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STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

FINANCIAL AUDIT OF CAPITAL ASSET ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2010

AND

COMPLIANCE EXAMINATION
FOR THE TWO YEARS ENDED JUNE 30, 2010

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

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

FINANCIAL AUDIT OF CAPITAL ASSET ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2010

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ILLINOIS DEPARTMENT OF NATURAL RESOURCES

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FOR THE TWO YEARS ENDED JUNE 30, 2010

AGENCY OFFICIALS
JULY 1, 2008 THROUGH JUNE 30, 2010

| | |
|-----------------------|---|
| Marc Miller | Director (February 6, 2009) |
| Kurt Granberg | Acting Director (January 21, 2009 through February 5, 2009) |
| Sam Flood | Acting Director (until January 20, 2009) |
| John Rogner | Assistant Director (beginning July 1, 2009) |
| Leslie Sgro | Deputy Director |
| Deborah Stone | Deputy Director |
| Travis Lloyd | Deputy Director (beginning November 12, 2009) |
| Ellen King-Pietrzak | Chief Fiscal Officer/Office Director of Fiscal Management |
| William K. Richardson | General Counsel (until June 30, 2009) |
| Mitchell Cohen | General Counsel (beginning July 1, 2009) |
| John J. Pohlman | Office Director of Administration (until June 30, 2009) |
| John Evans | Office Director of Architects, Engineering & Grants |
| Tony Mayville | Office Director of Land Management |
| Rafael Gutierrez | Office Director of Law Enforcement |
| Todd Main | Office Director of Legislation (beginning August 3, 2009) |
| Jay Curtis | Office Director of Legislation (beginning January 1, 2010) |
| Joe Angleton | Office Director of Mines and Minerals |
| Kristin Dicenso | Office Director Strategic Services |
| Tom Flattery | Office Director of Realty and Environmental Planning (until March 15, 2010) |
| Todd Rettig | Office Director of Realty and Environmental Planning (beginning March 16, 2010) |
| Mike Conlin | Office Director of Resource Conservation (until July 31, 2009) |
| James Herkert | Office Director of Resource Conservation (beginning December 1, 2009) |
| Damon Stotts | Office Director of Scientific Research and Analysis |
| Gary Clark | Office Director of Water Resources |

Department main headquarters is located at:

One Natural Resources Way
Springfield, Illinois 62702-1271



Illinois Department of Natural Resources

One Natural Resources Way Springfield, Illinois 62702-1271
<http://dnr.state.il.us>

Pat Quinn, Governor
Marc Miller, Director

MANAGEMENT ASSERTION LETTER

Washington, Pittman & McKeever, LLC
819 South Wabash Ave., Ste. 600
Chicago, IL 60605

May 3, 2011

Ladies and Gentlemen:

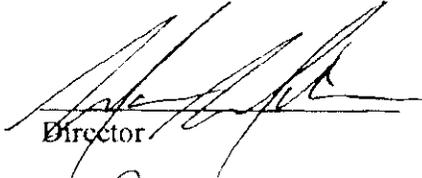
We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Agency. We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the Agency's compliance with the following assertions during the two-year period ended June 30, 2010. Based on this evaluation, we assert that during the years ended June 30, 2009 and June 30, 2010, the Agency has materially complied with the assertions below.

- A. The agency 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 agency 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 agency has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the agency 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. Money or negotiable securities or similar assets handled by the agency on behalf of the State or held in trust by the agency have been properly and legally administered, and the

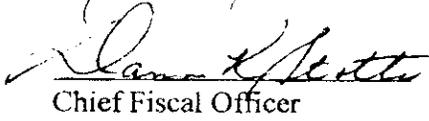
accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

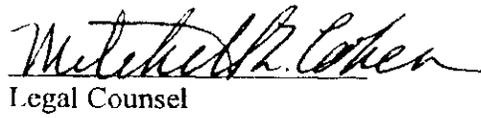
State of Illinois, Illinois Department of Natural Resources



