency purchases tested amounting to \$70,410 was not posted on the Bulletin within three days after the execution of the contract.

The Illinois Procurement Code (30 ILCS 500/15-25) states that the Bulletin's content will be as follows:

- Invitation for bids - Notice of each and every contract that is offered must be published in the Bulletin and must include the date first offered, the date submission of offers is due, the location to which offers are to be submitted, the purchasing State agency, the responsible State purchasing officer, the method of source selection, information on how to obtain a comprehensive purchase description and any disclosure and contract forms, and encouragement to prospective vendors to hire qualified veterans, as defined by Section 45-67 of the Code, and Illinois residents discharged from any Illinois adult correctional center.
- Contracts let or awarded - Notice of each and every contract that is let or awarded shall be published in the next available subsequent Bulletin and must include at least all of

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SCHEDULE OF FINDINGS  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**CURRENT FINDINGS - STATE (CONTINUED)**

**Finding No. 08-2 - Failure to Publish Required Procurement Information** (Continued)

the information specified in the invitation for bids, as well as certain details related to the procurement and contract. This notice must be posted in the online electronic Bulletin prior to execution of the contract.

- Emergency purchase disclosure - Within 3 business days after contract execution, all emergency purchases must be published in the online electronic Bulletin, including a written description, reasons for emergency procurement, the total cost or estimate, responsible State officers, and the contracted entity.

According to CDB management, for invitations for bids, CDB management thought that information posted on the Bulletin was sufficient to meet statutory requirements. For contracts let or awarded, CDB did not deem it necessary to include information in the Bulletin which already had been included in the invitation for bids. Failure to post information on one of the emergency purchases was due to oversight. Subsequent to notification by the auditors, the notice of the emergency purchase was published in the Bulletin. Other information for invitation for bids and contracts let or awarded such as the responsible State purchasing officer, the method of source selection, and encouragement to prospective vendors to hire qualified veterans and Illinois residents discharged from any Illinois adult correctional center, was also included in the Bulletin upon our notification.

Failure to comply with the Illinois Procurement Code's procurement information provisions reduces accountability and transparency of government decisions and results in noncompliance with the statutory requirements. (Finding Code No. 08-2)

*Recommendation:*

We recommend that CDB implement controls to ensure complete and consistent compliance with Illinois Procurement Code requirements to publish procurement information.

*Board Response:*

We agree with the finding. The Office of Fiscal Management worked with the IT division and all the requirements are now included.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SCHEDULE OF FINDINGS  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**CURRENT FINDINGS - STATE (CONTINUED)**

**Finding No. 08-3 - Performance Evaluation Not Completed**

The Capital Development Board (CDB) did not timely complete employee performance evaluations.

During our review of 40 employee personnel files, we noted seven (18%) performance evaluations were not current or timely, as follows:

- Three of 40 (8%) employees tested did not have an employee evaluation for FY 2007 or 2008. The last evaluation for these employees was completed in September 2003.
- Two of 40 (5%) personnel files tested did not include a performance evaluation dated within the previous twelve months.
- One of 40 (3%) employees tested did not have an employee evaluation at the end of the probationary period nor within the previous twelve months.
- The FY 2008 performance evaluation for one of 40 (3%) employees tested was not timely submitted. The performance evaluation for this employee was submitted six months after the anniversary date.

CDB Personnel Policies and Procedures Manual IX.B.2 requires performance evaluations to be completed on an annual basis in order to evaluate the employee's performance within the last year and to set performance objectives for the upcoming year. It also states that new non-code employees serving a probationary period of six months or more will receive an appraisal at the end of the probationary period. Per CDB Personnel Policies and Procedures Manual I.A.3, non-code employees are employees who are exempt from all jurisdictions of the Personnel Code administered by the Department of Central Management Services and collective bargaining agreements. In addition, it is prudent business practice to complete performance evaluations on a regular and timely basis.

CDB Management stated these exceptions occurred because supervisors did not perform the performance evaluations on a regular basis, and there were no established procedures to monitor compliance until FY 2008.

Employee performance evaluations are a systematic and uniform approach used for the development of employees and communication of performance expectations to employees. Without timely completion of an employee performance evaluation, the employee would not be provided with formal feedback or assessment of his or her performance, and areas for improvements and current year's performance goals and objectives may not be identified and

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SCHEDULE OF FINDINGS  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**CURRENT FINDINGS - STATE (CONTINUED)**

**Finding No. 08-3 - Performance Evaluation Not Completed** (Continued)

communicated in a timely manner. Further, employee performance evaluations should serve as a foundation for salary adjustments, promotions, demotions, discharges, layoff, recall, or reinstatement decisions. (Finding Code Nos. 08-3 and 06-6)

*Recommendation:*

We recommend that CDB complete performance evaluations for all employees annually and maintain the evaluations in each employee's personnel file. Management should continue to enforce monitoring procedures to ensure that performance appraisals are completed timely. Further, CDB should follow-up with supervisors to ensure compliance with these procedures.

*Board Response:*

We agree with the finding. A process has been implemented whereby supervisors are continuously reminded about pending or overdue evaluations. Upper management receives updates on those and takes appropriate action.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SCHEDULE OF FINDINGS  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**CURRENT FINDINGS - STATE (CONTINUED)**

**Finding No. 08-4 - Inadequate Controls Over Personnel and Payroll Records**

The Capital Development Board (CDB) did not have adequate controls over its personnel and payroll records.

CDB uses Personnel Action Forms (PAFs) to record all personnel actions, most of which affect an employee's status or pay. In addition, the Personnel Department of CDB uses the computerized payroll processing system at the Department of Central Management Services, which maintains a "negative" timekeeping system whereby an employee is assumed to be working unless otherwise reported. To comply with the State Officials and Employees Ethics Act (the Act) CDB employees submit bi-monthly timesheets to the Ethics Officer. The Act (5 ILCS 430/5-5(c)) requires State employees to periodically submit time sheets documenting the time spent each day on official State business to the nearest quarter hour.

During our review of employee personnel files and timekeeping records, we noted the following:

- PAFs for 2 of 40 (5%) employee files tested were not on file. These two employees were hired during FY2008.
- PAFs for FY 2008 salary increases for 2 of 40 (5%) employees tested were not signed. The Personnel Department subsequently obtained signatures of these two employees upon notification by the auditors.
- PAFs for FY 2007 anniversary and cost of living allowance increases for 40 of 40 (100%) employees were not signed or approval was not evident on the forms.
- FY 2008 salary deduction authorization forms for union dues ranging from \$14.92 to \$15.70 for 10 out of 40 (25%) employees tested were not on file.
- CDB did not perform a reconciliation of its record of employee hours submitted to the Ethics Officer and leave balances maintained by the Personnel Department. Five of 40 (13%) employees tested had discrepancies between the Ethics Officer records and Personnel Department records ranging from 1 hour to 75 hours. One of the five employees with timekeeping discrepancies reported a ten-day vacation leave in the timesheet submitted to the Ethics Officer; however, the leave of absence was not reflected on his official leave balances reported in personnel records.

According to CDB Personnel Policies and Procedures Manual III.A.5 and IV-A-13, the PAF is used anytime an employee is appointed, transferred, promoted, given a change in salary rate, or

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SCHEDULE OF FINDINGS  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**CURRENT FINDINGS - STATE (CONTINUED)**

**Finding No. 08-4 - Inadequate Controls Over Personnel and Payroll Records (Continued)**

separated from employment. Furthermore, it provides a record of changes in name or address, leaves of absence, or other actions.

The State Records Act (5 ILCS 160/8) requires the head of each agency ensure records are prepared and maintained which contain documentation of the agency's decisions and essential transactions. Good internal controls would require that transactions involving salary changes should be properly documented and approved prior to implementation. In addition, it is prudent business practice to perform a reconciliation of the employee hours and leave balances to determine that leave use was appropriately deducted from the employees' leave balances and to ensure employees are not compensated for unearned time.

Section 23.10.10 of the Statewide Accounting Management System Procedures Manual (SAMS Manual) states that deductions from gross pay reflected on the payroll voucher tape must be supported by a deduction authorization maintained by the employing agency. The State Salary & Annuity Withholding Act (5 ILCS 365/5) states that a deduction authorization form which is distributed by the employing agency authorizes the Comptroller to withhold monies from an employee's gross pay for a specific purpose authorized by the employee.

According to CDB management, missing and incomplete PAFs and deduction authorization forms were due to oversight. CDB did not deem it necessary to reconcile the timekeeping and leave records maintained by the Ethics Officer and Personnel Department.

If the personnel files are incomplete, it will be difficult to obtain accurate information about a particular employee at any given time. Unsigned or unapproved documentation of salary rates may result in unauthorized and inaccurate payroll computations. Absence of salary deduction authorization forms may also result in disputes over salary calculations. Failure to maintain accurate attendance records and reconcile time records to leave balances increases the risk that CDB could pay for services not rendered by its employees. (Finding Code No. 08-4)

*Recommendation:*

We recommend that CDB strengthen its controls over personnel and payroll records. Specifically, we recommend that CDB conduct periodic reviews of personnel files to ensure that all required documents are present and proper forms are signed. In addition, routine comparison of employee hours and leave balances should be performed and identified discrepancies should be timely researched and resolved.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SCHEDULE OF FINDINGS  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**CURRENT FINDINGS - STATE (CONTINUED)**

**Finding No. 08-4 - Inadequate Controls Over Personnel and Payroll Records (Continued)**

*Board Response:*

We agree with the finding. A change in staff caused most of the problems. Some have been resolved with training, including attaining required signatures and proper union forms. CDB agrees to randomly sample ethics timesheets and compare those to central timekeeping to help reduce the risk of incorrect timekeeping.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SCHEDULE OF FINDINGS  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**CURRENT FINDINGS - STATE (CONTINUED)**

**Finding No. 08-5 - Art-in-Architecture Program Noncompliance**

The Capital Development Board (CDB) did not comply with all the requirements set forth by the Art-in-Architecture Program.

The purpose of the Art-in-Architecture Program is to promote and preserve the visual arts in Illinois by securing artwork for placement in, or around, public buildings constructed with State funds. The Capital Development Board Act (Act) mandates that through the Art-in-Architecture Program, CDB spends one-half of one percent of the construction appropriation for State-funded building or renovation projects on the purchase of artwork for these projects. The Act applies to all State-financed buildings that are accessible to the general public. (20 ILCS 3105/14)

- We tested six of eleven (55%) Art-in-Architecture projects completed for FY 2007 and 2008. Five of six (83%) projects tested did not have proof of installment insurance for artists used in the projects, nor documentation that insurance was not needed for the project in their project's file.
- Of the six projects reviewed, three (50%) did not have minutes from the meetings of the Fine Arts Review Committee (FARC).
- As of June 30, 2008, the Public Arts Advisory Committee (PAAC) had three members instead of twelve as required by statute. In addition, the Committee Chairman position had been vacant for 8 years.

According to the Art-in-Architecture Program Procedures Manual (Appendix A), CDB shall consider the need for each artist to have installment insurance. Either proof of installment insurance or documentation that insurance is not needed for the project should be maintained in the project's file.

The Open Meeting Act states "All public bodies shall keep written minutes of all their open meetings and a verbatim record of all their closed meetings in the form of an audio or video recording." (5 ILCS 120/2.02) The FARC meetings are needed to review information regarding Art-in-Architecture projects, make decisions, and insure the projects are proceeding as planned.

According to the Act, "The Public Arts Advisory Committee shall consist of 12 members.... There shall also be a Chairman who shall be chosen from the committee members by the majority vote of that Committee." PAAC members are to be appointed by the Governor and the General Assembly. (20 ILCS 3105/14(e))

CDB had not consistently applied the requirements of the Art-in-Architecture Program to locally governed and state owned school constructions projects in the prior examination, however we



**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SCHEDULE OF FINDINGS  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**CURRENT FINDINGS - STATE (CONTINUED)**

**Finding No. 08-5 - Art-in-Architecture Program Noncompliance (Continued)**

noted no school construction projects during the current examination and no funding was expected for new projects in the near future.

CDB management attributed these exceptions to failure to include these requirements as part of the policies for administering this program by management and by FARC. Management stated that staff were reminded to document whether installment insurance was needed, as well as to take meeting minutes and file them in the appropriate files. Management also stated the PAAC vacancies were due to lack of action by the Governor and General Assembly to appoint the required members. Further, CDB management stated they have reminded the Governor's office, the House, and the Senate of the vacancies, but stated they have no control over the appointments themselves.

CDB exposes itself to unnecessary risk if it allows artists to participate in the program uninsured. Documentation of important issues and key decisions will not be available for future reference if minutes of committee meetings are not documented or retained. Vacancies on the PAAC limits the input provided to CDB and the FARC on the technical and aesthetic perceptions used in projects. (Finding Code Nos. 08-5 and 06-7)

*Recommendation:*

We recommend that CDB develop policies and implement controls to ascertain that all Art-in-Architecture project requirements are met. Specifically, the installment insurance form or documentation that no insurance is needed should be filed with the major contract. In addition, the FARC should take minutes at each of their meetings and file the minutes with the other documents regarding each project. Further, CDB should continue communication with the Governor and General Assembly to request the vacant positions be filled for the Public Arts Advisory Committee. A chairman should then be appointed as required.

*Board Response:*

We agree with the finding. The appropriate staff will be reminded of the procedure to document the need or not for installation insurance. The staff will also be reminded of the procedure to file meeting minutes in the appropriate file.

The appointment of members to the PAAC is under the control of the Governor's Office, the House and the Senate. CDB has reminded and will continue to remind those bodies of the vacancies but has no control over the appointments themselves. Once a full Committee is filled the Board will work with them to appoint a Chairman.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SCHEDULE OF PRIOR FINDINGS NOT REPEATED  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**A. Inadequate Review of Retainage Payables and Related Contractor Accounts Payable Balances**

In the FY 2007 financial audit, the Capital Development Board (CDB) did not initially review the retainage payables and related contractor accounts payable balances for accuracy and proper financial reporting. We noted accounts payable overstatements of \$211,544 in our sample. A subsequent CDB review of each retainage account balance identified a total of \$1.475 million reduction of liabilities. (Finding Code No. 07-2)

During the current examination, we noted that CDB performed a review of retainage payables and related contractor accounts payable balances at year-end to ensure that liabilities existed and represented only valid amounts due to contractors. Based on our testing of 40 construction expenditure vouchers, we did not note any misstatements of retainage payables or contractor accounts payable balances. In addition, a warning was placed in the obligation system to identify special circumstances affecting the contract retainage balances.

**B. Architect/Engineer Certification**

In the prior examination, CDB failed to obtain certification from Architect/Engineer (A/E) firms that expenses were in accordance with the provisions of the Appropriation Act and the terms of the Intergovernmental Agreement. (Finding Code No. 06-2)

Effective October 1, 2006, CDB required A/E firms to complete a Construction Verification Form for Project Architect to certify that all expenditures submitted for reimbursement under the school construction grant program were made in accordance with the provisions of the Appropriation Act, project specifications and the terms of the intergovernmental agreement. The form also required A/E firms to verify the milestone of the construction to be eligible to receive a grant payment.

During the current examination, all payment requests we tested for projects under the school construction program were supported by a Construction Verification Form for Project Architect.

**C. Post Construction Visits**

In the prior examination, CDB did not conduct post-construction site visits for three (3) of six (50%) completed school construction projects tested. (Finding Code No. 06-3)

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SCHEDULE OF PRIOR FINDINGS NOT REPEATED  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

During the current examination, we noted that all post construction visits were completed by the end of FY 2008. See Finding Code No. IM08-2.

**D. Lack of Control Over Changes to Computer System**

In the prior examination, CDB did not follow the Office of Information Systems (OIS) change control procedures for the School Construction program database. The School Construction system previously resided outside the control of the OIS, thus changes to the database did not follow the OIS control change control procedures. (Finding Code No. 06-4)

This issue was resolved with the migration of the School Construction Grant system from the Approach system to the OIS controlled AS400 environment which was completed in March 2007. No other systems exist outside the control of the OIS.

**E. Agency Publications**

In the prior examination, CDB did not include information required by the Illinois Procurement Code on publications printed for the Board. (Finding Code No. 06-5)

During the current examination, our testing disclosed that no publications were printed for FY 2007 and 2008.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
FINANCIAL STATEMENT REPORT**

**SUMMARY**

The audit of the accompanying basic financial statements of the Capital Development Board was performed by E. C. Ortiz & Co., LLP.

Based on their audit, the auditors expressed an unqualified opinion on the Capital Development Board's basic financial statements.

**SUMMARY OF FINDING**

The auditors identified a matter involving the Agency's internal control over financial reporting that they consider to be a significant deficiency. The significant deficiency is described in the accompanying Schedule of Findings on pages 11 through 12 of this report, as finding 08-1, Inadequate Internal Control for Uninsured and Uncollateralized Deposits.

**EXIT CONFERENCE**

The finding and recommendation appearing in this report was discussed with Agency personnel at an exit conference on December 17, 2008 held at 300 William G. Stratton Building, 401 South Spring Street, Springfield, Illinois 62706. Representing the Office of the Auditor General were Lisa Warden and Joe Gudgel. Representing the Capital Development Board were James Riemer, Gus Behnke, and Daryl Harris. Representing E.C. Ortiz & Co., LLP were Leilani N. Rodrigo and Vivian J. Sigue. Response to the recommendation was provided by Gus Behnke in a letter dated January 5, 2009.



## INDEPENDENT AUDITORS' REPORT

Honorable William G. Holland  
Auditor General  
State of Illinois

and

Board Members  
Capital Development Board

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the State of Illinois Capital Development Board, as of and for the year ended June 30, 2008, which collectively comprise the State of Illinois Capital Development Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the State of Illinois Capital Development Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note 2, the financial statements of the State of Illinois Capital Development Board are intended to present the financial position and changes in financial position of only that portion of the governmental activities, the major fund, and the aggregate remaining fund information of the State that is attributable to the transactions of the State of Illinois Capital Development Board. They do not purport to, and do not, present fairly the financial position of the State of Illinois as of June 30, 2008, and its changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the State of Illinois Capital Development Board, as of June 30,

2008, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 20, 2009 on our consideration of the State of Illinois Capital Development Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The State of Illinois Capital Development Board has not presented a management's discussion and analysis and budgetary comparison information for the General Revenue Fund that accounting principles generally accepted in the United States of America have determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Illinois Capital Development Board's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, the Comptroller, agency management, and Board members and audit committee members of the Capital Development Board, 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  
January 20, 2009

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
STATEMENT OF NET ASSETS  
JUNE 30, 2008  
(Expressed in Thousands)**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Unexpended appropriations	\$ 20,927
Cash equity with State Treasurer	14,060
Cash and cash equivalents	5,820
Intergovernmental receivables	432
Due from other State funds	2,292
Other receivables	1,354
Capital assets not being depreciated	30,023
Capital assets being depreciated, net	<u>189</u>
<b>TOTAL ASSETS</b>	<u>75,097</u>
 <b>LIABILITIES</b>	
Accounts payable and accrued expenses	29,408
Due to other State funds	147
Deferred revenues	9,907
Compensated absences, short-term	104
Compensated absences, long-term	<u>943</u>
<b>TOTAL LIABILITIES</b>	<u>40,509</u>
 <b>NET ASSETS</b>	
Invested in capital assets, net of related debt	30,212
Unrestricted	<u>4,376</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 34,588</u>

*The accompanying notes to financial statements are an integral part of this statement.*

STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2008  
 (Expressed in Thousands)

	Program Revenues		Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services		Capital Grants and Contributions
<b>FUNCTIONS/PROGRAMS</b>				
<b>GOVERNMENTAL ACTIVITIES</b>				
Education	\$ 98,592	\$ 10,720	\$ 19,038	\$ (68,834)
General government	25,917	-	-	(25,917)
Total governmental activities	<u>124,509</u>	<u>10,720</u>	<u>19,038</u>	<u>(94,751)</u>
<b>GENERAL REVENUES</b>				
Other revenues				1
Appropriations from State resources				1,296,496
Reappropriation to future year(s)				(1,106,997)
Lapsed appropriations				(581)
Net change in liabilities for reappropriated accounts				(13,706)
Gain on exchange of capital assets				22
<b>TRANSFERS</b>				
Receipts collected and transmitted to State Treasury				(4,526)
Capital transfers to other State agencies				(108,559)
Operating transfers to other State agencies				(791)
Total general revenues and transfers				<u>61,359</u>
<b>CHANGE IN NET ASSETS</b>				(33,392)
<b>NET ASSETS, JULY 1, 2007</b>				<u>67,980</u>
<b>NET ASSETS, JUNE 30, 2008</b>				<u>\$ 34,588</u>