Director



Chief Fiscal Officer



Legal Counsel

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

FINANCIAL AUDIT OF CAPITAL ASSET ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2010

AND
COMPLIANCE EXAMINATION
FOR THE TWO YEARS ENDED JUNE 30, 2010

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

| <u>Number of</u> | <u>Current</u> | <u>Prior</u> |
|--|----------------|--------------|
| Findings | 17 | 13 |
| Repeated findings | 6 | 10 |
| Prior recommendations implemented or not repeated | 7 | 24 |

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

SCHEDULE OF FINDINGS

FINDINGS (GOVERNMENT AUDITING STANDARDS)

| <u>Item No.</u> | <u>Page</u> | <u>Description</u> | <u>Finding Type</u> |
|-----------------|-------------|---|------------------------|
| 10-1 | 14 | Inadequate controls over capital assets | Significant deficiency |

FINDINGS (STATE COMPLIANCE)

| | | | |
|------|----|--|--|
| 10-2 | 15 | Failure to monitor and enforce concessionaire lease agreements | Significant Deficiency and Noncompliance |
|------|----|--|--|

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

FINANCIAL AUDIT OF CAPITAL ASSET ACCOUNT
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SCHEDULE OF FINDINGS

FINDINGS (STATE COMPLIANCE) – Continued

| <u>Item No.</u> | <u>Page</u> | <u>Description</u> | <u>Finding Type</u> |
|-----------------|-------------|--|--|
| 10-3 | 19 | Failure to adequately prepare and review bank reconciliations | Significant Deficiency and Noncompliance |
| 10-4 | 21 | Inadequate controls over equipment and fuel reconciliations | Significant Deficiency and Noncompliance |
| 10-5 | 23 | Failure to complete monthly deposit reconciliations | Significant Deficiency and Noncompliance |
| 10-6 | 24 | Time sheets not maintained in compliance with the State Officials and Employees Ethics Act | Noncompliance |
| 10-7 | 26 | Employee performance evaluations not completed | Noncompliance |
| 10-8 | 27 | Inadequate controls over encroachments | Significant Deficiency and Noncompliance |
| 10-9 | 29 | Failure to submit the annual OSLAD Progress Reports | Significant Deficiency and Noncompliance |
| 10-10 | 30 | Failure to maintain written policies and procedures over orders | Significant Deficiency and Noncompliance |
| 10-11 | 32 | Failure to conduct Aquifer Studies | Significant Deficiency and Noncompliance |

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SCHEDULE OF FINDINGS

FINDINGS (STATE COMPLIANCE) - Continued

| <u>Item No.</u> | <u>Page</u> | <u>Description</u> | <u>Finding Type</u> |
|-----------------|-------------|---|--|
| 10-12 | 33 | Failure to submit a written report of acreage data to the General Assembly in a timely manner | Significant Deficiency and Noncompliance |
| 10-13 | 34 | Failure to ensure compliance with required inspections | Significant Deficiency and Noncompliance |
| 10-14 | 36 | Inadequate documentation relating to mine rescue chambers and wireless tracking devices | Significant Deficiency and Noncompliance |
| 10-15 | 38 | Failure to follow up on outstanding tickets with the Circuit Clerk | Noncompliance |
| 10-16 | 39 | Inadequate controls over written warnings and citations | Noncompliance |
| 10-17 | 41 | Failure to submit the Annual Real Property Utilization Report | Significant Deficiency and Noncompliance |

In addition, the following findings which are reported as current findings and questioned costs relating to *Government Auditing Standards* also meet the reporting requirements for State Compliance.

| | | | |
|------|----|---|--|
| 10-1 | 14 | Inadequate controls over capital assets | Significant Deficiency and Noncompliance |
|------|----|---|--|