*The accompanying notes to financial statements are an integral part of this statement.*



STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 GOVERNMENTAL FUNDS  
 BALANCE SHEET  
 JUNE 30, 2008  
 (Expressed in Thousands)

	General Revenue Fund	Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>			
Unexpended appropriations	\$ -	\$ 20,927	\$ 20,927
Cash equity with State Treasurer	-	14,060	14,060
Cash and cash equivalents	-	5,820	5,820
Intergovernmental receivables	-	432	432
Due from other State funds	-	2,292	2,292
Other receivables	-	1,354	1,354
<b>TOTAL ASSETS</b>	<b>-</b>	<b>44,885</b>	<b>44,885</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	-	29,408	29,408
Due to other State funds	-	147	147
Deferred revenues	-	9,907	9,907
<b>Total liabilities</b>	<b>-</b>	<b>39,462</b>	<b>39,462</b>
<b>FUND BALANCES</b>			
Reserved for encumbrances	-	138	138
Unreserved, designated for reappropriated accounts	-	2,453	2,453
Unreserved, unrestricted:			
Special revenue funds	-	2,623	2,623
Capital project funds	-	209	209
<b>Total fund balances</b>	<b>-</b>	<b>5,423</b>	<b>5,423</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 44,885</b>	<b>\$ 44,885</b>

*The accompanying notes to financial statements are an integral part of this statement.*

**STATE OF ILLINOIS**  
**CAPITAL DEVELOPMENT BOARD**  
**GOVERNMENTAL FUNDS**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET ASSETS**  
**JUNE 30, 2008**  
**(Expressed in Thousands)**

Total fund balances - governmental funds	\$ 5,423
<p>Amounts reported for governmental activities in the Statement of Net Assets are different because:</p>	
<p>Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.</p>	30,212
<p>Some liabilities reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as liabilities in governmental funds. These activities consist of compensated absences.</p>	(1,047)
Net assets of governmental activities	<u>\$ 34,588</u>

*The accompanying notes to financial statements are an integral part of this statement.*

STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2008  
(Expressed in Thousands)

	General Revenue Fund	Nonmajor Funds	Total Governmental Funds
<b>REVENUES</b>			
Federal capital grants	\$ -	\$ 19,038	\$ 19,038
Licenses and fees	-	3,641	3,641
Other charges for services	-	7,079	7,079
Miscellaneous	1	-	1
Total revenues	<u>1</u>	<u>29,758</u>	<u>29,759</u>
<b>EXPENDITURES</b>			
Education	-	98,592	98,592
General government	-	25,792	25,792
Capital outlays	-	77,086	77,086
Total expenditures	<u>-</u>	<u>201,470</u>	<u>201,470</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	1	(171,712)	(171,711)
<b>OTHER SOURCES (USES)</b>			
Appropriations from State resources	-	1,296,496	1,296,496
Reappropriations to future year(s)	-	(1,106,997)	(1,106,997)
Lapsed appropriations	-	(581)	(581)
Receipts collected and transmitted to State Treasury	(1)	(4,525)	(4,526)
Net change in liabilities for reappropriated accounts	-	(13,706)	(13,706)
Operating transfers in	-	4,383	4,383
Operating transfers out	-	(5,174)	(5,174)
Total other sources (uses)	<u>(1)</u>	<u>169,896</u>	<u>169,895</u>
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)</b>	-	(1,816)	(1,816)
<b>FUND BALANCES, JULY 1, 2007</b>	<u>-</u>	<u>7,239</u>	<u>7,239</u>
<b>FUND BALANCES, JUNE 30, 2008</b>	<u>\$ -</u>	<u>\$ 5,423</u>	<u>\$ 5,423</u>

*The accompanying notes to financial statements are an integral part of this statement.*

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
GOVERNMENTAL FUNDS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2008  
(Expressed in Thousands)**

Net change in fund balances \$ (1,816)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	77,086	
Depreciation expense	(27)	
Gain on exchange of capital assets	22	77,081

Some capital assets were transferred out to the other State agencies and, therefore, were removed from fund balance without any corresponding proceeds. (108,559)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of compensated absences.

Increase in compensated absences	(98)	
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**Change in net assets of governmental activities \$ (33,392)**

*The accompanying notes to financial statements are an integral part of this statement.*

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

**NOTE 1 - ORGANIZATION**

The Capital Development Board (CDB) is a part of the executive branch of government of the State of Illinois (State) and operates under the authority of and review by the Illinois General Assembly. The CDB operates under a budget approved by the General Assembly in which resources primarily from the Capital Development Fund and the School Construction Fund are appropriated for the use of the CDB. Activities of the CDB are subject to the authority of the Office of the Governor, the State's chief executive officer, and other departments of the executive and legislative branches of government (such as the Department of Central Management Services, the Governor's Office of Management and Budget, the State Treasurer's Office, and the State Comptroller's Office) as defined by the Illinois General Assembly. All funds appropriated to the CDB and all other cash received are under the custody and control of the State Treasurer. The CDB's principal statutory functions and responsibilities are:

- To build or otherwise provide capital facilities and improvements for which money has been appropriated by the General Assembly.
- To conduct continuous studies into the costs of building or otherwise providing capital facilities.
- To conduct research for improvements in choice of materials and systems and in construction methods for reducing construction costs and operating and maintenance costs of capital facilities.
- To review and recommend periodic revisions in established building and construction codes, to promote public safety, energy efficiency and economy, including the use of solar energy, and reduce construction costs and operating and maintenance costs of capital facilities.
- To advise State agencies and units of local government, on request, on any matter related to the purpose of CDB and to assist State agencies in the preparation of their annual long-range capital expenditure plans.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the CDB have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as prescribed by the Governmental Accounting Standards Board (GASB). To facilitate the understanding of data included in the financial statements, summarized below are the more significant accounting policies.

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A. Financial Reporting Entity

As defined by GAAP, the financial reporting entity consists of a primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

- (1) Appointment of a voting majority of the component unit's board and either (a) the primary government's ability to impose its will, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- (2) Fiscal dependency on the primary government.

Based upon the required criteria, the CDB has no component units and is not a component unit of any other entity. However, because the CDB is not legally separate from the State of Illinois, the financial statements of the CDB are included in the financial statements of the State of Illinois. The State of Illinois' Comprehensive Annual Financial Report may be obtained by writing to the State Comptroller's Office, Financial Reporting Department, 325 West Adams Street, Springfield, Illinois 62704-1871.

B. Basis of Presentation

The financial statements of the State of Illinois, Capital Development Board, are intended to present the financial position and the changes in financial position of only that portion of the governmental activities, each major fund of the State of Illinois, and the aggregate remaining fund information of the State of Illinois that is attributable to the transactions of the CDB. They do not purport to, and do not, present fairly the financial position of the State of Illinois as of June 30, 2008, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The financial activities of the CDB, which consist only of governmental activities, are reported under the general government and education functions in the State of Illinois' Comprehensive Annual Financial Report. A brief description of the Department's government-wide and fund financial statements is as follows:

*Government-Wide Statements*

The government-wide Statement of Net Assets and Statement of Activities report the overall financial activity of the CDB. Eliminations have been made to minimize the double-counting of internal activities of the CDB.

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The Statement of Net Assets presents the assets and liabilities of the CDB's governmental activities with the difference being reported as net assets. The assets and liabilities are presented in order of their relative liquidity by class of asset or liability with liabilities whose average maturities are greater than one year reported in two components - the amount due within one year and the amount due in more than one year.

The Statement of Activities presents a comparison between direct expenses and program revenues for the general government and education functions of the CDB's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

*Fund Financial Statements*

The fund financial statements provide information about the CDB's funds. The emphasis of fund financial statements is on major governmental fund, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The CDB administers the following major governmental fund (or portion thereof in the case of shared funds - see Note 2(D)) of the State:

General Fund - This is the State's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The services which are administered by the CDB and accounted for in the general fund include, among others, general government and education.

The General Fund, as presented in this Agency's financial statements, is the portion of the State of Illinois General Revenue Fund financial resources obtained and used by the Agency and is included only to present the financial position and operations of the Agency in its entirety.

Nonmajor funds consist of Special Revenue, Capital Projects, and Debt Service Funds.

Special Revenue Funds - Transactions to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes pursuant to the Capital Development Board Revolving Fund Act, the Asbestos Abatement Act, the School Infrastructure Fund Act, and the Tobacco Settlement Recovery Fund are accounted for in the special revenue fund. All the special revenue funds in the report

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are held in the State treasury and all are appropriated. The special revenue fund type includes the following funds:

CDB Revolving Fund (215) is a non-shared fund that accounts for a three (3) percent contract administration fee assessed on most CDB contracts in order to fund the internal operations of the CDB.

Asbestos Abatement Fund (224) is a shared fund that accounts for recoveries from lawsuits filed by the Attorney General for the State and CDB to use for statewide asbestos survey programs.

School Infrastructure Fund (568) is a shared fund that is funded through the General Revenue Fund for the purpose of paying and discharging annually the principal and interest on bonded indebtedness for the construction of school improvements under the School Construction Law. Annual surplus in the fund is to be used for scheduled payments to the School Technology Revolving Fund, costs incurred by the State Board of Education and CDB to administer the programs under the School Construction Law, and to pay for grants due under the School Construction Law.

Tobacco Settlement Recovery Fund (733) is a shared fund that is governed by an amendment to the State Finance Act and is appropriated to CDB for capital or other projects relating to health care issues.

Capital Projects Funds - Transactions related to resources obtained and used for the acquisition or construction of major capital facilities, including those provided to political subdivisions and other public organizations, are accounted for in capital projects funds. Such resources are derived principally from proceeds of general obligation bond issues, federal grants, public school district contributions, and operating transfers from general funds of the State. All the capital projects funds in the report are held in the State Treasury with the exception of retention trust balances which are held in local bank accounts as retainage due to contractors. Capital expenditures from the capital projects funds, except Fund 617 CDB Contributory Trust Fund which is nonappropriated, are appropriated for projects extending beyond the current budget year. The capital projects fund type includes the following funds:

Capital Development Fund (141) is a shared fund that receives general obligation bond proceeds in order to build capital facilities for the State.

School Construction Fund (143) is a shared fund that receives general obligation bond proceeds in order to build elementary and secondary schools in the State.



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CDB Contributory Trust Fund (617) is a non-shared fund that receives reimbursements from other State agencies for projects financed under various federal programs, public school district contributions, insurance proceeds, and settlements in order to build capital facilities in the State.

Build Illinois Bond Fund (971) is a shared fund that receives Build Illinois Bond proceeds in order to build capital facilities for State universities and local units of government in the State.

Debt Service Funds - These funds account for governmental resources obtained and accumulated to pay interest and principal on general long-term debt (other than capital leases, workers' compensation, and unfunded retirement costs).

General Obligation Bond Retirement and Interest Fund (Fund 101) is used to account for payments of principal and interest related to general obligation bonds. These bonds provide financing for the acquisition, construction, reconstruction, and improvement of capital projects and the construction of facilities leased back to the State.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions in which the CDB gives (receives) value without receiving (or giving) equal value in exchange include intergovernmental grants. Revenue from grants, entitlements, and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the State considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, (1) principal and interest on formal debt issues, such as bonds and capital leases, are recorded only when payment is due and (2) compensated absences and claims and judgments are recorded when they are expected to be liquidated with expendable available financial resources. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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Significant revenue sources which are susceptible to accrual include fees, charges for services, and intergovernmental grants. All other revenue sources are considered to be measurable and available when cash is received.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

**D. Shared Fund Presentation**

The financial statement presentation for the General Revenue Fund, Capital Development Fund, School Construction Fund, Asbestos Abatement Fund, School Infrastructure Fund, Tobacco Settlement Recovery Fund, and Build Illinois Bond Fund represents only the portion of certain shared funds that can be directly attributed to the operations of the CDB. Financial statements for total fund operations of the shared State funds are presented in the State of Illinois' Comprehensive Annual Financial Report.

In presenting these financial statements, certain unique accounts are used for the presentation of shared funds. The following accounts are used in these financial statements to present the CDB's portion of shared funds:

*Unexpended Appropriations*

This "asset" account represents lapse period warrants issued between July and August annually in accordance with the Statewide Accounting Management System (SAMS) records plus any liabilities relating to obligations reappropriated to the subsequent fiscal year.

*Appropriations from State Resources*

This "other financing source" account represents the final legally adopted appropriation according to SAMS records. The amounts reported are net of any reappropriations to subsequent years and the difference between current and prior year liabilities for reappropriated accounts.

*Reappropriation to Future Year(s)*

This contra revenue account reduces current year appropriations by the amount of the reappropriation to reflect the State's realignment of the budgetary needs to the subsequent year and avoid double counting of a portion of the appropriation in more than one fiscal year.

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*Lapsed Appropriations*

Lapsed appropriations are the legally adopted appropriations less net warrants issued for the 14 month period from July to August of the following year and reappropriations to subsequent years according to SAMS records.

*Receipts Collected and Transmitted to State Treasury*

This “other financing use” account represents all cash receipts received during the fiscal year from SAMS records.

*Net Change in Liabilities for Reappropriated Accounts*

This account reflects the amount which should be added to or subtracted from the current year appropriation for shared funds to reflect the increase or decrease from prior year to current year for amounts included in obligations for reappropriated accounts which are liabilities at June 30 of the prior year and June 30 of the current year.

E. Eliminations

Eliminations have been made in the government-wide Statement of Net Assets to minimize the “grossing-up” effect on assets and liabilities within the governmental activities column of the Department. As a result, any amounts reported in the governmental funds balance sheet as interdepartmental interfund receivables and payables have been eliminated in the government-wide Statement of Net Assets.

F. Cash Equity With State Treasurer

Cash equity with State Treasurer consists of deposits held in the State Treasury.

G. Cash and Cash Equivalents

Cash equivalents are defined as short-term, highly liquid investments readily convertible to cash with maturities of less than 90 days at the time of purchase. Cash and cash equivalents consist principally of cash held in local bank accounts as retainage due to contractors.

H. Interfund Transactions and Transactions with State of Illinois Component Units

The CDB has the following types of interfund transactions between CDB funds and funds of other State agencies:

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*Services provided and used* - sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as interfund receivables and payables in the governmental funds Balance Sheet or the government-wide Statements of Net Assets.

*Reimbursements* - repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

*Transfers* - flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

The Agency also has activity with various component units of the State of Illinois for capital programs appropriated by the General Assembly.

I. Capital Assets

Capital assets, which include construction in progress and equipment, are reported at cost. Contributed assets are reported at estimated fair value at the time received. Capital assets are depreciated using the straight-line method. Construction in progress is capitalized as project costs are incurred and is transferred to the administering State agency upon substantial completion.

Capitalization thresholds and the estimated useful lives are as follows:

<u>Capital Asset Category</u>	<u>Capitalization Threshold</u>	<u>Estimated Useful Life</u>
Construction in progress	\$ 25,000	N/A
Equipment	5,000	3-25

J. Compensated Absences

The liability for compensated absences reported in the government-wide Statement of Net Assets consists of unpaid, accumulated vacation and sick leave balances for CDB employees. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The liability has been calculated using the vesting method, in which leave amounts for both employees who

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currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The liability has been calculated based on the employees' current salary level and includes salary related costs (e.g., social security and Medicare tax).

Legislation that become effective January 1, 1998 capped the paid sick leave for all State Employees' Retirement System members at December 31, 1997. Employees continue to accrue twelve sick days per year, but will not receive monetary compensation for any additional time earned after December 31, 1997. Sick days earned between 1984 and December 31, 1997 (with a 50 percent cash value) would only be used after all days with no cash value are depleted. Any sick days earned and unused after December 31, 1997 will be converted to service time for purposes of calculating employee pension benefits.

**K. Fund Balances**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for specific purposes. Designations of fund balances represent tentative State plans that are subject to change.

**L. Net Assets**

In the governmental-wide financial statements, equity is displayed in the components as follows:

*Invested in Capital Assets, Net of Related Debt* - This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

*Unrestricted* - This consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

**M. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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N. Future Adoption of GASB Statement No. 49

Effective for the year ending June 30, 2009 the CDB will adopt GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, which establishes accounting and financial reporting standards for pollution remediation obligations which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and clean ups. The CDB has not yet determined the impact of the Department's financial statements as a result of adopting this statement.

**NOTE 3 - DEPOSITS AND INVESTMENTS**

The State Treasurer is the custodian of the State's deposit and investments for funds maintained in the State Treasury. The CDB independently manages cash and cash equivalents maintained outside the State Treasury that are held in trust agreements for the retention of a percentage of construction contract prices.

Cash on deposit for locally held funds has a carrying amount and bank balance of \$5.820 million at June 30, 2008. Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. Of the total bank balance, \$263 thousand was exposed to custodial credit risk as uninsured with collateral held by the pledging financial institutions in the State's name, \$1.832 million was exposed to custodial credit risk as uninsured with collateral held by the pledging financial institution's trust department not in the State's name, and \$1.922 million was exposed to custodial credit risk as uninsured and uncollateralized.

Deposits in the custody of the State Treasurer, or in transit, totaled \$14.060 million at June 30, 2008. These deposits are pooled and invested with other State funds in accordance with the Deposit of State Moneys Act of the Illinois Compiled Statutes (15 ILCS 520/11). Funds held by the State Treasurer have not been categorized as to credit risk because the CDB does not own individual securities. Detail on the nature of these deposits and investments are available within the State of Illinois' Comprehensive Annual Financial Report.

**NOTE 4 - INTERFUND BALANCES AND ACTIVITY**

A. Due From Other State Funds

The following balances (amounts expressed in thousands) at June 30, 2008 represents amounts due from other CDB and State of Illinois funds:

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Fund	Due From Other State Funds	Description/Purpose
Nonmajor governmental funds	\$ 2,292	Due from nonmajor governmental funds for capital project grants and contracts.

**B. Due to Other State Funds**

The following balances (amounts expressed in thousands) at June 30, 2008 represents amounts due to other CDB and State of Illinois funds:

Fund	Due To Other State Funds	Description/Purpose
Nonmajor governmental funds	\$ 147	Due to internal service funds of the State for purchases of services and goods.

**C. Transfers To/From Other Funds**

Interfund transfers out (amount expressed in thousands) for the year ended June 30, 2008 were as follows:

Fund	Transfer In From Other Department Funds	Description/Purpose
Nonmajor governmental funds	\$ 4,383	Transfers for debt service payments.

Fund	Transfer out to		Description/Purpose
	Other State Funds	Other Department Funds	
Nonmajor governmental funds	\$ 791	\$ 4,383	Transfers to assist State budget shortfalls and for debt service payments.

**NOTE 5 - LOANS RECEIVABLE**

Loans receivable in the General Fund are comprised of \$14,968 (in thousands) receivable from the Illinois International Port District (Port District).

The loan agreement between the Port District and CDB requires payments to CDB based on percentages of Port District income or gross receipts, as defined in the agreements. As to the status of collections, the Illinois International Port District's gross receipts, as defined by the loan agreement, have been insufficient to cause any payments to be made to CDB. While the loan

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agreement is not technically in default, the ultimate collectibility of the receivable is dependent upon the achievement of sufficient gross receipts levels, as defined; accordingly, CDB has reserved the entire remaining amount of the Illinois International Port District receivable as uncollectible as of June 30, 2008.

Should the Port District ultimately default on this obligation, no future or present cash outlay by CDB or the State would be required as the receivables represent previous outlays.

**NOTE 6 - CAPITAL ASSETS**

Capital asset activity (amounts expressed in thousands) for the year ended June 30, 2008 was as follows:

	<u>Balance July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Net Transfers</u>	<u>Balance June 30, 2008</u>
Governmental activities:					
Capital assets not being depreciated:					
Construction in progress	\$ 61,522	\$ 77,060	\$ -	\$ (108,559)	\$ 30,023
Capital assets being depreciated:					
Equipment	1,069	48	199	5	923
Less accumulated depreciation	901	27	199	5	734
Capital assets being depreciated, net	168	21	-	-	189
Governmental activity capital assets, net	<u>\$ 61,690</u>	<u>\$ 77,081</u>	<u>\$ -</u>	<u>\$ (108,559)</u>	<u>\$ 30,212</u>

Depreciation expense charged to governmental activities - general government totaled \$27 (amount expressed in thousands) for the year.