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ILLINOIS DEPARTMENT OF NATURAL RESOURCES

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SCHEDULE OF FINDINGS

FINDINGS (STATE COMPLIANCE) - Continued

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| <u>Item No.</u> | <u>Page</u> | <u>Description</u> |
|-----------------|-------------|---|
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| B | 42 | Inadequate preparation of GAAP Package and difficulty in using Programmatic Accounting System |
| C | 43 | Failure to fill Illinois State Museum Board vacancies |
| D | 43 | Amounts reported on the Agency Fee Imposition Report Forms do not reconcile to Department records |
| E | 43 | Inadequate controls over petty cash funds |
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| G | 44 | Lack of contingency planning or testing to ensure recovery of computer systems |

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EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Department personnel at an exit conference on April 20, 2011. Attending were:

ILLINOIS DEPARTMENT OF NATURAL RESOURCES

Marc Miller, Director
Jay Curtis, Chief of Staff
Damon Stotts, Acting Chief Fiscal Officer
Lisa LaBonte, Chief Internal Auditor
Megan Buskirk, Audit Liaison

OFFICE OF THE AUDITOR GENERAL

Kathy Lovejoy, Audit Manager

WASHINGTON, PITTMAN & MCKEEVER, LLC

Lester H. McKeever, Jr., Managing Principal
Donald Crowell, Director
Marsha Lopez, Manager

Responses to the recommendations were provided by Mr. Marc Miller, Director, in a letter dated May 3, 2011.

WASHINGTON, PITTMAN & McKEEVER, LLC

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**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

Compliance

As Special Assistant Auditor for the Auditor General, we have examined the State of Illinois, Illinois Department of Natural Resources' 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 years ended June 30, 2009 and 2010. The management of the State of Illinois, Illinois Department of Natural Resources is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois, Illinois Department of Natural Resources' compliance based on our examination.

- A. The State of Illinois, Illinois Department of Natural Resources 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, Illinois Department of Natural Resources 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, Illinois Department of Natural Resources has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the State of Illinois, Illinois Department of Natural Resources 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. Money or negotiable securities or similar assets handled by the State of Illinois, Illinois Department of Natural Resources on behalf of the State or held in trust by the State of Illinois, Department of Natural Resources 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, Illinois Department of Natural Resources' 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, Illinois Department of Natural Resources' compliance with specified requirements.

In our opinion, the State of Illinois, Illinois Department of Natural Resources complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the years ended June 30, 2009 and 2010. 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 findings as findings 10-1, 10-2, 10-3, 10-4, 10-5, 10-6, 10-7, 10-8, 10-9, 10-10, 10-11, 10-12, 10-13, 10-14, 10-15, 10-16, and 10-17.

Internal Control

The management of the State of Illinois, Illinois Department of Natural Resources 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, Illinois Department of Natural Resources' internal control over compliance with the requirements listed in the first paragraph of this report as a basis for designing 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Illinois Department of Natural Resources' internal control over compliance.

A *deficiency* in an entity's internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *material weakness over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

However, we identified certain deficiencies in internal control over compliance that we considered to be significant deficiencies as described in the accompanying schedule of findings as items 10-1, 10-2, 10-3, 10-4, 10-5, 10-8, 10-9, 10-10, 10-11, 10-12, 10-13, 10-14, and 10-17. A *significant deficiency over compliance* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Additionally, the results of our procedures disclosed other matters involving internal control over compliance, 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 findings as items 10-6, 10-7, 10-15 and 10-16.

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, Illinois Department of Natural Resources' responses to the findings identified in our examination are described in the accompanying schedule of findings. We did not examine the State of Illinois, Illinois Department of Natural Resources' responses and, accordingly, we express no opinion on the responses.

Supplementary Information for State Compliance Purposes

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. 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. We have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the 2009 and 2010 Supplementary Information for State Compliance Purposes, except for information on the Schedule of Indirect Cost Reimbursements, Memorandums of Understanding and Service Efforts and Accomplishments on which we did not perform any procedures. However, we do not express an opinion on the supplementary information.

We have not applied procedures to the 2008 Supplementary Information for State Compliance Purposes, and accordingly, we do not express an opinion thereon.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, and agency management, and is not intended to be and should not be used by anyone other than these specified parties.