**NOTE 7 - LONG-TERM OBLIGATIONS**

Changes in long-term obligations (amounts expressed in thousands) for the year ended June 30, 2008 were as follows:

	<u>Balance July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2008</u>	<u>Amount Due Within One Year</u>
Governmental activities:					
Compensated absences	\$ 949	\$ 636	\$ 538	\$ 1,047	\$ 104



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Compensated absences have been liquidated by the applicable governmental funds that account for the salaries and wages of the related employees.

**NOTE 8 - PENSION PLAN**

Substantially all of the CDB's full-time employees who are not eligible for participation in another State-sponsored retirement plan participate in the State Employees' Retirement System (SERS), which is a pension trust fund in the State of Illinois reporting entity. The SERS is a single-employer defined benefit Public Employee Retirement System (PERS) in which State employees participate, except those covered by the State Universities, Teachers', General Assembly, and Judges' Retirement Systems. The financial position and results of operations of the SERS for fiscal year 2008 are included in the State of Illinois' Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2008. The SERS issues a separate CAFR that may be obtained by writing to the SERS, 2101 South Veterans Parkway, Springfield Illinois 62794-9255.

A summary of SERS benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the SERS' CAFR. Also included is a discussion of employer and employee obligations to contribute and the authority under which those obligations are established.

The CDB pays employer retirement contributions based upon an actuarially determined percentage of their payrolls. For fiscal year 2008, the employer contribution rate was 16.561%. Effective for pay periods beginning after December 31, 1991, the State opted to pay the employee portion retirement for most State agencies (including the CDB) with employees covered by the State Employees' and Teachers' Retirement Systems. However, effective with the fiscal year 2004 budget, the State opted to stop paying the portion or a part of the portion of retirement for many State agencies (including the CDB) for certain classes of employees covered by the State Employees' and Teachers' Retirement Systems. The pickup, when applicable, is subject to sufficient annual appropriations and those employees covered may vary across employee groups and State agencies.

**NOTE 9 - POST-EMPLOYMENT BENEFITS**

The State provides health, dental, and life insurance benefits for certain retirees and their dependents in a program administered by the Department of Healthcare and Family Services along with the Department of Central Management Services. Substantially all State employees become eligible for post-employment benefits if they eventually become annuitants of one of the State sponsored pension plans. Health, dental and vision benefits include basic benefits for

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annuitants under the State's self-insurance plan and insurance contracts currently in force. Annuitants contribute towards these health, dental, and vision benefits based on factors such as whether the annuitant is covered by Medicare and whether the annuitant has chosen a managed health care plan. An annuitant's contribution amount is reduced 5% for each year of credited service with the State. Annuitants also receive life insurance coverage equal to the annual salary of the last day of employment until age 60, at which time the benefit becomes \$5,000. The total cost of the State's portion of health, dental, vision, and life insurance benefits of all members, including post-employment health, dental, vision, and life insurance benefits, is recognized as an expenditure by the State in the Illinois Comprehensive Annual Financial Report. The State finances the costs on a pay-as-you-go basis. The total costs incurred for health, dental, vision, and life insurance benefits are not separated by department or component unit for annuitants and their dependents nor active employees and their dependents.

A summary of post-employment benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the financial statements of the Department of Healthcare and Family Services. Also included is a discussion of employer and employee obligations to contribute and the authority under which those obligations are established. A copy of the financial statements of the Department of Healthcare and Family Services may be obtained by writing to the Department of Healthcare and Family Services, 201 South Grand Ave., Springfield, Illinois, 62763-3838.

**NOTE 10 - RISK MANAGEMENT**

The CDB is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets, errors and omissions; workers compensation; and natural disasters. The State retains the risk of loss (i.e., self-insured).

The CDB's risk management activities for 2008 are financed through appropriations to the Illinois Department of Central Management Services and are accounted for in the general fund of the State. The claims are not considered to be a liability of the CDB and, accordingly, have not been reported in the CDB's financial statements for the year ended June 30, 2008. There have been no settlements that exceeded insurance coverage during the last three fiscal years.

**NOTE 11 - COMMITMENTS AND CONTINGENCIES**

**A. Operating Leases**

The CDB leases equipment and office space under the terms of noncancelable operating lease agreements not extending past the end of the fiscal year, that require the CDB to make

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minimum lease payments plus pay a pro rata share of certain operation costs. Rent expense under operating leases was \$229 (amount expressed in thousands) for the year ended June 30, 2008.

**B. Construction Commitments**

The CDB has outstanding construction projects for State and other facilities in which it has entered into future commitments. The amount of CDB's commitment which includes amounts related to projects for component units was \$148.6 million at June 30, 2008.

*Components of Construction in Progress*

Project	As of and for the year Ended June 30, 2008 (Expressed in Thousand)			
	Project Authorization	Expended Through June 30	Committed at June 30	Available Authorization
IYC St. Charles Reception and Classification Building	\$ 26,150	\$ 1,119	\$ 935	\$ 24,096
Menard Correctional Center - Administration Building	13,454	1,876	513	11,065
Alton Mental Health Center Forensic Building Addition	15,800	5,126	611	10,063
Mt. Vernon Armed Forces Reserve Center	20,575	1,450	17,971	1,154
Springfield Stratton Bldg. Planning and Design for Renovation	11,583	3,461	1,537	6,585
Others (less than \$10,000,000)	221,633	16,991	40,238	164,404
Total	\$ 309,195	\$ 30,023	\$ 61,805	\$ 217,367

**C. Litigation**

The CDB is routinely involved in a number of legal proceedings and claims that cover a wide range of matters. In the opinion of management, the outcome of these additional matters is not expected to have a material effect on the financial position or results of operations of the CDB.

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NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEETS  
JUNE 30, 2008  
(Expressed in Thousands)

	Special Revenue	Capital Projects	Debt Service	Total (Memorandum Only)
<b>ASSETS</b>				
Unexpended appropriations	\$ 24	\$ 20,903	\$ -	\$ 20,927
Cash equity with State Treasurer	1,357	12,703	-	14,060
Cash and cash equivalents	-	5,820	-	5,820
Intergovernmental receivables	-	432	-	432
Due from other State funds	2	2,290	-	2,292
Other receivables	1,354	-	-	1,354
<b>TOTAL ASSETS</b>	<b>2,737</b>	<b>42,148</b>	<b>-</b>	<b>44,885</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	34	29,374	-	29,408
Due to other State funds	79	68	-	147
Deferred revenues	-	9,907	-	9,907
<b>Total liabilities</b>	<b>113</b>	<b>39,349</b>	<b>-</b>	<b>39,462</b>
<b>FUND BALANCES</b>				
Reserved for encumbrances	1	137	-	138
Unreserved, designated for reappropriated accounts	-	2,453	-	2,453
Unreserved, unrestricted	2,623	209	-	2,832
<b>Total fund balances</b>	<b>2,624</b>	<b>2,799</b>	<b>-</b>	<b>5,423</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,737</b>	<b>\$ 42,148</b>	<b>\$ -</b>	<b>\$ 44,885</b>

STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2008  
(Expressed in Thousands)

	Special Revenue	Capital Projects	Debt Service	Total (Memorandum Only)
<b>REVENUES</b>				
Federal capital grants	\$ -	\$ 19,038	\$ -	\$ 19,038
Licenses and fees	3,641	-	-	3,641
Other charges for services	-	7,079	-	7,079
Total revenues	3,641	26,117	-	29,758
<b>EXPENDITURES</b>				
Education	-	98,592	-	98,592
General government	5,231	20,561	-	25,792
Capital outlays	205	76,881	-	77,086
Total expenditures	5,436	196,034	-	201,470
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	(1,795)	(169,917)	-	(171,712)
<b>OTHER SOURCES (USES)</b>				
Appropriations from State resources	1,956	1,294,540	-	1,296,496
Reappropriations to future year(s)	(1,398)	(1,105,599)	-	(1,106,997)
Lapsed appropriations	(2)	(579)	-	(581)
Receipts collected and transmitted to State Treasury	(47)	(95)	(4,383)	(4,525)
Net change in liabilities for reappropriated accounts	(1)	(13,705)	-	(13,706)
Operating transfers in	-	-	4,383	4,383
Operating transfers out	-	(5,174)	-	(5,174)
Total other sources	508	169,388	-	169,896
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES AND OTHER SOURCES</b>	(1,287)	(529)	-	(1,816)
<b>FUND BALANCES, JULY 1, 2007</b>	3,911	3,328	-	7,239
<b>FUND BALANCES, JUNE 30, 2008</b>	\$ 2,624	\$ 2,799	\$ -	\$ 5,423

STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEETS  
 JUNE 30, 2008  
 (Expressed in Thousands)

	CDB Revolving 215	Asbestos Abatement 224	School Infrastructure 568	Tobacco Settlement Recovery 733	Total (Memorandum Only)
\$	-	\$	24	\$	24
	1,357	-	-	-	1,357
	-	-	2	-	2
	1,354	-	-	-	1,354
<b>TOTAL ASSETS</b>	<b>2,711</b>	<b>-</b>	<b>26</b>	<b>-</b>	<b>2,737</b>

**LIABILITIES AND FUND BALANCES**

<b>LIABILITIES</b>					
Accounts payable and accrued expenses	28	-	6	-	34
Due to other State funds	61	-	18	-	79
<b>Total liabilities</b>	<b>89</b>	<b>-</b>	<b>24</b>	<b>-</b>	<b>113</b>

**FUND BALANCES**

Reserved for encumbrances	1	-	-	-	1
Unreserved, unrestricted	2,621	-	2	-	2,623
<b>Total fund balances</b>	<b>2,622</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>2,624</b>

**TOTAL LIABILITIES AND FUND BALANCES**

\$	2,711	\$	26	\$	-	\$	2,737
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**STATE OF ILLINOIS**  
**CAPITAL DEVELOPMENT BOARD**  
**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2008**  
 (Expressed in Thousands)

	CDB Revolving 215	Asbestos Abatement 224	School Infrastructure 568	Tobacco Settlement Recovery 733	Total (Memorandum Only)
<b>REVENUES</b>					
Licenses and fees	\$ 3,641	\$ -	\$ -	\$ -	\$ 3,641
<b>EXPENDITURES</b>					
General government	4,737	7	533	(46)	5,231
Capital outlays	-	-	18	187	205
Total expenditures	4,737	7	551	141	5,436
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	(1,096)	(7)	(551)	(141)	(1,795)
<b>OTHER SOURCES (USES)</b>					
Appropriations from State resources	-	1,406	550	-	1,956
Reappropriations to future year(s)	-	(1,398)	-	-	(1,398)
Lapsed appropriations	-	-	(2)	-	(2)
Receipts collected and transmitted to State Treasury	-	-	-	(47)	(47)
Net change in liabilities for reappropriated accounts	-	(1)	-	-	(1)
Total other sources (uses)	-	7	548	(47)	508
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)</b>	(1,096)	-	(3)	(188)	(1,287)
<b>FUND BALANCES, JULY 1, 2007</b>	3,718	-	5	188	3,911
<b>FUND BALANCES, JUNE 30, 2008</b>	\$ 2,622	\$ -	\$ 2	\$ -	\$ 2,624

STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 CAPITAL PROJECTS FUNDS  
 COMBINING BALANCE SHEETS  
 JUNE 30, 2008  
 (Expressed in Thousands)

	Capital Development 141	School Construction 143	CDB			Total (Memorandum Only)
			Contributory Trust 617	Build Illinois Bond 971	Total	
ASSETS						
Unexpended appropriations	\$ 16,635	\$ -	\$ -	\$ -	\$ 4,268	\$ 20,903
Cash equity with State Treasurer	-	-	12,703	-	-	12,703
Cash and cash equivalents	4,615	-	584	621	-	5,820
Intergovernmental receivables	-	-	432	-	-	432
Due from other State funds	-	-	2,081	209	-	2,290
<b>TOTAL ASSETS</b>	<b>21,250</b>	<b>-</b>	<b>15,800</b>	<b>5,098</b>	<b>-</b>	<b>42,148</b>

**LIABILITIES AND FUND BALANCES**

	Capital Development 141	School Construction 143	Contributory Trust 617	Build Illinois Bond 971	Total (Memorandum Only)
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	21,045	-	3,440	4,889	29,374
Due to other State funds	68	-	-	-	68
Deferred revenues	-	-	9,907	-	9,907
<b>Total liabilities</b>	<b>21,113</b>	<b>-</b>	<b>13,347</b>	<b>4,889</b>	<b>39,349</b>

**FUND BALANCES**

Reserved for encumbrances	137	-	-	-	137
Unreserved, designated for reappropriated accounts	-	-	2,453	-	2,453
Unreserved, unrestricted	-	-	-	209	209
<b>Total fund balances</b>	<b>137</b>	<b>-</b>	<b>2,453</b>	<b>209</b>	<b>2,799</b>

**TOTAL LIABILITIES AND FUND BALANCES**

\$ 21,250	\$ -	\$ -	\$ 15,800	\$ 5,098	\$ 42,148
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STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 CAPITAL PROJECTS FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2008  
 (Expressed in Thousands)

	Capital Development 141	School Construction 143	CDB			Total (Memorandum Only)
			Contributory Trust 617	Build Illinois Bond 971		
<b>REVENUES</b>						
Federal capital grants	\$ -	\$ -	\$ 19,038	\$ -	\$ -	\$ 19,038
Other charges for services	-	-	7,079	-	-	7,079
Total revenues	-	-	26,117	-	-	26,117
<b>EXPENDITURES</b>						
Education	35,696	29,315	7,089	26,492		98,592
General government	20,301	-	-	260		20,561
Capital outlays	55,872	-	19,099	1,910		76,881
Total expenditures	111,869	29,315	26,188	28,662		196,034
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	(111,869)	(29,315)	(71)	(28,662)		(169,917)
<b>OTHER SOURCES (USES)</b>						
Appropriations from State resources	1,031,054	65,636	-	197,850		1,294,540
Reappropriations to future year(s)	(901,017)	(35,620)	-	(168,962)		(1,105,599)
Lapsed appropriations	(579)	-	-	-		(579)
Receipts collected and transmitted to State Treasury	(89)	-	-	(6)		(95)
Net change in liabilities for reappropriated accounts	(12,993)	(701)	-	(11)		(13,705)
Operating transfers out	(4,383)	-	(791)	-		(5,174)
Total other sources (uses)	111,993	29,315	(791)	28,871		169,388
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)</b>	124	-	(862)	209		(529)
<b>FUND BALANCES, JULY 1, 2007</b>	13	-	3,315	-		3,328
<b>FUND BALANCES, JUNE 30, 2008</b>	\$ 137	\$ -	\$ 2,453	\$ 209	\$ -	\$ 2,799

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
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 Appropriations, Expenditures, and Lapsed Balances -  
Administrative Activities
- Schedules of Appropriations, Reappropriations, Expenditures, and  
Lapsed Balances - Total Activity by Fund
- Schedules of Appropriations, Reappropriations, Expenditures, and  
Lapsed Balances - Construction Activities by Agency
- Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances -  
Administrative Activities
- Comparative Schedule of Net Appropriations, Reappropriations, and Expenditures -  
Construction Activities by Fund
- Schedule of Changes in State Property and Equipment
- Comparative Schedule of Cash Receipts by Detail Source
- Reconciliation of Cash Receipts to Deposits Remitted to the State Comptroller
- Summary of Operations
- Administrative Expenditures
- Explanation of Significant Variations in Expenditures
- Explanation of Significant Variations in Receipts
- Analysis of Significant Lapse Period Spending
- Analysis of Significant Account Balances
- Analysis of Loans and Various Accounts Receivable
- Analysis of Change Orders

▪ Analysis of Operations:

- Agency Functions and Planning Program
- Average Number of Employees
- Emergency Purchases
- Illinois First Projects (Unaudited)
- Member Initiatives Projects/Awards (Unaudited)
- Change Orders by Reason (Unaudited)
- Performance Indicators (Unaudited)
- Service Efforts and Accomplishments (Unaudited)

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

**SUMMARY (CONTINUED)**

The accountants' report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states that it has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in the accountants' opinion, except for that portion marked "unaudited," on which they express no opinion, it is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES  
 ADMINISTRATIVE ACTIVITIES - CAPITAL DEVELOPMENT FUND - 141 (b)  
 FISCAL YEAR ENDED JUNE 30, 2008

	Appropriations Net of Transfers (a)	Lapse Period		Total Expenditures 14 Months Ended	Balance Lapsed August 31, 2008		
		Expenditures Through June 30, 2008	Expenditures July 1, 2008 Through August 31, 2008				
	\$	4,956,300	\$	4,910,106	\$	46,194	
Personal services		822,800		813,971		8,829	
Employee retirement contributions		366,800		363,887		2,913	
State contribution to Social Security		1,124,800		1,018,657		106,143	
Group insurance		267,000		250,774		7,887	
Contractual services		32,200		32,190		10	
Travel		34,500		24,559		9,047	
Commodities		10,000		8,954		294	
Equipment		108,800		108,023		458	
Telecommunications		24,100		23,835		61	
Operation of auto equipment		532,716		457,960		74,756	
Operational expenses							
<b>TOTAL ADMINISTRATIVE ACTIVITIES (c)</b>	\$	8,280,016	\$	8,012,916	\$	10,508	
						\$	8,023,424
						\$	256,592

**PUBLIC ACT 95-0348**

For general office operations:

Personal services						
Employee retirement contributions						
State contribution to Social Security						
Group insurance						
Contractual services						
Travel						
Commodities						
Equipment						
Telecommunications						
Operation of auto equipment						
Operational expenses						

**TOTAL ADMINISTRATIVE ACTIVITIES (c)**

	\$	8,280,016	\$	8,012,916	\$	10,508	\$	8,023,424	\$	256,592
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Notes:

- (a) Appropriation transfers were approved by the Governor and the Comptroller.
- (b) The information reflected in this schedule was taken from the CDB's records and reconciled to the State Comptroller.
- (c) The Schedule of Appropriations, Expenditures, and Lapsed Balances - Administrative Activities - Capital Development Fund provides, for the Capital Development Fund, a detail of actual administrative expenditures directly attributable to the operations of the CDB only.

STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES  
 ADMINISTRATIVE ACTIVITIES - CAPITAL DEVELOPMENT FUND - 141 (b)  
 FISCAL YEAR ENDED JUNE 30, 2007

	Appropriations Net of Transfers (a)	Lapse Period		Total Expenditures 14 Months Ended August 31, 2007	Balance Lapsed August 31, 2007
		Expenditures Through June 30, 2007	Expenditures July 1, 2007 Through August 31, 2007		
<b>PUBLIC ACT 94-0798 and PUBLIC ACT 95-0144</b>					
For general office operations:					
Personal services	\$ 4,564,200	\$ 4,540,235	\$ 472	\$ 4,540,707	\$ 23,493
Employee retirement contributions	524,900	523,897	54	523,951	949
State contribution to Social Security	349,200	335,599	32	335,631	13,569
Group insurance	1,116,500	989,250	1,517	990,767	125,733
Contractual services	267,000	175,018	40,060	215,078	51,922
Travel	32,200	14,812	17,298	32,110	90
Commodities	34,500	18,522	8,598	27,120	7,380
Equipment	10,000	9,428	-	9,428	572
Telecommunications	108,800	108,775	-	108,775	25
Operation of auto equipment	24,100	21,223	2,323	23,546	554
Operational expenses	412,400	387,546	-	387,546	24,854
<b>TOTAL ADMINISTRATIVE ACTIVITIES (c)</b>	<b>\$ 7,443,800</b>	<b>\$ 7,124,305</b>	<b>\$ 70,354</b>	<b>\$ 7,194,659</b>	<b>\$ 249,141</b>

Notes:

- (a) Appropriation transfers were approved by the Governor and the Comptroller.
- (b) The information reflected in this schedule was taken from the CDB's records and reconciled to the State Comptroller.
- (c) The Schedule of Appropriations, Expenditures, and Lapsed Balances - Administrative Activities - Capital Development Fund provides, for the Capital Development Fund, a detail of actual administrative expenditures directly attributable to the operations of the CDB only.

STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES  
 ADMINISTRATIVE ACTIVITIES - CAPITAL DEVELOPMENT BOARD REVOLVING FUND - 215 (b)  
 FISCAL YEAR ENDED JUNE 30, 2008

	Appropriations Net of Transfers (a)	Expenditures Through June 30, 2008	Lapse Period		Balance Lapsed August 31, 2008
			Expenditures July 1, 2008 Through August 31, 2008	Total Expenditures 14 Months Ended August 31, 2008	
<b>PUBLIC ACT 95-0348</b>					
For general office operations:					
Personal services	\$ 2,992,300	\$ 2,753,565	\$ (456)	\$ 2,753,109	\$ 239,191
Employee retirement contributions	496,700	453,915	-	453,915	42,785
State contribution to Social Security	221,500	199,307	-	199,307	22,193
Group insurance	799,200	630,911	-	630,911	168,289
Contractual services	298,100	272,263	21,833	294,096	4,004
Travel	210,600	147,113	11,739	158,852	51,748
Commodities	11,400	551	-	551	10,849
Printing	17,200	13,631	533	14,164	3,036
Electronic data processing	185,200	144,162	3,499	147,661	37,539
Telecommunications	119,500	31,992	52,907	84,899	34,601
<b>TOTAL ADMINISTRATIVE ACTIVITIES (c)</b>	<b>\$ 5,351,700</b>	<b>\$ 4,647,410</b>	<b>\$ 90,055</b>	<b>\$ 4,737,465</b>	<b>\$ 614,235</b>

Notes:

- (a) Appropriation transfers were approved by the Governor and the Comptroller.
- (b) The information reflected in this schedule was taken from the CDB's records and reconciled to the State Comptroller.
- (c) The Schedule of Appropriations, Expenditures, and Lapsed Balances - Administrative Activities - Capital Development Board Revolving Fund provides, for the Capital Development Board Revolving Fund, a detail of actual administrative expenditures directly attributable to the operations of the CDB only.

STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES  
 ADMINISTRATIVE ACTIVITIES - CAPITAL DEVELOPMENT BOARD REVOLVING FUND - 215 (b)  
 FISCAL YEAR ENDED JUNE 30, 2007

	Appropriations Net of Transfers (a)	Lapse Period		Total Expenditures 14 Months Ended August 31, 2007	Balance Lapsed August 31, 2007
		Expenditures Through June 30, 2007	Expenditures July 1, 2007 Through August 31, 2007		
<b>PUBLIC ACT 94-0798 and PUBLIC ACT 95-0144</b>					
For general office operations:					
Personal services	\$ 2,856,100	\$ 2,773,723	\$ 8,751	\$ 2,782,474	\$ 73,626
Employee retirement contributions	328,500	320,119	1,009	321,128	7,372
State contribution to Social Security	218,500	202,193	669	202,862	15,638
Group insurance	783,000	597,483	-	597,483	185,517
Contractual services	298,100	250,991	950	251,941	46,159
Travel	210,600	205,670	4,916	210,586	14
Commodities	11,400	2,989	-	2,989	8,411
Printing	17,200	14,296	1,216	15,512	1,688
Electronic data processing	185,200	153,033	14,241	167,274	17,926
Telecommunications	119,500	84,527	32,156	116,683	2,817
<b>TOTAL ADMINISTRATIVE ACTIVITIES (c)</b>	<b>\$ 5,028,100</b>	<b>\$ 4,605,024</b>	<b>\$ 63,908</b>	<b>\$ 4,668,932</b>	<b>\$ 359,168</b>

Notes:

- (a) Appropriation transfers were approved by the Governor and the Comptroller.
- (b) The information reflected in this schedule was taken from the CDB's records and reconciled to the State Comptroller.
- (c) The Schedule of Appropriations, Expenditures, and Lapsed Balances - Administrative Activities - Capital Development Board Revolving Fund provides, for the Capital Development Board Revolving Fund, a detail of actual administrative expenditures directly attributable to the operations of the CDB only.

STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES  
 ADMINISTRATIVE ACTIVITIES - SCHOOL INFRASTRUCTURE FUND - 568 (b)  
 FISCAL YEAR ENDED JUNE 30, 2008

Appropriations Net of Transfers (a)	Lapse Period		Total Expenditures 14 Months Ended	Balance Lapsed August 31, 2008
	Expenditures Through June 30, 2008	Expenditures July 1, 2008 Through August 31, 2008		

**PUBLIC ACT 95-0348**

For general office operations:

School infrastructure purposes

\$ 550,000	\$ 523,613	\$ 24,279	\$ 547,892	\$ 2,108
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**TOTAL ADMINISTRATIVE ACTIVITIES (c)**

\$ 550,000	\$ 523,613	\$ 24,279	\$ 547,892	\$ 2,108
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Notes:

- (a) Appropriation transfers were approved by the Governor and the Comptroller.
- (b) The information reflected in this schedule was taken from the CDB's records and reconciled to the State Comptroller.
- (c) The Schedule of Appropriations, Expenditures, and Lapsed Balances - Administrative Activities - School Infrastructure Fund provides, for the School Infrastructure Fund, a detail of actual administrative expenditures directly attributable to the operations of the CDB only.



STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES  
 ADMINISTRATIVE ACTIVITIES - SCHOOL INFRASTRUCTURE FUND - 568 (b)  
 FISCAL YEAR ENDED JUNE 30, 2007

	Appropriations Net of Transfers (a)	Lapse Period		Total Expenditures 14 Months Ended August 31, 2007	Balance Lapsed August 31, 2007
		Expenditures Through June 30, 2007	Expenditures July 1, 2007 Through August 31, 2007		
<b>PUBLIC ACT 94-0798 and PUBLIC ACT 95-0144</b>					
For general office operations:					
School infrastructure purposes	\$ 550,000	\$ 451,546	\$ 37,438	\$ 488,984	\$ 61,016
<b>TOTAL ADMINISTRATIVE ACTIVITIES (c)</b>	<b>\$ 550,000</b>	<b>\$ 451,546</b>	<b>\$ 37,438</b>	<b>\$ 488,984</b>	<b>\$ 61,016</b>

Notes:

- (a) Appropriation transfers were approved by the Governor and the Comptroller.
- (b) The information reflected in this schedule was taken from the CDB's records and reconciled to the State Comptroller.
- (c) The Schedule of Appropriations, Expenditures, and Lapsed Balances - Administrative Activities - School Infrastructure Fund provides, for the School Infrastructure Fund, a detail of actual administrative expenditures directly attributable to the operations of the CDB only.

STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 SCHEDULE OF APPROPRIATIONS, REAPPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES  
 TOTAL ACTIVITY BY FUND (a)  
 FISCAL YEAR ENDED JUNE 30, 2008

	Appropriations Net of Transfers	Expenditures Through June 30, 2008	Lapse Period		Total Expenditures 14 Months Ended August 31, 2008	Reappropriated July 1, 2008	Balance Lapsed August 31, 2008 (b)
			Expenditures July 1, 2008	Through August 31, 2008			
<b>PUBLIC ACT 95-0348</b>							
Administration - Appropriated Funds							
Capital Development Fund - 141	\$ 8,280,016	\$ 8,012,916	\$ 10,508	\$ 8,023,424	\$ -	\$ 256,592	
Capital Development Board							
Revolving Fund - 215	5,351,700	4,647,410	90,055	4,737,465	-	614,235	
School Infrastructure Fund - 568	550,000	523,613	24,279	547,892	-	2,108	
<b>Total Administration - Appropriated Funds</b>	<b>14,181,716</b>	<b>13,183,939</b>	<b>124,842</b>	<b>13,308,781</b>	<b>-</b>	<b>872,935</b>	
Construction - Appropriated Funds							
Capital Development Fund - 141	1,022,773,730	118,829,449	2,175,638	121,005,087	901,447,850	320,793	
School Construction Fund - 143	65,635,841	30,015,861	-	30,015,861	35,619,980	-	
Asbestos Abatement Fund - 224	1,406,301	7,872	-	7,872	1,398,429	-	
Tobacco Settlement Recovery Fund - 733	-	187,584	-	187,584	(187,584)	-	
Build Illinois Bond Fund - 971	197,850,586	28,679,302	-	28,679,302	169,171,284	-	
<b>Total Construction - Appropriated Funds</b>	<b>1,287,666,458</b>	<b>177,720,068</b>	<b>2,175,638</b>	<b>179,895,706</b>	<b>1,107,449,959</b>	<b>320,793</b>	
<b>TOTAL - ALL APPROPRIATED FUNDS</b>	<b>\$1,301,848,174</b>	<b>\$ 190,904,007</b>	<b>\$ 2,300,480</b>	<b>\$ 193,204,487</b>	<b>\$ 1,107,449,959</b>	<b>\$ 1,193,728</b>	

Notes:  
 (a) The information reflected in this schedule was taken from the CDB's records and reconciled to the State Comptroller.  
 (b) This column represents lapsed appropriations less reappropriations to subsequent fiscal years for the CDB.

STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 SCHEDULE OF APPROPRIATIONS, REAPPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES  
 TOTAL ACTIVITY BY FUND (a)  
 FISCAL YEAR ENDED JUNE 30, 2007

	Appropriations Net of Transfers	Lapse Period		Total Expenditures 14 Months Ended August 31, 2007	Balance Reappropriated July 1, 2007	Balance Lapsed August 31, 2007 (b)
		Expenditures July 1, 2007 Through August 31, 2007	Expenditures Through August 31, 2007			
<b>PUBLIC ACT 94-0798 and PUBLIC ACT 95-0144</b>						
Administration - Appropriated Funds						
Capital Development Fund - 141	\$ 7,443,800	\$ 7,124,305	\$ 70,354	\$ 7,194,659	\$ -	\$ 249,141
Capital Development Board						
Revolving Fund - 215	5,028,100	4,605,024	63,908	4,668,932	-	359,168
School Infrastructure Fund - 568	550,000	451,546	37,438	488,984	-	61,016
<b>Total Administration - Appropriated Funds</b>	<b>13,021,900</b>	<b>12,180,875</b>	<b>171,700</b>	<b>12,352,575</b>	<b>-</b>	<b>669,325</b>
<b>Construction - Appropriated Funds</b>						
General Fund - 001	150,000,000	-	-	-	-	150,000,000
Capital Development Fund - 141	1,277,930,201	208,753,078	65,125	208,818,203	1,022,773,730	46,338,268
School Construction Fund - 143	98,824,547	33,188,706	-	33,188,706	65,635,841	-
Asbestos Abatement Fund - 224	1,507,016	100,715	-	100,715	1,406,301	-
Tobacco Settlement Recovery Fund - 733	3,421,447	349,601	197,162	546,763	187,584	2,687,100
Build Illinois Bond Fund - 971	266,608,742	66,964,412	1,151	66,965,563	197,850,586	1,792,593
<b>Total Construction - Appropriated Funds</b>	<b>1,798,291,953</b>	<b>309,356,512</b>	<b>263,438</b>	<b>309,619,950</b>	<b>1,287,854,042</b>	<b>200,817,961</b>
<b>TOTAL - ALL APPROPRIATED FUNDS</b>	<b>\$1,811,313,853</b>	<b>\$ 321,537,387</b>	<b>\$ 435,138</b>	<b>\$ 321,972,525</b>	<b>\$ 1,287,854,042</b>	<b>\$ 201,487,286</b>

Notes:

(a) The information reflected in this schedule was taken from the CDB's records and reconciled to the State Comptroller.

(b) This column represents lapsed appropriations less reappropriations to subsequent fiscal years for the CDB.

STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 SCHEDULE OF APPROPRIATIONS, REAPPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES  
 CONSTRUCTION ACTIVITIES BY AGENCY  
 FISCAL YEAR ENDED JUNE 30, 2008 (a)

	Appropriations (d)		Reappropriations (d)		Lapse Period		Total		Balances	
			Expenditures		Expenditures		Expenditures		Reappropriated	
	July 1, 2008	August 31, 2008	Through	Through	July 1, 2008	August 31, 2008	Through	Through	July 1, 2008	August 31, 2008
<b>PUBLIC ACT 95-0348</b>										
Office of the Architect of the Capital	\$ -	\$ 9,474,462	\$ 4,494,844	\$ -	\$ -	\$ 4,494,844	\$ -	\$ 4,494,844	\$ 4,979,618	\$ -
Supreme Court	-	2,688,495	875,475	57,734	-	933,209	-	933,209	1,755,286	-
Appellate Courts	-	529,972	45,000	-	-	45,000	-	45,000	484,972	-
Department of Agriculture	-	7,657,840	5,215,270	265,481	-	5,480,751	-	5,480,751	2,177,089	-
Department of Veteran's Affairs	-	17,357,830	6,282,696	60,304	-	6,343,000	-	6,343,000	11,014,830	-
Department of Natural Resources	-	25,791,814	6,447,689	50,007	-	6,497,696	-	6,497,696	19,294,118	-
Historic Preservation	-	24,340,937	4,489,771	121,358	-	4,611,129	-	4,611,129	19,729,808	-
Department of Corrections	-	222,318,637	24,754,620	208,489	-	24,963,109	-	24,963,109	197,355,528	-
Department of Central Management Services	-	26,849,111	4,102,951	398,896	-	4,501,847	-	4,501,847	22,346,635	-
Department of State Police	-	9,673,631	2,942,587	295,917	-	3,238,504	-	3,238,504	6,435,127	-
Department of Human Services	-	62,825,671	6,585,281	305,938	-	6,891,219	-	6,891,219	55,934,452	-
Department of Military Affairs	-	52,555,289	9,566,087	-	-	9,566,087	-	9,566,087	42,990,088	(886)
Department of Public Health	-	1,202,411	533,733	-	-	533,733	-	533,733	668,678	-
Department of Revenue	-	14,728,681	2,540,474	-	-	2,540,474	-	2,540,474	12,118,556	-
Capital Development Board	-	319,859,433	4,642,802	239	-	4,643,041	-	4,643,041	315,216,392	-
Emergency Management	-	560,821	209,273	-	-	209,273	-	209,273	350,305	-
Medical Center Comm. Complex	-	1,008,623	28,879	-	-	28,879	-	28,879	979,744	-
Governor's Office	-	54,586	49,072	-	-	49,072	-	49,072	5,514	-
Attorney General	-	390,164	308,697	24,254	-	332,951	-	332,951	57,213	-
Secretary of State	-	19,632,365	5,858,810	338,959	-	6,197,769	-	6,197,769	13,434,596	-
School Construction Program	-	65,785,351	30,160,932	-	-	30,160,932	-	30,160,932	35,624,419	-
Board of Higher Education	-	1,052,279	139,595	-	-	139,595	-	139,595	912,684	-
Illinois Community College Board	-	167,827,146	20,376,207	-	-	20,376,207	-	20,376,207	148,142,875	(691,936)
Chicago State University	-	33,452,112	4,288,855	-	-	4,288,855	-	4,288,855	29,163,257	-
Eastern Illinois University	-	9,812,831	2,922,808	-	-	2,922,808	-	2,922,808	6,890,023	-
Governor's State University	-	14,907,459	86,313	-	-	86,313	-	86,313	14,821,146	-
Northeastern Illinois University	-	13,513,833	1,772,114	-	-	1,772,114	-	1,772,114	11,741,719	-
Western Illinois University	-	16,116,397	1,356,102	-	-	1,356,102	-	1,356,102	14,760,295	-
Illinois State University	-	28,916,456	10,178,570	-	-	10,178,570	-	10,178,570	18,737,886	-
Northern Illinois University	-	12,070,709	583,378	-	-	583,378	-	583,378	11,487,331	-
Southern Illinois University	-	29,776,679	16,351,912	-	-	16,351,912	-	16,351,912	13,424,767	-

STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 SCHEDULE OF APPROPRIATIONS, REAPPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES  
 CONSTRUCTION ACTIVITIES BY AGENCY  
 FISCAL YEAR ENDED JUNE 30, 2008 (a)

	Appropriations (d)	Lapse Period		Total	Balance Lapsed
		Expenditures Through June 30, 2008	Expenditures July 1, 2008 Through August 31, 2008		
<b>PUBLIC ACT 95-0348</b>					
University of Illinois	\$ -	\$ 108,519,524	\$ -	\$ 6,206,295	\$ 102,313,229
Local government facilities	-	53,326,467	-	22,210,202	31,116,265
Asbestos abatement	-	1,519,176	-	41,506	1,477,670
<b>Total activity by agency</b>	<b>-</b>	<b>1,376,097,192</b>	<b>2,127,576</b>	<b>208,776,376</b>	<b>1,167,942,115</b>

Reconciliation:

Transfer					
Nonappropriated funds:					
CDB Contributory Trust					
Fund - 170	-	(76,781)	-	(50,000)	(26,781)
Fund - 617	-	(88,353,953)	48,062	(28,830,670)	(60,465,375)
<b>TOTAL ACTIVITY BY FUND</b>	<b>\$ -</b>	<b>\$ 1,287,666,458</b>	<b>\$ 2,175,638</b>	<b>\$ 179,895,706</b>	<b>\$ 1,107,449,959</b>
					<b>\$ 320,793</b>

- Notes:
- (a) This schedule includes amounts for appropriated and nonappropriated projects. Reappropriations include budgeted amounts for nonappropriated projects. Expenditures include both appropriated and nonappropriated projects.
  - (b) This column represents lapsed appropriations less reappropriations not originally appropriated for the CDB.
  - (c) The information reflected in this schedule was taken from the CDB's records and reconciled to the State Comptroller.
  - (d) Included in the appropriation and reappropriation columns are amounts contributed from local sources that CDB includes for budgetary purposes.

STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SCHEDULE OF APPROPRIATIONS, REAPPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES  
CONSTRUCTION ACTIVITIES BY AGENCY  
FISCAL YEAR ENDED JUNE 30, 2007 (a)

	Appropriations (d)		Reappropriations (d)		Expenditures Through		Expenditures Through		Total Expenditures		Balances		Balance Lapsed August 31, 2007 (b)
	June 30, 2007		August 31, 2007		July 1, 2007		August 31, 2007		14 Months Ended		July 1, 2007		
	\$		\$		\$		\$		\$		\$		
<b>PUBLIC ACT 94-0798 and PUBLIC ACT 95-0144</b>													
Office of the Architect of the Capital	-	\$	43,793,408	\$	34,673,396	-	-	\$	34,673,396	\$	9,120,012	\$	-
Supreme Court	-		2,678,648		31,323	-	-		31,323		2,647,325		-
Appellate Courts	-		337,711		215,091	-	-		215,091		122,620		-
Department of Agriculture	-		7,011,296		434,565	-	-		434,565		6,424,509		-
Department of Veteran's Affairs	-		28,546,738		9,667,292	-	-		9,667,292		16,992,054		1,887,392
Department of Natural Resources	-		41,518,336		6,753,228	-	-		6,753,228		27,363,135		7,401,973
Historic Preservation	-		29,308,991		5,038,720	-	(365,000)		4,673,720		23,834,730		800,541
Department of Corrections	-		272,626,848		21,212,528	-	7,420		21,219,948		241,111,325		10,295,575
Department of Central Management Services	3,000,000		27,455,511		3,857,933	-	152,343		4,010,276		26,445,235		-
Department of State Police	1,800,000		24,786,327		15,837,755	-	-		15,837,755		10,427,175		321,397
Department of Human Services	-		84,713,526		10,493,055	-	1,150		10,494,205		65,839,586		8,379,735
Department of Military Affairs	-		37,698,441		20,578,453	-	-		20,578,453		16,914,329		205,459
Department of Public Health	-		1,551,371		14,375	-	334,584		348,959		1,202,412		-
Department of Revenue	-		15,645,012		855,963	-	49,832		905,795		14,724,963		14,254
Department of Transportation	-		1,975		1,975	-	-		1,975		-		-
Capital Development Board	13,316,300		327,683,615		4,486,890	-	-		4,486,890		335,350,561		1,162,464
Emergency Management	-		487,804		80,429	-	-		80,429		407,375		-
Medical Center Comm. Complex	-		1,011,022		10,200	-	-		10,200		1,000,822		-
Governor's Office	-		136,367		97,194	-	-		97,194		33,004		6,169
Attorney General	-		365,357		31,848	-	-		31,848		297,578		35,931
Secretary of State	-		21,789,104		1,862,376	-	61,772		1,924,148		19,715,898		149,058
School Construction Program:	155,000,000		99,069,675		38,206,195	-	-		38,206,195		65,863,480		150,000,000
Board of Higher Education	-		3,660,279		1,652,426	-	-		1,652,426		2,007,853		-
Illinois Community College Board	-		213,597,840		45,323,201	-	-		45,323,201		166,982,414		1,292,225
Chicago State University	-		48,775,148		15,399,585	-	-		15,399,585		33,375,563		5,276
Eastern Illinois University	-		28,529,286		19,008,431	-	-		19,008,431		9,515,379		32,327
Governor's State University	-		15,411,927		454,253	-	17,887		472,140		14,907,460		-
Northeastern Illinois University	-		13,521,579		391,902	-	-		391,902		13,129,677		-
Western Illinois University	-		19,002,969		2,886,572	-	-		2,886,572		16,116,397		-
Illinois State University	-		31,739,576		2,824,322	-	-		2,824,322		28,915,154		100
Northern Illinois University	-		13,988,590		2,024,632	-	-		2,024,632		11,870,876		93,082

STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 SCHEDULE OF APPROPRIATIONS, REAPPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES  
 CONSTRUCTION ACTIVITIES BY AGENCY  
 FISCAL YEAR ENDED JUNE 30, 2007 (a)

	Appropriations (d)	Expenditures		Lapse Period Expenditures		Total Expenditures		Balances		Balance Lapsed August 31, 2007 (b)
		Through June 30, 2007	Through August 31, 2007	July 1, 2007	Through August 31, 2007	14 Months Ended August 31, 2007 (c)	July 1, 2007	Reappropriated July 1, 2007		
<b>PUBLIC ACT 94-0798 and PUBLIC ACT 95-0144</b>										
Southern Illinois University	\$ -	\$ 56,873,141	\$ 27,266,092	\$ 833	\$ 27,266,925	\$ 29,517,125	\$ 89,091			
University of Illinois	-	124,030,007	17,356,894	-	17,356,894	106,521,590	151,523			
Local government facilities	6,983,700	81,760,236	41,232,320	-	41,232,320	47,511,616	-			
Asbestos abatement	-	1,754,359	152,568	-	152,568	1,601,791	-			
<b>Total activity by agency</b>	<b>180,100,000</b>	<b>1,720,862,020</b>	<b>350,413,982</b>	<b>260,821</b>	<b>350,674,803</b>	<b>1,367,811,423</b>	<b>182,475,794</b>			
Reconciliation:										
Transfer	(180,100,000)	180,100,000	-	-	-	-	-			
Nonappropriated funds:										
CDB Contributory Trust	-	(76,781)	-	-	-	(76,781)	-			
Fund - 170	-	(102,593,286)	(41,057,470)	2,617	(41,054,853)	(79,880,600)	18,342,167			
Fund - 617	-	-	-	-	-	-	-			
<b>TOTAL ACTIVITY BY FUND</b>	<b>\$ -</b>	<b>\$ 1,798,291,953</b>	<b>\$ 309,356,512</b>	<b>\$ 263,438</b>	<b>\$ 309,619,950</b>	<b>\$ 1,287,854,042</b>	<b>\$ 200,817,961</b>			

Notes:

(a) This schedule includes amounts for appropriated and nonappropriated projects. Reappropriations include budgeted amounts for nonappropriated projects. Expenditures include both appropriated and nonappropriated projects.