WASHINGTON, PITTMAN & McKEEVER, LLC

**Chicago, Illinois
May 3, 2011**

WASHINGTON, PITTMAN & McKEEVER, LLC

CERTIFIED PUBLIC ACCOUNTANTS AND

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**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

As Special Assistant Auditor for the Auditor General, we have audited the Schedules of Capital Assets and Intangible Assets of the State of Illinois, Illinois Department of Natural Resources, as of and for the year ended June 30, 2010, and have issued our report thereon dated May 3, 2011. 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, Illinois Department of Natural Resources' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the Schedules of Capital Assets and Intangible Assets and not for the purpose of expressing an opinion on the effectiveness of the State of Illinois, Illinois Department of Natural Resources' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Illinois Department of Natural Resources' internal control over financial reporting.

A deficiency in internal control 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

However, we identified certain deficiencies in internal control over financial reporting, described in finding 10-1 in the accompanying schedule of findings that we consider to be significant deficiencies in internal control over financial reporting. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of Illinois, Illinois Department of Natural Resources' Schedules of Capital Assets and Intangible Assets 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*

We noted certain matters which we have reported to management of the State of Illinois, Illinois Department of Natural Resources in a separate letter dated May 3, 2011.

The State of Illinois, Department of Natural Resources' response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the State of Illinois, Illinois Department of Natural Resources' 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, and agency management, and is not intended to be and should not be used by anyone other than these specified parties.



WASHINGTON, PITTMAN & MCKEEVER, LLC

Chicago, Illinois
May 3, 2011

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-GOVERNMENTAL AUDITING STANDARDS
For the Year Ended June 30, 2010

10-1 **FINDING:** (Inadequate controls over capital assets)

The Department does not have adequate policies or procedures to ensure that assets categorized as Construction in Progress (CIP) were properly recorded.

During our review, we noted the Department did not have a policy to ensure CIP assets were properly recorded. As a result, the auditors requested the Department to perform an overall review of the site improvements, and building and building improvements to determine whether assets should have been reported. As a result of the Department's review, eight assets were identified as CIP, totaling \$1,012,131, which should have been classified as CIP at June 30, 2010. However, due to the immateriality of the misclassification, a correcting adjustment was not made to the financial statements.

The Statewide Accounting Management System (SAMS) (Procedure 03.30.10) states "The accumulated costs are held in Construction in Progress until such time as the project is determined to be "substantially complete" (i.e. ready of its intended use)."

Department personnel stated the Department did not have policies and procedures to ensure assets were properly classified.

Failure to establish policies and procedures to ensure that CIP is properly classified could result in the material misclassification of capital assets. (Finding Code No. 10-1)

RECOMMENDATION:

We recommend the Department establish policies and procedures to ensure assets are properly classified.

DEPARTMENT RESPONSE:

Agree. The Department developed policies and procedures to ensure assets are properly classified as construction in progress. Although \$1,012,131 worth of assets were reclassified to construction in progress, the understatement of our net capital assets was only \$36,000, which represents 0.005% of our net capital assets worth over \$742.5M.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE
For the Two Years Ended June 30, 2010

10-2 **FINDING:** (Failure to monitor and enforce concessionaire lease agreements)

The Department failed to monitor and enforce concessionaire lease agreements regarding rental and reserve payments.

During the engagement period, the Department had approximately 70 concessionaires located at State parks throughout Illinois. The Department's concession coordinators are responsible for negotiating and enforcing lease terms, overseeing the site, approving rates charged, and collecting rental payments.

During our testing of 60 concessionaire rental payments, we noted 14 (23%) rental payments were remitted to the Department in an untimely manner, ranging from one to 114 days late.

In addition, we noted four (7%) rental payments related to a concessionaire that went bankrupt. The company was placed in receivership and was to make payments for the rent and capital reserve payments owed to the Department. However, the Department had not entered into a written agreement with the company. The Department stated the agreement had been made verbally.