(b) This column represents lapsed appropriations less reappropriations not originally appropriated for the CDB.

(c) The information reflected in this schedule was taken from the CDB's records and reconciled to the State Comptroller.

(d) Included in the appropriation and reappropriation columns are amounts contributed from local sources that CDB includes for budgetary purposes.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,  
EXPENDITURES, AND LAPSED BALANCES  
ADMINISTRATIVE ACTIVITIES - CAPITAL DEVELOPMENT FUND - 141  
FISCAL YEARS ENDED JUNE 30, 2008, 2007, AND 2006**

	<b>Fiscal Year</b>		
	<b>2008</b>	<b>2007</b>	<b>2006</b>
	<b>PA 95-0348</b>	<b>PA 94-0798 and PA 95-0144</b>	<b>PA 93-0842 and PA 94-0015</b>
<b>APPROPRIATIONS</b>	\$ 8,280,016	\$ 7,443,800	\$ 6,996,000
<b>EXPENDITURES</b>			
Personal services	4,910,106	4,540,707	3,987,119
State contribution to State Employees' Retirement System	-	-	29,688
Employee retirement contributions	813,971	523,951	311,713
State contribution to Social Security	363,887	335,631	295,080
Group insurance	1,018,657	990,767	959,272
Contractual services	259,113	215,078	224,553
Travel	32,190	32,110	31,664
Commodities	25,453	27,120	24,151
Equipment	9,706	9,428	9,391
Telecommunications	108,342	108,775	108,795
Operation of auto equipment	24,039	23,546	23,028
Operational expenses	457,960	387,546	328,397
Total expenditures	8,023,424	7,194,659	6,332,851
<b>LAPSED BALANCES</b>	\$ 256,592	\$ 249,141	\$ 663,149

Note: The information reflected in this schedule was taken from the CDB's records and reconciled to the State Comptroller.



**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,  
EXPENDITURES, AND LAPSED BALANCES  
ADMINISTRATIVE ACTIVITIES - CAPITAL DEVELOPMENT BOARD REVOLVING FUND - 215  
FISCAL YEARS ENDED JUNE 30, 2008, 2007, AND 2006**

	Fiscal Year		
	2008	2007	2006
	PA 95-0348	PA 94-0798 and PA 95-0144	PA 93-0842 and PA 94-0015
<b>APPROPRIATIONS</b>	\$ 5,351,700	\$ 5,028,100	\$ 4,912,200
<b>EXPENDITURES</b>			
Personal services	2,753,109	2,782,474	2,595,448
State contribution to State Employees' Retirement System	-	-	11,978
Employee retirement contributions	453,915	321,128	202,441
State contribution to Social Security	199,307	202,862	190,283
Group insurance	630,911	597,483	607,175
Contractual services	294,096	251,941	129,568
Travel	158,852	210,586	196,208
Commodities	551	2,989	8,306
Printing	14,164	15,512	14,544
Equipment	-	-	4,820
Electronic data processing	147,661	167,274	82,462
Telecommunications	84,899	116,683	91,808
Total expenditures	4,737,465	4,668,932	4,135,041
<b>LAPSED BALANCES</b>	\$ 614,235	\$ 359,168	\$ 777,159

Note: The information reflected in this schedule was taken from the CDB's records and reconciled to the State Comptroller.

**STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,  
 EXPENDITURES, AND LAPSED BALANCES  
 ADMINISTRATIVE ACTIVITIES - SCHOOL INFRASTRUCTURE FUND - 568  
 FISCAL YEARS ENDED JUNE 30, 2008, 2007, AND 2006**

	<b>Fiscal Year</b>		
	<b>2008</b>	<b>2007</b>	<b>2006</b>
	<b>PA 95-0348</b>	<b>PA 94-0798 and PA 95-0144</b>	<b>PA 93-0842 and PA 94-0015</b>
<b>APPROPRIATIONS</b>	\$ 550,000	\$ 550,000	\$ 600,000
<b>EXPENDITURES</b>			
School infrastructure purposes	547,892	488,984	491,427
<b>LAPSED BALANCES</b>	\$ 2,108	\$ 61,016	\$ 108,573

Note: The information reflected in this schedule was taken from the CDB's records and reconciled to the State Comptroller.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,  
REAPPROPRIATIONS, AND EXPENDITURES  
CONSTRUCTION ACTIVITIES BY FUND (a) (b)  
FISCAL YEARS ENDED JUNE 30, 2008, 2007, AND 2006**

	Fiscal Year		
	2008	2007	2006
	PA 95-0348	PA 94-0798 and PA 95-0144	PA 93-0842 and PA 94-0015
<b>GENERAL REVENUE FUND - 001</b>			
Appropriations and Reappropriations	\$ -	\$ 150,000,000	\$ -
Expenditures	-	-	-
<b>CAPITAL DEVELOPMENT FUND - 141</b>			
Appropriations and Reappropriations	1,022,773,730	1,277,930,201	1,457,305,414
Expenditures	121,005,087	208,818,203	195,787,411
<b>SCHOOL CONSTRUCTION FUND - 143</b>			
Appropriations and Reappropriations	65,635,841	98,824,547	291,330,685
Expenditures	30,015,861	33,188,706	192,506,123
<b>SPECIAL PROJECT FUND - 170</b>			
Appropriations and Reappropriations	-	-	-
Expenditures	50,000	-	-
<b>ASBESTOS ABATEMENT FUND - 224</b>			
Appropriations and Reappropriations	1,406,301	1,507,016	1,507,020
Expenditures	7,872	100,715	-
<b>CDB CONTRIBUTORY TRUST FUND - 617</b>			
Appropriations and Reappropriations	-	-	-
Expenditures	28,830,670	41,054,853	41,295,561
<b>TOBACCO SETTLEMENT RECOVERY FUND - 733</b>			
Appropriations and Reappropriations	-	3,421,447	7,602,749
Expenditures	187,584	546,763	1,456,412
<b>BUILD ILLINOIS BOND FUND - 971</b>			
Appropriations and Reappropriations	197,850,586	266,608,742	287,096,643
Expenditures	28,679,302	66,965,563	24,485,640
<b>TOTAL</b>			
Appropriations and Reappropriations	1,287,666,458	1,798,291,953	2,044,842,511
Expenditures	208,776,376	350,674,803	455,531,147

Notes:

- (a) The information reflected in this schedule was taken from the CDB's records and reconciled to the State Comptroller.
- (b) The data in this schedule represents appropriations, reappropriations, and expenditures for ongoing capital projects and are presented for informational purposes only. Because these projects require continuing appropriation and reappropriation of funds to be expended over several years, a comparison of amounts from year to year is not meaningful.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SCHEDULE OF CHANGES IN STATE PROPERTY AND EQUIPMENT  
FISCAL YEARS ENDED JUNE 30, 2008, 2007, AND 2006**

	<b>Equipment</b>	<b>Construction in Progress</b>	<b>Total</b>
<b>BALANCE, JULY 1, 2006</b>	\$ 2,309,051	\$ 26,494,174	\$ 28,803,225
Additions	296,779	121,204,422	121,501,201
Deletions and transfers	(456,655)	(103,581,164)	(104,037,819)
<b>BALANCE, JUNE 30, 2007</b>	2,149,175	44,117,432	46,266,607
Additions	104,220	82,487,324	82,591,544
Deletions and transfers	(228,548)	(108,559,732)	(108,788,280)
<b>BALANCE, JUNE 30, 2008</b>	<u>\$ 2,024,847</u>	<u>\$ 18,045,024</u>	<u>\$ 20,069,871</u>

Notes:

- (1) The information reflected in this schedule was taken from the CDB's records and reconciled to property reports (C-15 Agency Report of State Property) submitted to the Office of the Comptroller.
- (2) Transfers from construction in progress represent the transfer of costs incurred for capital projects to the agencies for which the capital projects were undertaken.
- (3) This summary schedule was prepared using State property records required by the Illinois Administrative Code. The capitalization policy in the Code is different than the capitalization policy established by the Office of the Comptroller for financial reporting in accordance with generally accepted accounting principles.
- (4) The Statement of Net Assets reflects reporting differences for equipment and construction in progress of \$1.836 million and \$11.978 million, respectively. These differences represent capital assets not subject to the same capitalization policy and basis of accounting established by the Office of the Comptroller for financial reporting in accordance with generally accepted accounting principles.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
COMPARATIVE SCHEDULE OF CASH RECEIPTS BY DETAIL SOURCE (a)  
FISCAL YEARS ENDED JUNE 30, 2008, 2007, AND 2006**

<b>Fund/Receipt Source</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>GENERAL REVENUE FUND - 001</b>			
Repayment to State pursuant to law (Port District)	\$ -	\$ 80,287	\$ 60,000
Miscellaneous	809	737	1,129
Total General Revenue Fund	809	81,024	61,129
<b>GENERAL OBLIGATION BOND RETIREMENT AND INTEREST FUND - 101</b>			
Federal Utility Deposits	4,383,464	-	7,648
Total General Obligation Bond Retirement and Interest Fund	4,383,464	-	7,648
<b>CAPITAL DEVELOPMENT FUND - 141</b>			
Prior year refund	-	-	-
Total Capital Development Fund	-	-	-
<b>CDB SPECIAL PROJECTS FUND - 170</b>			
Commerce and Economic Opportunity	-	50,000	1,925,000
Total CDB Special Projects Fund	-	50,000	1,925,000
<b>CAPITAL DEVELOPMENT BOARD REVOLVING FUND - 215</b>			
Copying fees	105	901	309
Prior year refund	3,074	6,375	-
Contract administration fees	4,356,318	4,242,815	5,933,700
Total Capital Development Board Revolving Fund	4,359,497	4,250,091	5,934,009
<b>CDB CONTRIBUTORY TRUST FUND - 617</b>			
Junior colleges	6,483,432	12,144,503	8,227,670
Lincoln Historical Library contribution	-	-	13,820
Federal monies via other Illinois State agencies	17,255,419	22,489,486	26,648,748
Damage claim recovery	631,018	2,153,221	33,416
Chicago State University	-	5,000,000	8,206,410
Prior year refund	-	-	-
Miscellaneous	292,551	573,965	455,934
Total Capital Development Board Contributory Trust Fund	24,662,420	42,361,175	43,585,998

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
COMPARATIVE SCHEDULE OF CASH RECEIPTS BY DETAIL SOURCE (a)  
FISCAL YEARS ENDED JUNE 30, 2008, 2007, AND 2006**

<b>Fund/Receipt Source</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>TOBACCO SETTLEMENT FUND - 733</b>			
Prior year refund	\$ -	\$ -	\$ -
Total Tobacco Settlement Fund	-	-	-
<b>BUILD ILLINOIS BOND FUND - 971</b>			
Returned utility deposits	-	-	18,816
Total Build Illinois Bond Fund	-	-	18,816
<b>TOTAL ALL FUNDS</b>	<b>\$ 33,406,190</b>	<b>\$ 46,742,290</b>	<b>\$ 51,532,600</b>

Note:

(a) The information reflected in this schedule was taken from the CDB's records and reconciled to the State Comptroller.

STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
RECONCILIATION OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER  
FISCAL YEARS ENDED JUNE 30, 2008 AND 2007

	General Revenue 001	General Obligation BR&I 101	Capital Development 141	CDB Special Projects 170	CDB Revolving 215	CDB Contributory Trust 617	Tobacco Settlement 733	Build Illinois Bond 971	Total
<b>TOTAL RECEIPTS PER AGENCY RECORDS, FY 2007</b>	\$ 81,024	\$ -	\$ -	\$ 50,000	\$ 4,250,091	\$ 42,361,175	\$ -	\$ -	\$ 46,742,290
Add:									
Deposits in transit at June 30, 2006	7	-	-	-	202,200	1,376,413	-	-	1,578,620
Other reconciling items (a)	-	-	51,171	-	6,375	-	-	-	57,546
Less:									
Deposits in transit at June 30, 2007	3	-	-	-	412,600	2,625,120	-	-	3,037,723
<b>TOTAL RECEIPTS PER THE COMPTROLLER, FY 2007</b>	\$ 81,028	\$ -	\$ 51,171	\$ 50,000	\$ 4,046,066	\$ 41,112,468	\$ -	\$ -	\$ 45,340,733
<b>TOTAL RECEIPTS PER AGENCY RECORDS, FY 2008</b>	\$ 809	\$ 4,383,464	\$ -	\$ -	\$ 4,359,497	\$ 24,662,420	\$ -	\$ -	\$ 33,406,190
Add:									
Deposits in transit at June 30, 2007	3	-	-	-	412,600	2,625,120	-	-	3,037,723
Other reconciling items (a)	-	-	89,170	-	3,074	3,961	46,600	6,571	149,376
Less:									
Deposits in transit at June 30, 2008	-	-	-	-	348,550	540,396	-	-	888,946
<b>TOTAL RECEIPTS PER THE COMPTROLLER, FY 2008</b>	\$ 812	\$ 4,383,464	\$ 89,170	\$ -	\$ 4,426,621	\$ 26,751,105	\$ 46,600	\$ 6,571	\$ 35,704,343

Note:  
(a) The other reconciling items are refunds for overpayments that are related to prior year expenditures.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**SUMMARY OF OPERATIONS**

The General Assembly appropriated \$1,301,848,174 in fiscal year (FY) 2008 and \$1,811,313,853 in FY 2007 to the Capital Development Board (CDB) to address the permanent improvement needs of Illinois' citizens and other State agencies. These funds and other funds appropriated to other State agencies for projects administered by CDB were used to finance the ongoing construction of approximately 741 projects in fiscal year 2008 and 906 projects in FY 2007. Approximately 94% and 95% percent of the funds for these projects were appropriated directly to CDB for FY 2008 and 2007, respectively. Of these projects in process, 205 were brought to completion during FY 2008 and 215 were brought to completion in FY 2007.

CDB awarded 158 contractor contracts and 78 professional contracts in FY 2008. In FY 2007, 225 contractor contracts and 124 professional contracts were awarded. Total funds obligated by these awards were \$123,996,948 and \$304,659,010 in FY 2008 and 2007, respectively.

Overall, FY 2008 and 2007 projects activity resulted in the processing of 8,204 project vouchers (3,740 in FY 2008 and 4,464 in FY 2007) for a total of \$208,776,376 and \$350,674,803, respectively. Included are nonappropriated construction project expenditures of \$27,519,112 and \$40,552,649 in FY 2008 and 2007, respectively. This includes user agency funds of \$30,341,448 and \$16,162,509 that were expended in FY 2008 and 2007, respectively.

**ADMINISTRATIVE EXPENDITURES**

The following is a comparison of administrative expenditures and project expenditures for the fiscal years under audit (dollars in thousands):

	2008		2007	
	Amount	%	Amount	%
Appropriated:				
Administrative	\$ 13,309	6	\$ 12,353	3
Project	179,896	81	309,620	85
Total appropriated expenditures	193,205		321,973	
Nonappropriated:				
Project	28,881	13	41,055	12
<b>Total expenditures</b>	<b>\$ 222,086</b>	<b>100</b>	<b>\$ 363,028</b>	<b>100</b>

Administrative expenditures increased by \$956 and \$1,394 in FY 2008 and FY 2007, respectively. The increase in both years was due to increase in union salaries and retirement rate.



**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**EXPLANATION OF SIGNIFICANT VARIATIONS IN EXPENDITURES**

Pages 68 through 70 present comparative schedules of appropriations, expenditures, and lapsed balances for administrative activities in the Capital Development, Capital Development Board Revolving, and School Infrastructure Funds. Page 71 presents a comparative schedule of appropriations and expenditures for construction activities by funds. The CDB's explanation for significant fluctuations (greater than or equal to 20 percent and \$100,000) in expenditures is as follows:

***Capital Development Fund - 141***

Expenditures for employee retirement contribution increased \$290,020 and \$212,238 in FY 2008 and FY 2007, respectively, because of an increase in the calculated contribution rate from 7.8% in FY 2006, to 11.6% in FY 2007 and to 16.6% in FY 2008.

Expenditures for the State Contribution to State Employees' Retirement System line item from the Capital Development Fund - 141 were eliminated for FY 2008 and FY 2007 due to a change in the union contract.

***Capital Development Board Revolving Fund - 215***

Expenditures for employee retirement contribution increased \$132,787 and \$118,687 in FY 2008 and FY 2007 because of an increase in the calculated contribution rate from 7.8% in FY 2006, to 11.6% in FY 2007 and to 16.6% in FY 2008.

Expenditures for the State Contribution to State Employees' Retirement System line item from the Capital Development Board Revolving Fund - 215 were eliminated for FY 2008 and FY 2007 due to a change in the union contract.

***Construction Activities by Fund***

There were no expenditures made out of the General Revenue Fund - 001 during FY 2008 and FY 2007.

Expenditures for the School Construction Fund - 143 decreased \$3,172,845 from FY 2007 to FY 2008 and decreased \$159,317,417 from FY 2006 to FY 2007 due to a decreased funding of school construction projects from State resources.

Expenditures for the Tobacco Settlement Recovery Fund - 733 decreased \$359,179 from FY 2007 to FY 2008 and decreased \$909,649 from FY 2006 to FY 2007 due to the decreased funding for capital projects appropriated from this fund. There were no new appropriations from this fund in FY 2008 since more funds were spent by the State for health issues rather than capital projects.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**EXPLANATION OF SIGNIFICANT VARIATIONS IN EXPENDITURES (CONTINUED)**

***Construction Activities by Fund*** (Continued)

Expenditures for Build Illinois Fund - 971 decreased \$38,286,261 from FY 2007 to FY 2008 due to no new appropriations from the fund. Expenditures increased \$42,479,923 from FY 2006 to FY 2007 due to larger member initiative grants.

Expenditures for the Asbestos Abatement Fund - 224 increased \$100,715 from FY 2006 to FY 2007 due to effort to close out open contracts, resulting in a larger amount spent in FY2007.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**EXPLANATION OF SIGNIFICANT VARIATIONS IN RECEIPTS**

Pages 73 and 74 present a comparative schedule of cash receipts by detail source for all funds. The CDB's explanations for significant fluctuations of over 20 percent and \$100,000 in receipts are as follows:

***CDB Special Projects Fund - 170***

Receipts from the Department of Commerce and Economic Opportunity decreased \$50,000 from FY 2006 to FY 2007 due no new grants.

***Capital Development Board Revolving Fund - 215***

Receipts from contract administration fees increased \$384,652 from FY 2007 to FY 2008 and decreased \$2,220,410 from FY 2006 to FY 2007. The increase in FY 2008 was due to higher costs for project administered in FY 2008 than FY 2007 which included Mt. Vernon and Sparta Armory projects. Approximately \$12,800,000 was obligated in FY 2007 for these projects. The decrease in FY 2007 was due to decrease in construction activities, which led to lower project costs administered in FY 2007 than FY 2006.

***Capital Development Board Contributory Trust Fund - 617***

Receipts from junior colleges decreased \$5,661,071 from FY 2007 to FY 2008 and increased \$3,916,833 from FY 2006 to FY 2007. The fluctuations were dependent on the number of projects awarded.

Receipts from Federal monies via other Illinois State agencies decreased \$5,234,067 from FY 2007 to FY 2008 and decreased \$4,159,262 from FY 2006 to FY 2007. This was due to funding decisions made by the funding sources. Specifically, construction projects at the Abraham Lincoln Presidential Library and Museum were significantly decreased.

Receipts for damage claim recovery decreased \$1,522,203 from FY 2007 to FY 2008 and increased \$2,119,805 from FY 2006 to FY 2007. Damage claim recovery revenue is highly dependent on the volume and severity of claims and can vary greatly from year to year.

Receipts from Chicago State University (CSU) decreased \$5,000,000 from FY 2007 to FY 2008 and decreased \$3,206,410 from FY 2006 to FY 2007 due to projects nearing completion. The amount of receipts from CSU varies greatly with the stages of completion of projects at CSU.

Miscellaneous receipts decreased \$281,414 from FY 2007 to FY 2008 due to smaller contributions from local veterans' organizations for specific projects.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING**

Pages 56 through 61 present lapse period expenditures from administrative activities of the Capital Development, Capital Development Board Revolving, and School Infrastructure Funds. There were no significant (greater than 20 percent of total expenditures for the 14 months ended June 30 and \$100,000) lapse period expenditures during FY 2008 and FY 2007.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES (EXPRESSED IN THOUSANDS)**

Significant fluctuations in accounts receivable and an analysis of the aging of accounts receivable are presented in the following section. Other significant accounts with fluctuations greater than \$1,500 are cash equity with the State Treasurer, cash and cash equivalents, capital assets not being depreciated, accounts payable and accrued expenses, intergovernmental payables, and deferred revenues.

Cash equity with the State Treasurer decreased by \$4,659 in FY 2008. This is due to the decrease in construction activities in FY 2008, which resulted in a decrease in reimbursements from other State agencies for federally-funded projects.

Cash and cash equivalents decreased by \$4,766 from FY 2007 to FY 2008. In FY 2008, several projects reached completion and retention trusts held were released to contractors. Projects with retention trust accounts decreased significantly from 58 accounts in FY 2007 to 33 accounts in FY 2008.

Capital assets not being depreciated decreased by \$31,499 from FY 2007 to FY 2008. This account is the construction in progress amount at June 30, 2008. In the current year, the LaSalle Veteran's Home and New Academy Camp Lincoln Springfield were completed.

Accounts payable and accrued expenses decreased \$16,644 from FY 2007 to FY 2008 where \$12,694 of the decrease was attributable to the Capital Development Fund. This was due to a very limited capital program over the last six (6) years which resulted in decreases across all accounts.

Intergovernmental payables decreased by \$701 from FY 2007 to FY 2008. Intergovernmental payables consist of payments due to local school districts from the School Construction Fund. At the end of FY 2007, there were insufficient funds in the School Construction Fund causing payments to be held until FY 2008.

Deferred revenues decreased \$4,011 from FY 2007 to FY 2008 due to the decrease in construction activities in FY 2008. Deposits in the Contributory Trust Fund represent funds received by various user agencies from sources other than State appropriations for construction projects' to be managed by CDB. Deferred revenues are recognized for deposits received in excess of construction costs incurred and fluctuate based on the volume of construction activity in progress at June 30.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**ANALYSIS OF LOANS AND VARIOUS ACCOUNTS RECEIVABLE**

The CDB's receivable balances consist of loans receivable from a port district, intergovernmental receivables (from other State agencies, colleges and universities, and school districts), due from other State funds, and other receivables for construction reimbursements and contract administration fees. When needed, CDB uses the internal offset system to collect receivables.

The following is a schedule of receivable balances (expressed in thousands) at June 30, 2008 and 2007, respectively, and an aging of "other receivables":

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Loans receivable	\$ 14,968	\$ 14,968
Less allowance for uncollectible	(14,968)	(14,968)
Net loans receivable	-	-
Intergovernmental receivables	432	1,115
Due from other State funds	2,292	2,949
Other receivables	1,354	2,072
Total receivables	<u>\$ 4,078</u>	<u>\$ 6,136</u>
Aging of other receivables:		
Receivables - current	\$ 1,330	\$ 1,907
1 - 30 days past due	19	151
31 - 90 days past due	5	14
Total other receivables	<u>\$ 1,354</u>	<u>\$ 2,072</u>

Loans receivable consist of loans made to the Illinois International Port District (Port District) amounting to \$14,968 (expressed in thousands) which have no established repayment schedule and payments are due as the Port District makes a profit from its certain specific operations. The Port District has not reported any profits from these operations and the entire loan receivable balance has been reserved as uncollectible.

Due from other State funds consists of receivables of federal funds for construction to be remitted to the CDB from other State agencies. This balance is a function of the volume of construction activity for other State agencies that is financed in part with federal funds. As such, these amounts are considered fully collectible.

Other receivables, consisting of contract administration fees, are a function of the volume of construction activity in progress at June 30. The fee is approximately three (3) percent of the contract amount for architect/engineer and construction contracts and is payable before the second payment is made under the contract. Contract administration fees are considered fully collectible.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**ANALYSIS OF CHANGE ORDERS**

Changes in certain capital project specifications are awarded in the form of change orders. An analysis of the change orders awarded during the fiscal years ended June 30, 2008 and 2007 (unaudited) is found on pages 98 and 99, respectively.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
ANALYSIS OF OPERATIONS  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**AGENCY FUNCTIONS AND PLANNING PROGRAM**

**Functions**

The Capital Development Board was created by the Illinois General Assembly in 1972 to serve as the nonroad, construction management arm of the Illinois government. The Agency, which is responsible for overseeing the State-funded capital program, provides a central agency dedicated to the professional supervision of the State's building construction and renovation projects. The philosophy of the Capital Development Board is "...to serve as an effective, efficient, construction facilitator; ever mindful of the needs of our clients (the citizens of Illinois, other State agencies, the Illinois General Assembly and the Governor) and our private sector partners." This philosophy is the cornerstone of the Agency's mission "...to provide quality services and facilitate the timely and successful completion of each of the state's construction and renovation projects."

According to 20 ILCS 3105/4.01 through 4.05, the purposes of the Capital Development Board are as follows:

- To build or otherwise provide hospital, housing, penitentiary, administrative, recreational, educational, laboratory, parking, environmental equipment, and other capital improvements for which money has been appropriated or authorized by the General Assembly.
- To conduct continuous studies into the costs of building or otherwise providing the facilities described above.
- To conduct research on improvements in choice and use of materials, energy systems, including solar energy systems, and in construction methods for reducing construction costs and operating and maintenance costs of the facilities described above.
- To review and recommend periodic revisions to established building and construction codes to promote public safety, energy efficiency and economy, including the use of solar energy, and reduce construction costs and operating and maintenance costs of the facilities described above.
- To advise State agencies and units of local government, on request, on any matter related to the purpose of this Act and to assist State agencies in the preparation of their annual long-range capital expenditures plans.

It is the vision of the Capital Development Board "...to become the most respected and responsive agency in both the construction community and in state government; promoting quality service and the use of innovative technologies, recognizing and rewarding both



**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
ANALYSIS OF OPERATIONS  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**AGENCY FUNCTIONS AND PLANNING PROGRAM (CONTINUED)**

**Functions** (Continued)

individual and team accomplishments and fostering a harmonious environment.” To achieve this vision, the Agency is committed to accomplishing several goals. These goals are as follows:

- provide for and enhance staff training and development
- improve internal and external communication
- better identification of customer needs
- improve project quality and delivery
- improve contractor quality
- improve architect/engineer quality
- expand and integrate electronic databases
- complete agency mandates

In addition to its obvious functions, the Capital Development Board is also responsible for the identification and removal of asbestos in State facilities, serves as a liaison between the State and the Illinois’ design and construction industries, and actively pursues recovery of assets through litigation of projects found to have design and construction defects. Other duties include serving as a forum to suggest resolution of conflicts between State agencies, or between a State agency and another entity that consents to the resolution forum, concerning State building requirements, and reviewing proposed State building requirement amendments and proposed legislation for conflicts with current State law or building requirements and makes recommendations concerning those amendments or laws to the proper authorities.

The Executive Director of the Capital Development Board is James Riemer. The Agency has offices located on the 3rd floor of the William G. Stratton Building at 401 South Spring Street in Springfield, on the 14th floor of the James R. Thompson Center at 100 West Randolph Street in Chicago, and at Office #258 in Carbondale at 150 Pleasant Hill Road.

**Agency Planning**

The CDB operated a program called the Quality Management Program. This program allowed for a Quality Steering Committee, which identified areas of weakness within the Agency. When a weakness was identified, the Steering Committee defined a mission statement to address the area. The mission statement was then passed on to a Quality Review Team, who investigated the weakness and made recommendations to address those weaknesses.

Standing committees have been established to develop strategies to encourage better performance. Those areas are Information Technology, Hazardous Materials, Document Review, and Industry Relations. In addition, staff have met repeatedly to discuss and refine procedures and improve processes related to each performance measure. Detailed notes are taken, kept on file, and used for reports. All these committees make recommendations concerning changes in policy, hardware and software, new system implementation, legislation, protocol, and other

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
ANALYSIS OF OPERATIONS  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**AGENCY FUNCTIONS AND PLANNING PROGRAM (CONTINUED)**

**Agency Planning** (Continued)

areas. Management uses these recommendations to plan activities, make headcount changes, initiate legislation, and other areas.

**Employees Paid From Bond Proceeds**

A portion of CDB's FY 2007 and FY 2008 operational expenditures for personal services were paid from the Capital Development Fund (141), which receives its funding from bond proceeds. In accordance with the FY 2007 and FY 2008 appropriation bill, 73 and 72 CDB employees assigned to work directly with construction projects were paid \$4,540,707 and \$4,910,106, respectively, from Fund 141.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
ANALYSIS OF OPERATIONS  
FOR THE TWO YEARS ENDED JUNE 30, 2008**

**AVERAGE NUMBER OF EMPLOYEES**

The following schedule presents the average number of Agency personnel by section on a comparative basis. In addition to the full-time employees listed below, the Agency utilized a small number of student interns on a part-time basis.

The following summary is an average based on the full year for fiscal years 2008, 2007, and 2006.

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Executive:			
Staff	10	8	7
Administrative Services	2	2	2
Art-in Architecture	2	2	2
Capital Programs	16	15	15
Fair Employment Practices Division	5	6	6
Fiscal	5	7	7
Information Systems	9	10	9
Legislative Affairs	-	1	1
Personnel	2	2	2
Quality Based Selection	2	4	4
School Construction	2	3	2
Training and Quality Management	1	1	1
Total Executive	<u>56</u>	<u>61</u>	<u>58</u>
Contract Administration - Staff	<u>6</u>	<u>4</u>	<u>5</u>
Construction Administration:			
Staff	4	4	4
Professional Services	20	21	22
Regions (3)	40	40	42
Total Construction Administration	<u>64</u>	<u>65</u>	<u>68</u>
Legal Counsel - Staff	<u>4</u>	<u>5</u>	<u>5</u>
Agency Total	<u><u>130</u></u>	<u><u>135</u></u>	<u><u>136</u></u>

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
EMERGENCY PURCHASES  
FISCAL YEAR ENDED JUNE 30, 2008**

The initial affidavit for an emergency purchase is filed by the user agency unless it pertains to an open CDB project. CDB determines whether the purchase meets emergency purchase guidelines and, if so, awards and administers the contract(s) and the project.

The Agency reported the following emergency purchases to the Office of the Auditor General during FY 2008:

Project Number	Contract Number	Facility/Agency	Award	Expenditures	Total Estimated Costs	Explanation of Emergency
814-010-066	55EM1085	Chicago State University - Cook County	\$ 249,695.00	\$ 7,485.30	\$ 150,000.00	Primary Electrical Feeder Cable
735-020-026	55EM1880	Executive Mansion - Springfield	938,995.00	9,814.00	700,000.00	Interior/Exterior Site Improvements
291-200-032	57EM0180	State Armory - Springfield	692,900.00	8,419.00	1,200,000.00	Emergency Repair of Roof & Parapets
250-190-701	57EM0488	Springfield State Garage - Sangamon County	16,600.00	2,103.07	16,600.00	Abate Asbestos (012)
250-188-010	57EM0580	Research and Collection Center - Springfield	169,000.00	12,852.22	125,000.00	Emergency Storm Repairs
814-010-068	57EM0885	Chicago State University - Cook County	129,920.00	25,999.22	250,000.00	Emergency Electrical Transformer Replace
750-040-009	57EM0982	Capitol Building	86,626.00	14,886.84	200,000.00	PH-2/Emergency Sprinkler Upgrade
104-021-018	57EM0983	Chokoma Mounds Historic Site - St. Clair County	77,465.00	77,465.00	385,000.00	Emergency Boiler Replacement
120-230-103	57EM1281	Stateville Correctional Center - Joliet	\$84,473.00	56,164.79	500,000.00	Upgrade Electrical/Elevator/Piping
321-087-043	57EM1583	Chester Mental Health Center - Randolph County	255,000.00	102,934.71	557,000.00	Rehabilitation Services for HVAC Improvements
321-015-086	57EM2081	Choate Mental Health and Developmental Center - Anna	207,855.00	8,966.56	123,000.00	Emergency Roof Replacement
120-255-016	57EM2285	Shawnee Correctional Center - Johnson County	120,454.00	41,056.58	26,000.00	Replace Control Board Equipment
104-015-009	57EM2583	Blackhawk Historical Area - Rock Island	56,750.00	7,892.70	60,000.00	Emergency HVAC Repairs
250-025-019	57EM2683	James R. Thompson Center - Chicago	691,605.00	763,465.93	500,000.00	Emergency Compressor Replacement
825-052-003	57EM2781	Southern Illinois University - East St. Louis	279,050.00	180,268.67	84,000.00	PH-1 / Emergency Window Replacement
735-020-030	57EM2984	Executive Mansion - Springfield	9,079.00	9,079.00	8,800.00	Emergency Motor and Fan Replacement
735-020-031	57EM3080	Executive Mansion - Springfield	4,600.00	4,600.00	4,400.00	Emergency Replacement of Exterior Doors
120-245-067	57EM3181	Vienna Correctional Center - Johnson County	2,467,000.00	2,222,782.84	3,435,000.00	Replace Roofs on Various Buildings
624-060-028	57EM3381	Revenue Building (Willard Ice Building) - Sangamon County	71,968.00	72,205.09	20,000.00	Parking Structure - Emergency Repairs
120-255-019	57EM3483	Shawnee Correctional Center - Johnson County	189,700.00	127,621.60	247,077.00	Emergency - Repair Boilers
120-003-021	57EM3585	Illinois Youth Center - Harrisburg	367,700.00	225,266.05	600,000.00	Emergency Utility Upgrade
120-085-072	57EM3781	Dwight Correctional Center - Livingston County	158,770.00	41,956.35	200,000.00	Replace Roofing Systems
120-255-018	57EM3881	Shawnee Correctional Center - Johnson County	284,800.00	268,011.83	600,000.00	Emergency Kitchen Repair
120-255-018	57EM3983	Shawnee Correctional Center - Johnson County	193,300.00	197,799.26	600,000.00	Emergency Kitchen Repair
120-135-055	57EM4081	Logan Correctional Center - Lincoln	328,250.00	166,330.45	500,000.00	Emergency - Repair/Replace Roofing System
120-231-029	57EM4181	Illinois Youth Center - Joliet	607,000.00	611,497.50	400,000.00	Emergency Roof System Replacement
750-045-021	57EM4281	Capitol Complex	578,900.00	582,125.50	250,000.00	Emergency Stone Repair
250-516-006	57EM4381	Medical Center (DCFS District Office) - Chicago	91,500.00	95,967.98	100,000.00	Emergency Stairwell Tower Repairs
120-255-014	57EM4485	Shawnee Correctional Center - Johnson County	82,467.00	82,467.00	100,000.00	Emergency Generator Replacement
250-189-008	57EM4583	Springfield Computer Facility - Sangamon County	49,700.00	252,404.38	500,000.00	PH-2 / Computer Room Emergency Upgrade
291-222-008	58EM0181	Training Center and Track - Pawnee	342,477.00	342,477.00	326,000.00	Firing Range Emergency
250-025-020	58EM0285	James R. Thompson Center - Chicago	114,531.00	109,368.07	150,000.00	Emergency Fire Panel Replacement
825-052-003	58EM0381	Southern Illinois University - East St. Louis	757,015.00	748,050.01	84,000.00	PH-2 / Additional Enhancements
321-135-069	58EM0383	Murray Developmental Center - Centralia	358,874.00	363,201.86	300,000.00	PH-1/Emergency Boiler Control Repair
102-032-002	58EM0585	Water Survey - Peoria	83,337.00	85,582.19	50,000.00	Emergency - Replace Chiller
738-020-025	58EM0681	Attorney General - Springfield	40,700.00	40,700.00	39,500.00	Emergency Elevator Repairs
250-030-014	58EM0785	Kenneth Hall Regional Office Building - East St. Louis	70,410.00	70,410.00	55,000.00	Emergency Generator Replacement
104-620-003	58EM0885	Crenshaw Property/Equality	15,215.00	19,266.30	35,000.00	Emergency Electrical Upgrade
321-035-061	58EM1182	Mabicy Developmental Center - Dixon	87,400.00	89,692.43	150,000.00	Emergency Sprinkler Head Replacement
735-020-032	58EM1281	Executive Mansion - Springfield	20,986.00	20,986.00	55,000.00	Emergency Water Leak Repairs
321-030-148	58EM1483	Chicago - Read Mental Health Center - Cook County	235,700.00	224,875.75	408,000.00	Rehab Absorbers, Control & Valves
321-030-148	58EM1485	Chicago - Read Mental Health Center - Cook County	52,490.00	46,675.19	408,000.00	Rehab Absorbers, Control & Valves

STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
EMERGENCY PURCHASES  
FISCAL YEAR ENDED JUNE 30, 2008

The initial affidavit for an emergency purchase is filed by the user agency unless it pertains to an open CDB project. CDB determines whether the purchase meets emergency purchase guidelines and, if so, awards and administers the contract(s) and the project.