In addition, we tested the four top concessionaires. Our testing noted all four (100%) concessionaires did not properly adhere to the terms and conditions stated in their lease agreement. We noted the concessionaries did not submit, or submitted late, the required documents as stated in the lease agreements. Specifically:

- Two concessionaires deposited reserve deposits one to three days late.
- Two concessionaires remitted reserve deposits slips two days to one month late.
- There was no stamp date of receipt on three of the six reserve deposit slips tested. As a result, we were unable to determine if the reserve deposit slips were remitted timely.
- One concessionaire's rental payments were remitted two to six days late.
- For the lease year 2009, two concessionaires did not submit the required financial reports and marketing information, while two other concessionaires submitted the information one day late.
- We were unable to determine if the required information for one concessionaire for lease year 2009 and two concessionaires for lease year 2010 was submitted timely due to no stamp date of receipt.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-2 **FINDING:** (Failure to monitor and enforce concessionaire lease agreements)-Continued

- Two concessionaires' 2008 Schedule of Gross Revenues and the 2008 Financial Statements were received 13 and 11 days late, respectively. Per review of the 2009 Schedule of Gross Revenues & Financial Statements we were unable to determine timely submission due to no stamp date of receipt.
- One concessionaire did not submit a complete rental fee schedule for all activities for which a fee is proposed and a complete price list for all articles to be sold, served, and/or dispensed under the terms of the facility lease.
- One concessionaire submitted a surety bond in the amount of \$5,000. However, the lease agreement stated a surety bond in the amount of \$10,000 shall be furnished.
- For one concessionaire, there was no reconciliation between the 2008 & 2009 Schedule of Gross Revenue Classified by Rental Percentage Category report and the monthly rental payments received. Also, the 2009 report was submitted five days late.
- One concessionaire did not have supporting documentation identifying the concessionaire budgeted for a minimum of 2% of gross revenues for marketing the lodge complex.
- For one concessionaire, we were unable to determine the timely submission of the marketing plan due to no stamp date of receipt.
- Two concessionaires were behind on reserve account payments. The first concessionaire was behind on rental payments of \$98,577 for the years 2005 & 2006. In August 2009, the concessionaire agreed to make additional monthly payments in the amount of \$689 per month. However, the Department did not enter into a written agreement for the delinquent rental payments. As of June 30, 2010 the remaining balance owed to the Department was \$89,616.

The second concessionaire was behind on rental payments of \$122,149 dating back to 2004. The concessionaire is making payments of \$815 per month with their regular reserve payments. However, the Department did not enter into a written agreement for the delinquent rental payments. As of June 30, 2010 the remaining balance owed to the Department was \$102,590.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-2 **FINDING:** (Failure to monitor and enforce concessionaire lease agreements)-Continued

Standard contract language for concessionaries whose rents are based on a percentage of sales states "a report of sales must be forwarded to the Division of Concession and Lease Management no later than the 25th day of the following month." In addition, three delinquent payments in a twelve-month period or a delinquent account of ninety days shall be cause for immediate termination of lease. Additionally, for concessionaires whose rents are based on an annual fee state a specific due date in which rental payment must be received by the Department.

In addition, the standard contract language for concessionaries who are required to make reserve deposits based on a percentage of gross revenue states "Lessee shall provide DNR a copy of the deposit slip for all monies placed in said Reserve Account each month, no later than the 25th day of the month following the previous month's operations. Failure to deposit monies in to the Reserve Account shall be considered cause for cancellation of the Concession."

According to the concessionaire's lease agreement, the Department requires the concessionaires to submit at a specified time the following documents: 1) Lessee's annual forecast of operating revenues and expenses for the next calendar year, 2) a budget of capital expenditures for real and personal property for the next fiscal year, and for a rolling, prospective three-year period, 3) a summary of the Concessionaire's marketing plan for the next fiscal year, and 4) an annual analysis which itemizes cash flow estimates on a monthly basis.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires that "All State agencies shall establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that...(4) revenues, expenditures, and transfers of assets, resources or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources."