The Agency reported the following emergency purchases to the Office of the Auditor General during FY 2008:

Project Number	Contract Number	Facility/Agency	Award	Expenditures	Total Estimated Costs	Explanation of Emergency
738-020-024	58EM1681	Attorney General - Springfield	\$ 31,580.00	\$ 31,580.00	\$ 36,406.25	Emergency Concrete Wall Repairs
120-175-118	58EM1785	Menard Correctional Center - Randolph County	84,390.00	43,861.27	180,000.00	PH-1 / B.P.#1 - Emergency -Flash Flood Repairs
120-175-118	58EM1881	Menard Correctional Center - Randolph County	229,571.00	194,844.70	180,000.00	PH-1 / B.P.#1 - Emergency -Flash Flood Repairs
120-175-118	58EM1983	Menard Correctional Center - Randolph County	179,800.00	104,666.40	180,000.00	PH-1 / B.P.#1 - Emergency -Flash Flood Repairs
120-230-121	58EM2081	Stateville Correctional Center - Joliet	490,200.00	437,944.87	300,000.00	Emergency - Replace Roof & Repair Parapet Wall
321-015-087	58EM2185	Choate Mental Health and Developmental Center - Anna	184,633.00	175,811.70	192,770.00	Emergency Boiler Control Replacement
039-150-153	58EM2281	Illinois State Fairgrounds - Springfield	19,280.00	19,280.00	92,000.00	PH. 1/Emerg. Level 1 Grandstand Roof Repairs
039-150-154	58EM2385	Illinois State Fairgrounds - Springfield	1,860,000.00	2,041,362.34	3,000,000.00	PH-2/Level 2 Emergency of Feeder Replacement Lines 1, 3 & 5
321-015-088	58EM2485	Choate Mental Health and Developmental Center - Anna	165,954.00	153,039.30	225,000.00	Emergency Roof Repairs Dogwood
039-150-153	58EM2581	Illinois State Fairgrounds - Springfield	46,670.00	46,670.00	92,000.00	PH. 2/Emerg. Level 2 Grandstand Roof Repairs
250-041-007	58EM2782	Springfield Regional Office Building - Sangamon County	53,496.00	3,607.39	75,000.00	Emergency Cooling Tower Replacement
125-110-001	58EM2881	Illinois Youth Center - St. Charles	92,100.00	82,890.00	80,000.00	Emergency Chimney Stack Repairs
120-135-056	58EM2981	Logan Correctional Center - Lincoln	23,600.00	30,378.50	25,000.00	Emergency - Repair/Replace Roofing System
039-150-154	58EM3085	Illinois State Fairgrounds - Springfield	578,071.35	578,071.35	250,000.00	PH-1/Level 1 Emergency Electrical Feeder Replacement
750-040-010	58EM3381	Capitol Building	12,724.00	12,724.00	300,000.00	Emergency Sprinkler Line Repairs
750-040-010	58EM3481	Capitol Building	1,746.00	1,746.00	300,000.00	Emergency Sprinkler Line Repairs
750-040-010	58EM3581	Capitol Building	19,984.00	19,984.00	300,000.00	Emergency Sprinkler Line Repairs
750-040-010	58EM3687	Capitol Building	1,206.57	1,206.57	300,000.00	Emergency Sprinkler Line Repairs
750-040-010	58EM3781	Capitol Building	15,218.00	15,218.00	300,000.00	Emergency Sprinkler Line Repairs
750-040-010	58EM3882	Capitol Building	1,916.72	1,916.72	300,000.00	Emergency Sprinkler Line Repairs
750-040-010	58EM3981	Capitol Building	117,968.94	117,968.94	300,000.00	Emergency Sprinkler Line Repairs
<b>TOTALS</b>			<b>\$ 16,430,366.58</b>	<b>\$ 12,555,946.27</b>	<b>\$ 21,510,553.25</b>	

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
EMERGENCY PURCHASES  
FISCAL YEAR ENDED JUNE 30, 2007**

The initial affidavit for an emergency purchase is filed by the user agency unless it pertains to an open CDB project. CDB determines whether the purchase meets emergency purchase guidelines and, if so, awards and administers the contract(s) and the project.

The Agency reported the following emergency purchases to the Office of the Auditor General during FY 2007:

Project Number	Contract Number	Facility/Agency	Award	Expenditures	Total Estimated Costs	Explanation of Emergency
814-010-066	55EM1180	Chicago State University - Cook County	\$ 199,400.00	\$ 14,000.00	\$ 1,000,000.00	Primary Electrical Feeder Cable
814-010-066	55EM1180J1	Chicago State University - Cook County	38,852.17	38,852.17	1,000,000.00	Primary Electrical Feeder Cable
104-212-009	55EM1280	Pullman Factory Historic Site - Chicago	477,114.00	50,309.50	85,000.00	Emergency Stabilization/Hotel Florence
750-080-004	55EM1583	Archives Building - Springfield	293,192.00	33,566.05	380,106.00	Emergency HVAC & Env. Equip. Upgrade
735-020-026	55EM1880	Executive Mansion - Springfield	938,995.00	67,238.15	700,000.00	Interior/Exterior Site Improvements
120-255-014	56EM0485	Shawnee Correctional Center - Johnson County	96,366.00	4,207.73	100,000.00	Emergency Generator Replacement
814-010-066	56EM0885	Chicago State University - Cook County	101,143.00	10,114.30	150,000.00	Primary Electrical Feeder Cable
321-100-117	56EM1082	Shapiro Developmental Center - Kankakee	262,700.00	58,586.37	700,000.00	Emergency Ducts and Fire Dampers
321-190-044	56EM1180	Shapiro Developmental Center - Kankakee	212,899.00	105,005.79	700,000.00	Emergency Ducts and Fire Dampers
321-190-044	56EM1283	Kitley Developmental Center - Waukegan	487,009.00	111,847.00	321,000.00	Emergency Chiller Replacement
120-230-120	56EM1380	Stateville Correctional Center - Joliet	81,097.00	38,173.43	60,000.00	Emergency Cuff Port Lock Replacement
120-070-705	56EM1488	Dixon Springs Boot Camp - Pope County	52,880.00	8,468.85	113,000.00	Emergency-Asbestos abatement-Floor Tile
250-197-703	56EM1588	Elgin Regional Office Building - Kane County	37,900.00	37,900.00	27,931.00	Emergency Asbestos Abatement
321-135-070	56EM1681	Murray Developmental Center - Centralia	480,465.00	480,465.00	360,000.00	Emergency Roof Replacement - Cherry Cottage
120-255-017	56EM1781	Shawnee Correctional Center - Johnson County	39,011.00	3,250.00	50,000.00	Emergency Fence Replacement
024-020-003	56EM1883	Waterways Building (Springfield) - Sangamon County	101,200.00	102,007.11	60,000.00	Emergency Chiller Replacement
039-150-150	56EM1985	Illinois State Fairgrounds - Springfield	105,290.00	113,128.25	101,000.00	Repair Electrical Feed - Emergency
291-200-032	57EM0180	State Armory - Springfield	692,900.00	723,802.00	1,200,000.00	Emergency Repair of Roof & Parapets
321-100-118	57EM0280	Shapiro Developmental Center - Kankakee	489,400.00	491,200.00	524,857.00	Emergency Roof Replacement
750-000-003	57EM0380	Secretary of State - Statewide	384,860.00	384,860.00	770,000.00	Emergency Roof Replacements-North & West
250-190-701	57EM0488	Springfield State Garage - Sangamon County	16,600.00	15,124.50	16,600.00	Abate Asbestos (012)
250-188-010	57EM0580	Research and Collection Center - Springfield	169,000.00	178,459.95	125,000.00	Emergency Storm Repairs
250-190-012	57EM0680	Springfield State Garage - Sangamon County	137,000.00	152,904.02	150,000.00	Emergency Storm Repairs (701)
814-010-068	57EM0885	Chicago State University - Cook County	129,920.00	99,726.25	250,000.00	Emergency Electrical Transformer Replace
750-040-009	57EM0982	Capitol Building	86,626.00	95,553.01	200,000.00	PH-2/Emergency Sprinkler Upgrade
750-000-003	57EM1080	Secretary of State - Statewide	2,377.21	2,377.21	770,000.00	Emergency Roof Replacements-North & West
250-025-018	57EM1181	James R. Thompson Center - Chicago	599,928.00	607,963.00	106,870.00	Emergency Evacuation Doors
120-230-103	57EM1281	Stateville Correctional Center - Joliet	584,473.00	527,583.06	500,000.00	Upgrade Electrical/Elevator/Piping
120-300-006	57EM1384	Illinois Youth Center - Kewanee - Henry County	41,295.00	41,295.00	40,000.00	Emergency Generator Repair
102-508-044	57EM1481	Kickapoo State Park - Vermillion County	87,470.00	87,470.00	100,000.00	Emergency - Demolish Johnson Hill Bridge
321-087-043	57EM1583	Chester Mental Health Center - Randolph County	255,000.00	168,632.86	557,000.00	Rehabilitation Services for HVAC Improvements
321-087-043	57EM1684	Chester Mental Health Center - Randolph County	149,439.00	149,439.00	557,000.00	Rehabilitation Services for HVAC Improvements
250-503-007	57EM1785	Center for Rehab & Education - Chicago (Wood St.)	68,048.77	68,473.09	118,252.00	Emergency Security System Repairs
825-052-003	57EM1881	Southern Illinois University - East St. Louis	30,500.00	30,500.00	84,000.00	PH-3 / Emergency Storm Repair
321-035-119	57EM1981	Elgin Mental Health Center - Kane County	57,300.00	57,800.00	23,000.00	Emergency Roof Replacement
321-015-086	57EM2081	Choate Mental Health and Developmental Center - Anna	207,855.00	200,456.28	123,000.00	Emergency Roof Replacement
120-245-068	57EM2184	Vienna Correctional Center - Johnson County	19,888.00	19,888.00	26,600.00	Emerg. Repair of Smoke Evacuation Fans
120-255-016	57EM2285	Shawnee Correctional Center - Johnson County	74,000.00	114,685.93	26,000.00	Replace Control Board Equipment
040-010-095	57EM2381	Quincy Veterans' Home - Adams County	58,475.00	95,113.13	25,000.00	Emergency - Remediate Guano - 3 Bldgs.
104-212-704	57EM2488	Pullman Factory Historic Site - Chicago	58,475.00	58,475.00	450,000.00	Emergency Asbestos Abatement

STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
EMERGENCY PURCHASES  
FISCAL YEAR ENDED JUNE 30, 2007

The initial affidavit for an emergency purchase is filed by the user agency unless it pertains to an open CDB project. CDB determines whether the purchase meets emergency purchase guidelines and, if so, awards and administers the contract(s) and the project.

The Agency reported the following emergency purchases to the Office of the Auditor General during FY 2007:

Project Number	Contract Number	Facility/Agency	Award	Expenditures	Total Estimated Costs	Explanation of Emergency
104-015-009	57EM2583	Blackhawk Historical Area - Rock Island	\$	\$ 51,148.90	\$ 60,000.00	Emergency HVAC Repairs
825-052-003	57EM2781	Southern Illinois University - East St. Louis	279,050.00	97,229.05	84,000.00	PH-1 / Emergency Window Replacement
321-100-113	57EM2881	Shapiro Developmental Center - Kankakee	137,440.00	137,440.00	125,000.00	Roof Replacement (BX031)03
120-245-067	57EM3181	Vienna Correctional Center - Johnson County	2,467,000.00	129,852.00	3,435,000.00	Replace Roofs on Various Buildings
102-718-016	57EM3281	Mount Vernon State Game Farm - Jefferson County	189,000.00	95,535.00	175,000.00	Emergency - Reconstruct Flight Pens
624-060-028	57EM3381	Revenue Building (Willard Ice Building) - Sangamon County	71,968.00	4,965.00	20,000.00	Parking Structure - Emergency Repairs
120-255-019	57EM3483	Shawnee Correctional Center - Johnson County	189,700.00	62,078.40	247,077.00	Emergency - Repair Boilers
120-003-021	57EM3585	Illinois Youth Center - Harrisburg	367,700.00	190,991.40	600,000.00	Emergency Utility Upgrade
120-085-072	57EM3781	Dwight Correctional Center - Livingston County	158,770.00	114,491.65	200,000.00	Replace Roofing Systems
120-255-018	57EM3881	Shawnee Correctional Center - Johnson County	284,800.00	31,784.30	600,000.00	Emergency Kitchen Repair
120-135-055	57EM4081	Logan Correctional Center - Lincoln	328,250.00	161,819.55	500,000.00	Emergency - Repair/Replace Roofing System
<b>TOTALS</b>			<b>\$ 12,998,750.15</b>	<b>\$ 6,726,236.24</b>	<b>\$ 18,697,293.00</b>	

**STATE OF ILLINOIS**  
**CAPITAL DEVELOPMENT BOARD**  
**ILLINOIS FIRST PROJECTS/GRANTS INITIATED IN**  
**FISCAL YEAR ENDED JUNE 30, 2000**  
**(UNAUDITED)**

The Agency determined that projects not funded by their initial budget proposal but subsequently approved and funded were designated as Illinois First projects. In addition, some projects received additional funding through the Illinois First programs. According to the information provided by the Agency, the following is a description of the Illinois First portion of those projects which had expenditures, lapsed balances or reappropriations in FY 2007 or FY 2008.

Project I.D.	Project Location	Project Description	Award/Grant Amount	Prior Year Expenditures	FY 2008 Expenditures	FY 2007 Expenditures	Lapsed	Reappropriated
<b>Illinois First Projects - Other</b>								
102-000-017	Statewide - DNR	Rehabilitate/replace playground equipment	\$ 200,000	\$ 156,109	\$ -	\$ -	\$ 43,891	\$ -
102-704-043	Carlyle SF & WA	For infrastructure & site improvements	3,000,000.00	792,149.43	-	-	2,207,850.57	-
102-704-044	Carlyle SF & WA	For road improvements	1,500,000.00	22,576.00	-	-	1,477,424.00	-
102-779-011	Eldon Hazlet SP - Carlyle	For cabin construction Phase I	1,500,000.00	1,334,347.99	-	-	165,652.01	-
104-212-007	Historic Preservation Agency	Restoration/stabilization of Pullman site	6,585,296.70	6,539,880.17	521,739.09	66,009.35	-	(542,331.91)
291-170-010	Pontiac - Dist 6	Plan construction replacement of HQ facilities	4,600,000.00	4,559,322.44	-	-	-	40,677.56
321-207-001	DHS Detention Fac Joliet	To convert & expand annex to treatment detention ctr	1,900,000.00	1,899,914.08	-	-	-	-
651-000-001	Statewide - CDB	Repair minor problems and emergencies	3,474,200.00	1,200,099.68	-	-	-	-
651-050-005	Statewide - CDB	Survey of abase asbestos-containing materials	1,000,000.00	-	-	-	-	-
651-050-012	Statewide - CDB	Demolish buildings	2,500,000.00	577,099.00	-	-	2,274,100.32	-
805-000-000 (a)	Board of Higher Education (Capital Renewal)	Misc Capital Improvements	4,000,000.00	2,294,244.51	-	-	1,972,961.00	-
810-002-013	Belleville Area College	Construct, into collision repair center	870,000.00	868,591.39	-	-	1,705,735.49	-
810-012-006 (b)	Kennedy King College	Demolish/replace buildings	4,000,000.00	-	-	-	4,000,000.00	-
810-028-019	Glen Ellyn - College of DuPage	Upgrade instructional center HVAC system	2,228,000.00	2,137,064.99	-	-	-	90,935.01
810-064-014	Cartersville - Logan CC	Plan & construct work devel & comm ed facility	8,362,000.00	8,381,222.88	-	-	777.12	-
810-096-027	Triton College	Renovate library	125,000.00	23,575.00	-	-	1,425.00	100,000.00
810-098-012	Waubesa C. C.	Upgrade information technology system	895,600.00	876,617.32	-	-	19,582.68	-
814-010-050	Chicago State University	Construct Convocation center	10,000,000.00	8,636,306.77	1,086,693.81	236,135.26	-	40,864.16
816-010-032	Governor's State University	Upgrade fire & security systems	900,000.00	866,083.98	21,790.18	-	-	12,135.84
817-010-046	NEIU - Chic	Remodel buildings A, B, and E	8,127,500.00	4,597,175.22	173,236.18	-	32,040.00	2,444,965.32
817-010-047	NEIU - Chic	For upgrade sei bldg HVAC systems	2,021,400.00	-	-	-	-	2,021,400.00
821-010-086	ISU - Normal	Plan & construct facility for college of business	18,912,000.00	18,884,038.96	27,160.04	-	-	801.00
822-010-060	NTU - DeKalb	For completion of Engineering building	4,998,000.00	4,872,882.17	856,779.45	21,245.79	-	47,092.59
825-052-001	East St. College Center	For devel East St. Louis college center	25,473,000.00	21,790,315.43	317,096.75	1,142,605.93	-	2,222,981.89
651-000-000	Statewide Grants	CDB Build IL bond capital improvements	10,000,000.00	6,341,622.57	10,174.50	-	-	3,648,202.93
900-010-076	Toulon	Construct new community center	125,000.00	-	-	-	125,000.00	-
900-010-085	Illioipolis	Construct new village hall	150,000.00	-	-	-	150,000.00	-
900-010-087 (c)	Winnetka Park District	Construct recreation center & ice arena	400,000.00	-	-	-	400,000.00	-
900-010-111	Village of Bridgeview	Infrastructure improvements	2,400,000.00	2,160,000.00	-	-	240,000.00	-
900-010-122	Clinton Cty Proj for Older Amer.	Plan new senior center	100,000.00	-	-	-	100,000.00	-
900-010-128	National Latinos with Disabilities	Purchase building w/ADA compliance for office space	100,000.00	-	-	-	100,000.00	-
900-010-135	Kendall County	Renovate courthouse	950,000.00	855,000.00	-	-	95,000.00	-
900-010-142	National Italian Am Sports Hall	Various improvements	2,000,000.00	1,800,000.00	-	-	200,000.00	-
900-010-144	Carbondale	Design teen center	110,000.00	-	-	-	110,000.00	-
<b>Illinois First Projects - Other</b>								
			133,526,996.70	101,615,639.21	3,014,670.00	2,346,079.61	16,422,893.49	10,127,714.39
<b>School Construction Grants</b>								
772-163-006	East St. Louis District 189	School Construction Grant	10,448,957.00	10,392,502.01	21,530.15	-	-	34,924.84
772-197-012	Joliet Public Schools District 86	School Construction Grant	683,520.00	622,025.98	-	-	61,494.02	-
<b>School Construction Grants</b>								
			11,132,477.00	11,014,527.99	21,530.15	-	61,494.02	34,924.84
<b>Total Illinois First Grants</b>			\$ 144,659,473.70	\$ 112,630,167.20	\$ 3,036,200.15	\$ 2,346,079.61	\$ 16,484,387.51	\$ 10,162,639.23



**STATE OF ILLINOIS**  
**CAPITAL DEVELOPMENT BOARD**  
**ILLINOIS FIRST PROJECTS/GRANTS INITIATED IN**  
**FISCAL YEAR ENDED JUNE 30, 2000**  
**(UNAUDITED)**

The Agency determined that projects not funded by their initial budget proposal but subsequently approved and funded were designated as Illinois First projects. In addition, some projects received additional funding through the Illinois First programs. According to the information provided by the Agency, the following is a description of the Illinois First portion of those projects which had expenditures, lapsed balances or reappropriations in FY 2007 or FY 2008.

Notes:

- (a) Added capital renewal money for capital improvements at various Higher Education facilities.
- (b) Original \$4,000,000 grant lapsed and a new \$4,000,000 appropriation was given directly to the Illinois Community College Board during the Spring 2000 Legislative Session.
- (c) Grant was originally for \$500,000 and was reduced to \$400,000 as a Legislative Change during the FY01 Supplemental Session.  
Grant increased for land acquisition by \$366,751 from original grant of \$3,719,625.  
Grant increased for land acquisition by \$358,577 from original grant of \$24,839,839.

STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
ILLINOIS FIRST PROJECTS/AWARDS INITIATED IN  
FISCAL YEARS ENDED JUNE 30, 2002 AND 2001  
(UNAUDITED)

Project ID	Project Location	Project Description	Award/Grant Amount	Prior Year Expenditures	FY 2008 Expenditures	FY 2007 Expenditures	Lapsed	Reappropriated
772-163-014	East St. Louis School District 189	School Construction Grant	\$ 62,358,649.00	\$ -	\$ -	\$ -	\$62,358,649.00	\$ -
772-195-004	Montgomery Community Cons. Sch. Dist. 145	School Construction Grant	638,781.00	499,053.64	139,727.36	-	-	-
772-201-009	Rockford Public Schools District 205	School Construction Grant	27,213,406.00	26,508,548.84	704,857.16	-	-	-
772-031-032	J. Sterling Morton High School District 201	School Construction Grant	23,703,763.00	20,920,007.09	1,252,690.16	1,531,065.75	-	-
810-020-006	Richard J. Daley College - Cook County	Industrial Technology Center	413,000.00	-	-	-	-	413,000.00
810-050-018	City of Kankakee	Construct fine art & applied tech facility at Kankakee	3,947,537.00	3,365,054.30	325,507.50	157,371.96	-	99,603.24
810-052-011	Kaskaskia Community College - Centralia	Workforce Dev. Center & Child Care Center for Kaskaski	400,000.00	148,580.00	244,524.60	2,751.95	-	4,143.45
810-054-020	Kishwaukee College - Malta	Replacement of Early Childhood Center	60,000.00	32,534.48	-	-	-	27,465.52
810-056-017	Lake County	Plan & construct tech bldg at College of Lake Cry	23,991,116.00	17,410,372.95	189,838.16	549,952.48	-	5,840,952.41
810-063-001	Lincoln Land Community College at Taylorville	Expand Regional Center at Taylorville	150,000.00	-	-	-	-	150,000.00
810-072-009	City of Morton Grove	Plan an addition to ray harstein at Oakton	7,307,545.59	6,748,004.86	188,425.00	405,086.40	-	(33,970.67)
810-080-010	Rock Valley College - Rockford	New instructional building	800,000.00	351,854.02	-	-	-	448,145.98
810-088-008	Southeastern Illinois College - Harrisburg	Renovation & Expansion of Technology Center	175,042.00	71,777.00	12,330.00	90,935.00	-	-
900-010-153	City of Normal	Demolition of the Powerplant City of Normal	2,230,000.00	36,692.25	-	-	2,193,307.75	-
900-010-156	City of Centreville	For Infrastructure Improvements City of Centreville	800,000.00	360,000.00	-	-	440,000.00	-
900-010-160	City of Chicago	For Conserv & Restor/Frederick C Robbi	2,000,000.00	1,800,000.00	-	-	200,000.00	-
900-010-161	City of Chicago	Plan Consl Resident Treatment & Education Lawrence Hall Youth Services	3,500,000.00	3,150,000.00	-	-	350,000.00	-
900-010-164	Village of Rantoul	Grant to Village of Rantoul	1,700,000.00	765,000.00	-	-	935,000.00	-
900-010-171	Village of Coalton	Grant to Village of Coalton	30,000.00	-	-	-	30,000.00	-
900-010-172	Calhoun County	Grant to Calhoun County	100,000.00	-	-	-	100,000.00	-
900-010-173	Village of Donnellson	Grant to Village of Donnellson	25,000.00	-	-	-	25,000.00	-
900-010-174	Bunker Hill	Grant to Bunker Hill Com. Unit #8 School Board	150,000.00	-	-	-	150,000.00	-
900-010-176	Village of Broadview	Grant to Village of Broadview	300,000.00	-	-	-	300,000.00	-
900-010-178	Village of Keensburg	Grant to Village of Keensburg	150,000.00	-	-	-	150,000.00	-
900-010-179	City of Benton, Franklin County	Grant to Rend Lake Conservancy District	200,000.00	-	-	-	200,000.00	-
900-010-182	White County	Grant to White County Highway Department	100,000.00	-	-	-	100,000.00	-
900-010-187	City of Ina, Jefferson County	Grant to Rend Lake College	50,000.00	-	50,000.00	-	-	-
900-010-193	City of Johnsonville, Wayne County	Grant to Sam Dale Lake Conservation Area	180,000.00	-	-	-	180,000.00	-
900-010-194	City of Ottawa	Grant to City of Ottawa	200,000.00	-	-	-	200,000.00	-
900-010-195	City of Ottawa	Grant to City of Ottawa	50,000.00	-	-	-	50,000.00	-
900-010-196	City of Utin, Pulaski County	Grant to Shawnee Community College	25,000.00	-	-	-	25,000.00	-
900-097-002	City of North Chicago	Grant to Foss Park District	500,000.00	225,000.00	-	-	-	275,000.00
<b>Total Illinois First Grants</b>			<b>\$163,448,839.59</b>	<b>\$ 82,392,479.43</b>	<b>\$3,107,899.94</b>	<b>\$2,737,163.54</b>	<b>\$67,986,956.75</b>	<b>\$7,224,339.93</b>

STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 MEMBER INITIATIVE PROJECTS/AWARDS INITIATED IN  
 FISCAL YEARS ENDED JUNE 30, 2006 AND 2005  
 (UNAUDITED)

Project I.D.	Project Description	Fiscal Year	Award Amount	Prior Year		FY 2007		FY 2008		Lapse	Reappropriation
				Expenditures	Expenditures	Expenditures	Expenditures	Expenditures	Expenditures		
900-10-231	Grant to the City of Springfield for Capital Ave. Improvement	2005	\$ 1,500,000	\$ 675,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 825,000
900-10-239	Grant to Westside Health Authority	2006	1,000,000	450,000	450,000	100,000	-	-	-	-	-
	Total		\$ 2,500,000	\$ 1,125,000	\$ 450,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 825,000

STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
MEMBER INITIATIVE PROJECTS/AWARDS INITIATED IN  
FISCAL YEARS ENDED JUNE 30, 2008 AND 2007  
(UNAUDITED)

Project I.D.	Project Description	Fiscal Year	Award Amount	Prior Year Expenditures	FY 2007 Expenditures	FY 2008 Expenditures	Lapse	Reappropriation
900-010-187	Grant to Rend Lake College	2007	\$ 50,000	\$ -	\$ 50,000	\$ -	-	\$ -
900-010-234	Grant to Jewish Council for Youth Svc	2007	25,000	-	25,000	-	-	-
900-010-237	Grant to Jewish Federation of Metro Chicago	2007	203,000	-	203,000	-	-	-
900-010-241	Grant to Lawndale Christian Health Center	2007	175,000	-	175,000	-	-	-
900-010-243	Grant to Misericordia Home	2007	30,000	-	30,000	-	-	-
900-010-244	Grant to Illinois Facility Fund	2007	65,000	-	65,000	-	-	-
900-010-246	Grant to Catholic Childrens Home Inc	2007	185,000	-	185,000	-	-	-
900-010-247	Grant to The Ark Inc	2007	100,000	-	100,000	-	-	-
900-010-248	Community Support Services Inc	2007	500,000	-	225,000	-	-	-
900-010-249	Grant to Disabled Citizens Foundation	2007	100,000	-	100,000	-	-	-
900-010-251	Grant to Holy Cross Hospital	2007	7,700,000	-	3,465,000	-	-	275,000
900-010-253	Grant to Service of Will Grundy Kankakee	2007	20,000	-	20,000	-	-	-
900-010-254	Grant to Childrens Memorial Hospital	2007	3,415,000	-	1,707,500	-	-	770,000
900-010-256	Grant to Catholic Health Partners Svcs	2007	500,000	-	500,000	-	-	-
900-010-257	Grant to South Shore Hospital Corp	2007	100,000	-	100,000	-	-	-
900-010-258	Grant to Jackson Park Hospital Foundation	2007	75,000	-	75,000	-	-	-
900-010-260	Grant to Roseland Community Hosp Assn	2007	1,200,000	-	1,080,000	-	-	-
900-010-262	Grant to Park Lawn Association Inc	2007	65,000	-	65,000	-	-	-
900-010-264	Grant to Chicago Youth Centers	2007	49,100	-	49,100	-	-	-
900-010-265	Grant to LaRabida Childrens Hospital and Research Center	2007	50,000	-	50,000	-	-	-
900-010-266	Grant to University of Chicago Hospital	2007	200,000	-	200,000	-	-	-
900-010-267	Grant to Chicago Family Health Center Inc.	2007	100,000	-	100,000	-	-	-
900-010-268	Grant to Access Living of Metro Chicago	2007	2,000,000	-	2,000,000	-	-	-
900-010-269	Grant to Night Ministry	2007	47,700	-	47,700	-	-	-
900-010-270	Grant to Jewish Council for Youth Svc	2007	87,300	-	87,300	-	-	-
900-010-271	Grant to Childrens Home & Aid Society	2007	25,000	-	25,000	-	-	-
900-010-272	Grant to Will Grundy Medical Clinic	2007	50,000	-	50,000	-	-	-
900-010-273	Grant to Hillsboro Area Health System	2007	750,000	-	-	337,500	-	412,500
900-010-274	Grant to Lawrence Hall Youth Services	2008	40,000	-	40,000	-	-	-
900-010-276	Grant to Senior Svc Ctr of Will County	2007	20,000	-	20,000	-	-	-
900-010-277	Grant to Loyola University Chicago	2007	8,000,000	-	3,600,000	-	-	800,000
900-010-278	Grant to Northwestern University	2007	8,000,000	-	3,600,000	-	-	800,000
900-010-279	Grant to DePaul University	2007	9,000,000	-	8,100,000	-	-	-
900-010-281	Grant to Misericordia Home	2007	665,000	-	665,000	-	-	-
900-010-283	Grant to Chestnut Health Systems Inc	2007	750,000	-	337,500	-	-	-
900-010-284	Grant to Catholic Health Partners Svcs	2007	1,500,000	-	1,500,000	-	-	-
900-010-285	Grant to Triton College	2007	1,240,000	-	558,000	-	-	682,000
900-010-286	Grant to Teddy Beary Nursery School Inc	2007	386,000	-	173,700	-	-	38,600
900-010-287	Grant to Alexian Brothers	2008	1,000,000	-	-	450,000	-	550,000
900-010-288	Grant to Community College Dist 536/Lewis & Clark	2007	6,800,000	-	3,060,000	-	-	680,000

STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
MEMBER INITIATIVE PROJECTS/AWARDS INITIATED IN  
FISCAL YEARS ENDED JUNE 30, 2008 AND 2007  
(UNAUDITED)

Project ID	Project Description	Fiscal Year	Award Amount	Prior Year		FY 2007		FY 2008		Lapse	Reappropriation
				Expenditures	Expenditures	Expenditures	Expenditures	Expenditures	Expenditures		
900-010-289	Grant to Southwestern Illinois College	2007	\$ 3,360,000	\$ -	\$ -	\$ 1,512,000	\$ -	\$ -	\$ -	\$ -	\$ 1,848,000
900-010-290	Grant to Chicago State University	2007	5,000,000	-	-	2,250,000	-	-	-	-	2,750,000
900-010-292	Grant to Kiddy Kare Pre School Inc	2008	300,000	-	-	-	135,000	-	-	-	165,000
900-010-293	Grant to St Bernard Hospital	2007	300,000	-	-	300,000	-	-	-	-	-
900-010-294	Grant to Rock Island County	2008	50,000	-	-	-	50,000	-	-	-	-
900-010-295	Grant to Community Health Emergency Services Inc	2008	150,000	-	-	-	150,000	-	-	-	-
900-010-297	Grant to District Jacksonville 117	2008	450,000	-	-	-	202,500	-	-	-	247,500
900-010-298	Grant to Franklin County Treasurer	2008	25,000	-	-	-	25,000	-	-	-	-
900-010-300	Grant to Springfield City	2008	150,000	-	-	-	150,000	-	-	-	-
900-010-300	Grant to Springfield City	2008	150,000	-	-	-	150,000	-	-	-	-
900-010-301	Grant to Military Affairs Department	2008	250,000	-	-	-	250,000	-	-	-	-
900-010-302	Grant to Commerce & Economic Opportunity	2008	1,191,502	-	-	-	1,191,502	-	-	-	-
900-031-006	Grant to City of Chicago	2007	1,650,000	-	-	1,650,000	-	-	-	-	-
	Total		\$ 68,294,602	\$ -	\$ -	\$ 38,145,800	\$ 20,010,202	\$ -	\$ -	\$ -	\$ 10,138,600

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
CHANGE ORDERS BY REASON  
FISCAL YEAR ENDED JUNE 30, 2008  
(UNAUDITED)**

<b>Reason</b>	<b>Total Amount</b>	<b>Dollar Percentage</b>	<b>No. Issued</b>	<b>Count Percentage</b>
Architect/Engineer error	\$ 842,492	9.06%	123	8%
Architect/Engineer omission	1,585,963	17.06%	251	17%
User request	3,476,102	37.39%	276	18%
Phase construction	813,062	8.75%	41	3%
Undisclosed condition	2,165,655	23.29%	259	17%
User funded	437,413	4.71%	22	1%
Time extension	-	0.00%	407	27%
Assignment fee	49,011	0.53%	9	1%
Substitution	139,029	1.50%	15	1%
Reimbursable	283,821	3.05%	17	1%
Soil condition	254,930	2.74%	15	1%
Credit	(932,310)	-10.03%	64	4%
Code change	181,559	1.95%	17	1%
<b>TOTALS</b>	<b>\$ 9,296,727</b>	<b>100.00%</b>	<b>1,516</b>	<b>100%</b>

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
CHANGE ORDERS BY REASON  
FISCAL YEAR ENDED JUNE 30, 2007  
(UNAUDITED)**

<b>Reason</b>	<b>Total Amount</b>	<b>Dollar Percentage</b>	<b>No. Issued</b>	<b>Count Percentage</b>
Architect/Engineer error	\$ 1,473,360	10.79%	263	13%
Architect/Engineer omission	2,447,747	17.93%	374	19%
User request	4,877,133	35.73%	392	20%
Phase construction	819,797	6.01%	40	2%
Undisclosed condition	3,760,471	27.55%	405	20%
User funded	246,534	1.81%	37	2%
Time extension	3,530	0.03%	300	15%
Assignment fee	58,061	0.43%	7	0%
Substitution	51,919	0.38%	17	1%
Reimbursable	341,454	2.50%	20	1%
Soil condition	277,196	2.03%	18	1%
Credit	(991,589)	-7.26%	107	5%
Code change	284,095	2.08%	18	1%
<b>TOTALS</b>	<b>\$ 13,649,708</b>	<b>100%</b>	<b>1,998</b>	<b>100%</b>

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
PERFORMANCE INDICATORS  
FISCAL YEARS ENDED JUNE 30, 2008, 2007, AND 2006  
(UNAUDITED)**

The following is a listing of various performance indicators and other statistics:

	<b>2008</b>	<b>2007</b>	<b>2006</b>
Construction expenditures	\$ 208,776,376	\$ 350,674,803	\$ 455,531,147
Personnel expenditures	7,663,215	7,323,181	6,788,600
Administrative expenditures	5,645,566	5,029,394	4,170,719
<b>TOTAL EXPENDITURES</b>	<b>\$ 222,085,157</b>	<b>\$ 363,027,378</b>	<b>\$ 466,490,466</b>
Disbursement of federal funds received from agency grants	\$ 19,439,908	\$ 21,023,024	\$ 21,197,595
Total receipts	\$ 33,406,190	\$ 46,742,290	\$ 51,532,600
Construction appropriations and reappropriations*	\$ 1,436,848,881	\$ 1,946,314,626	\$ 2,192,350,711
Total number of projects	741	906	1,055
Average appropriation per project	\$ 1,939,067	\$ 2,148,250	\$ 2,078,059
Average expenditures per project	\$ 281,749	\$ 387,058	\$ 433,606
Number of project managers	28	30	24
Average projects per manager	26	30	44
Average number of employees	129	130	136
Average personnel cost	\$ 59,405	\$ 56,332	\$ 51,821
Number of construction vouchers processed	3,740	4,464	4,888
Average construction voucher amount	\$ 55,823	\$ 78,556	\$ 93,587
Number of receipts processed	772	1,132	914
Average receipt amount	\$ 43,272	\$ 41,292	\$ 55,439
Number of projects awarded	177	182	111
Professional contracts awarded	78	124	74
Contractor contracts awarded	158	225	195
Administrative costs per project	\$ 7,619	\$ 5,551	\$ 3,955
Personnel costs per project	\$ 10,342	\$ 8,083	\$ 6,435

\* Included in the amounts are contributions from local sources and other agencies not appropriated to CDB, but CDB includes for project budget purposes.



STATE OF ILLINOIS  
 CAPITAL DEVELOPMENT BOARD  
 SERVICE EFFORTS AND ACCOMPLISHMENTS  
 FISCAL YEARS ENDED JUNE 30, 2008, 2007, AND 2006  
 (UNAUDITED)

**CONSTRUCTION ADMINISTRATION**

**Mission Statement:** CDB's mission is to manage the design and construction of capital projects for the State in a timely, effective, and economical manner, while spreading opportunities among qualified industry partners.

**Program Goals:**

Objectives:

1. Develop cost saving initiatives:
  - a. Reduce spending on changes that are proposed after all parties have agreed to the budget and the solution.
2. Deliver projects on schedule:
  - a. Implement steps to increase compliance with the design schedule.
  - b. Implement steps to increase compliance with the construction schedule.
3. Provide accountable project management:
  - a. Ensure that poor industry performance leads to meaningful actions.
4. Provide work opportunities for varied industry partners:
  - a. Provide opportunities for minorities and females to obtain work.
  - b. Initiate project labor agreements.
5. Support the State's Economic Development Plan:
  - a. Take steps to increase the amount of money spent on Illinois materials used on CDB projects.
  - b. Monitor Opportunity Returns projects announced by the Governor.

**Funds:** Capital Development Fund, Capital Development Board Revolving Fund, Asbestos Abatement Fund, Tobacco Settlement Recovery Fund, Build Illinois Bond Fund (Statutory Authority: 20 ILCS 3105)

	<u>Actual</u>		<b>FY 2008</b>		<b>FY 2009</b>
	<b>FY 2006</b>	<b>FY 2007</b>	<b>Target</b>	<b>FY 2008</b>	<b>Target</b>
			<b>(Projected)</b>	<b>Actual</b>	<b>(Projected)</b>
Input Indicators:					
Total expenditures - all sources (in thousands)	\$ 10,469.6	\$ 11,735.2	\$ 13,631.7	\$ 12,612.8	\$ 13,139.9
Total expenditures - State appropriated funds (in thousands)	\$ 10,469.6	\$ 11,735.2	\$ 13,631.7	\$ 12,612.8	\$ 13,139.9
Average monthly full-time equivalents	124.5	134.0	142.0	120.1	126.0

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SERVICE EFFORTS AND ACCOMPLISHMENTS  
FISCAL YEARS ENDED JUNE 30, 2008, 2007, AND 2006  
(UNAUDITED)**

**CONSTRUCTION ADMINISTRATION (CONTINUED)**

	Actual		FY 2008 Target	FY 2008 Actual	FY 2009 Target
	FY 2006	FY 2007	(Projected)		(Projected)
<b>Output Indicators:</b>					
Number of design contracts processed	39	139	N/A	87	135
Number of active projects	443	426	385	296	175
Value of projects in construction phase (in millions)	\$ 689.0	\$ 546.1	\$ 512.9	\$ 503.2	\$ 300.0
<b>Outcome Indicators:</b>					
Percent of selections that are MBE/FBE firms (a)	28%	22.80%	30%	23%	30%
Percent of change orders to contract value	6.87%	7.60%	6.50%	5.57%	6.50%
Average variation from planned schedule for design phase	34.80%	11.40%	30%	40.98%	15%
Average variation from planned schedule for construction phase	31%	-6.30%	30%	6.47%	15%
Percent of labor hours that are minority or female	16.34%	14.70%	15%	15.89%	15%
Percent of total dollars contracted to MBE/FBE firms (a)	11.10%	12.20%	15%	12.20%	15%

Note:

(a) MBE/FBE firms are Minority Business Enterprise and Female Business Enterprise firms.

**STATE OF ILLINOIS  
CAPITAL DEVELOPMENT BOARD  
SERVICE EFFORTS AND ACCOMPLISHMENTS  
FISCAL YEARS ENDED JUNE 30, 2008, 2007, AND 2006  
(UNAUDITED)**

**SCHOOL CONSTRUCTION GRANTS**

**Mission Statement:** The mission of CDB's School Construction Grant Program is to work from the entitled and prioritized list compiled by the Illinois State Board of Education to provide school construction grants, up to the funding limits. The professional staff visits sites, develops project descriptions, educates school and community representatives, and provides technical assistance to expedite the process and enhance the quality of Illinois school buildings.

**Program Goals:**

Objectives:

1. Educate school districts about how to obtain a grant and how their State share is determined:
  - a. By June 1 each year, measure school district satisfaction with CDB's ability to educate them about the grant process.
  
2. Provide effective, accountable, and responsive service related to the design and construction of school buildings:
  - a. By June 1 each year, measure school district satisfaction with CDB's timeliness.

**Funds:** School Construction Fund, School Infrastructure Fund (Statutory Authority: 30 ILCS 390, 105 ILCS 230)

	<u>Actual</u>		<u>FY 2008 Target</u>	<u>FY 2008 Actual</u>	<u>FY 2009 Target</u>
	<u>FY 2006</u>	<u>FY 2007</u>	<u>(Projected)</u>		<u>(Projected)</u>
<b>Input Indicators:</b>					
Total expenditures - all sources (in thousands)	\$ 491.4	\$ 495.7	\$ 550.0	\$ 547.9	\$ 550.0
Total expenditures - State appropriated funds (in thousands)	\$ 491.4	\$ 495.7	\$ 550.0	\$ 547.9	\$ 550.0
Average monthly full-time equivalents	7.1	6.0	8.0	5.5	6.0
<b>Output Indicators:</b>					
Dollar amount of grants made (in thousands)	-	-	N/A	N/A	N/A
Number of grants made	-	-	N/A	N/A	N/A
Number of applicants in pool	302	-	323	N/A	N/A
Number of grant surveys performed	2	-	N/A	N/A	N/A