Department personnel stated the concessionaires provide valuable services to visitors at Department of Natural Resources' sites and cancelling leases due to late payment or late submission of documents that would immediately close the concessionaires would not be in the best interest of the State or visitors to Department sites, especially when the Department monitors and works with concessionaires to ensure that lease agreements terms are being adhered to by the concessionaires. Rebidding leases for the concessions would take considerable time and result in facilities or activities not being available to site visitors.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-2 **FINDING:** (Failure to monitor and enforce concessionaire lease agreements)-Continued

Failure to enforce lease terms, including payments and the submission of lease required documents, impairs the Department's ability to ensure the concessionaire is in good standing and could result in decreased revenue to the Department. Failure to enter into written executed agreements could negatively impact the Department's ability to properly collect lease or reserve payments due the Department in a timely manner. (Finding Code 10-2, 08-3, 06-9)

RECOMMENDATION:

We recommend the Department make sure adequate controls are in place to ensure concessionaires are in compliance with contracts and lease agreements.

DEPARTMENT RESPONSE:

Agree. Although the Department established and maintains a system of internal fiscal and administrative controls which provides assurances that revenues, expenditures, resources and funds applicable to concession operations are properly recorded and accounted for, the Department also exercises administrative authority to provide continuity of services for visitors of the Illinois Department of Natural Resources sites. At this time all outstanding fees and rents cited in the finding have been collected. The Department will continue to track the late payments, reports, and schedules and work with concessionaires to ensure collection of tardy contractual obligations. Also, all pages of documents received will be date-stamped to document exact submission of deliverables. Additionally, a new policy has been developed which will restrict future oral lease agreements and will reduce to writing any existing oral agreements.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-3 **FINDING:** (Failure to adequately prepare and review bank reconciliations)

The Department did not adequately prepare and review bank reconciliations and maintain updated records for its bank accounts for the Investigative Cash fund and certain sites.

We tested bank reconciliations for the Investigative Cash Fund, as well as, the eight sites visited.

Investigative Cash Fund

During our review of the 24 monthly bank reconciliations for fiscal year 2009 and fiscal year 2010, we noted five (21%) were prepared 38 to 86 days after the end of the month.

Site Visits

During our review of monthly bank reconciliations at the eight sites visited for the revenue and petty cash accounts for the month of January through June for fiscal year 2009 and fiscal year 2010, we noted the following:

- The reconciliations were not signed and/or dated by the preparer for 27 of 96 (28%) reconciliations for the revenue accounts and two of 96 (2%) reconciliations for the petty cash accounts.
- The reconciliations were not reviewed and approved for 34 of 96 (35%) reconciliations for the revenue accounts and two of 96 (2%) reconciliations for the petty cash accounts.
- One site's Revenue Bank Account reconciliation was not completed for the month of April 2010.
- One site's Revenue Bank Account reconciliation listed the checkbook balance at \$0 while the balance per the checkbook was \$6,956 for the month of May 2010.
- One site's Revenue Bank Account reconciliation for May 2009 was not completed timely. It was prepared 40 days after the bank statement closing period.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-3 **FINDING:** (Failure to adequately prepare and review bank reconciliations)-Continued

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires that "All State agencies shall establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that...(4) revenues, expenditures, and transfers of assets, resources or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources."

Department personnel stated competing priorities have resulted in occasional deviations from current policies and procedures.

As a result of these weaknesses, errors could go unnoticed for a significant period of time and could cause the account balance to be misstated, and fraud could go undetected. (Finding Code 10-3, 08-11)

RECOMMENDATION:

We recommend the Department reinforce procedures to ensure staff is adequately trained, and bank reconciliations are properly and timely completed and reviewed.

DEPARTMENT RESPONSE:

Agree. The Department will remind site staff of the importance of following established policies and procedures for preparation and review of bank reconciliations. Additionally, the Department will continue the practice of annual random inspections of bank reconciliations to provide a compensating control.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-4 **FINDING:** (Inadequate controls over equipment and fuel reconciliations)

The Department failed to maintain adequate controls over equipment and reconciliations of fuel at the various sites.

During our testing at eight sites, we:

Equipment

Tested 200 equipment items from property control listings, noting:

- Five (3%) items selected from the property listing were not located at the site for inspection.
- Six (3%) items selected from the property listing were missing property asset tags.
- Two (1%) items selected from the property listing were obsolete. Additionally, there was no evidence that the Department's Office of Fiscal Management was contacted for proper disposal/disposition.

Tested 40 equipment items located at the sites, noting:

- Three (8%) items selected did not appear on the property listing. We were unable to determine the cost of the items.

Additionally, we noted eight sites did not maintain an inventory listing of equipment costing exceeding \$100.

Fuel Reconciliations

During our detailed testing of 96 monthly fuel reconciliations, we noted:

- 27 (28%) fuel reconciliations included calculations of overages or shortages; however, there was no documentation the overages were investigated by management.
- 31 (32%) fuel reconciliations were incomplete and did not contain signatures/initials or the date prepared.
- 42 (44%) fuel reconciliations did not contain any evidence of supervisory review and approval.
- 24 (25%) fuel reconciliations did not indicate the use of stick measurements to determine fuel variances.
- One site's fuel reconciliation was not completed for June 2010.
- One site's fuel reconciliations were not completed for the months of January and February 2009. The activities for these months were included on the March 2009 fuel reconciliation.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-4 **FINDING:** (Inadequate controls over equipment and fuel reconciliations)-Continued

SAMS Manual (Procedure 29.10.10) requires that agencies maintain a permanent record of all property. Additionally, the Department's Finance Handbook states, "The State of Illinois Property Control Act dictates that original purchases of equipment, land, buildings, or improvements must receive special handling. All purchases exceeding \$100.00 from the equipment or permanent improvement appropriations must be added to the Department's inventory and given an inventory tag."

Chapter 13 of the Department's Office of Land Management's Operations Manual states, "The first day of the month prior to any fuel being pumped, take a meter reading at the pump; record the reading on your Monthly Fuel Reconciliation Form. Take a stick reading and record in gallons." Stick measurements are to be taken and utilized during the reconciliation process to determine fuel variances. Stick measurements convert the depth of fuel in inches to gallons to determine variances and are required by the IDNR Operations manual. Stick measurements provide additional assurance that fuel losses are not occurring as a result of leaks, unauthorized withdrawals, or misreported fuel deliveries.

Department personnel stated due to the nature of the equipment used at their sites, wear and tear of inventory tags on the equipment are expected. Also, the sharing of equipment is allowed; however, proper paper work is required to be submitted to the Property Control Unit. Additionally, the discrepancies with fuel reconciliations are due to policies and procedures that need to be revised, as well as lack of adequate managerial supervision.

Improper administration of inventory could result in inaccurate property control records and noncompliance with applicable guidelines. Failure to prepare and review fuel reconciliations impairs the sites' ability to determine whether overages/shortages are occurring as a result of leaks, unauthorized withdrawals, or misreported fuel deliveries. (Finding Code No. 10-4)

RECOMMENDATION:

We recommend the Department ensure inventory listing accurately reflect all asset locations. Additionally, the Department should implement controls to record all equipment over \$100.

The Department should also ensure all fuel reconciliations are properly completed and reviewed. Additionally, any overages should be investigated.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-4 **FINDING:** (Inadequate controls over equipment and fuel reconciliations)-Continued

DEPARTMENT RESPONSE:

Agree. The Office of Lands Management will remind site staff of the importance of following established policies and procedures for asset control and fuel reconciliations. Currently, the Department holds over 50,000 pieces of equipment at an acquisition cost of over \$94 million, so the few discrepancies found are really a indication of how well our system of internal controls works. As required by Central Management Services, during the winter the Department completes an annual certification of inventory that necessitates a visual identification of all tags on inventory. At this time, we ensure that all equipment is tagged properly. Additionally, the policy regarding the requirement to use stick measurements for fuel will be revised.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-5 **FINDING:** (Failure to complete monthly deposit reconciliations)

The Department did not adequately complete monthly deposit reconciliations.

During our testing of the monthly deposit reconciliations, we noted:

- Monthly deposit reconciliations of camping permit remittances were not completed for four of the six (67%) months tested for the Division of System and Licensing.
- Monthly deposit reconciliations of concession remittances were not completed for six of six (100%) months tested for the Division of Concession and Lease Management.
- Monthly deposit reconciliations of hunting and fishing licenses remittances were not completed for eight of eight (100%) months tested for the Division of System and Licensing.

The Monthly Reconciliation to Deposit Section of the Department's Finance Handbook states "The Deposit Section sends a Monthly Revenue Report within IDNR Headquarters for monthly deposits reconciliation. Once the report is reconciled, then send confirmation back to the Deposit Section showing whether the deposit reconciliation agrees or disagrees with the monthly revenue report." It further states "The Deposit Section uses these reconciliations as part of its monthly reconciliation to the Treasurer and Comptroller's Office."

Department personnel stated this occurred due to the lack of adequate attention of established policies and procedures.

Failure to perform the monthly deposit reconciliations could allow the inaccurate accounting of camping permit remittances, concession remittances, and hunting and fishing licenses remittances. (Finding Code No. 10-5)

RECOMMENDATION:

We recommend the Department ensure monthly deposit reconciliations are completed for all of the Department's various divisions.

DEPARTMENT RESPONSE:

Agree. The Office of Fiscal Management will require divisions complete and submit monthly deposit reconciliations.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

- 10-6 **FINDING:** (Time sheets not maintained in compliance with the State Officials and Employees Ethics Act)

The Department did not maintain time sheets in compliance with the State Officials and Employees Ethics Act (the Act).

The Department's employees' time (other than senior management) was tracked using a "negative" timekeeping system whereby the employee was assumed to be working unless otherwise noted. Although senior management continues to maintain their time sheets in compliance with the Act, the Department's other staff did not document the time spent each day on official State business to the nearest quarter hour.

The Act (5 ILCS 430/5-5(c)) states "The policies shall require State employees to periodically submit time sheets documenting the time spent each day on official State business to the nearest quarter hour."

In addition, we tested employees' timesheets at eight of the Department's sites, noting:

- Two (2) employees' timesheets were not signed or initialed by the employee or their supervisor for the months of April, May and June 2010.
- One (1) employee's authorized leave form was not maintained on file for the month of January 2009.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires that "All State agencies shall establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that...(1) resources are utilized efficiently, effectively, and in compliance with applicable law".

Department personnel stated this occurred as a result of the internally developed automated timekeeping system was not implemented during audited period.

By not maintaining the appropriate time sheets, the Department was not in compliance with the Act. Not maintaining adequate documentation could result in the inaccurate reporting of employee time. (Finding Code 10-6, 08-6, 06-16, and 04-29)

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

- 10-6 **FINDING:** (Time sheets not maintained in compliance with the State Officials and Employees Ethics Act)-Continued

RECOMMENDATION:

We recommend the Department establish policies and procedures which will ensure timesheets are appropriately completed and submitted periodically by all Department employees as required by statute.

DEPARTMENT RESPONSE:

Agree. Since the completion of field work, the Department has developed and implemented a Programmatic Timekeeping System (PTS) in FY11. PTS is in compliance with the State Officials and Employee Ethics Act.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-7 **FINDING:** (Employee performance evaluations not completed)

The Department did not complete employee performance evaluations in a timely manner.

During our testing of 40 employees for each fiscal year, we noted:

- In fiscal year 2009, 18 of the employees tested were required to have evaluations (the remaining 22 were temporary or no longer employed). One (6%) employee did not have an evaluation completed and eight (44%) evaluations were completed one day to ten months late.
- In fiscal year 2010, 17 of the employees tested were required to have evaluations (the remaining 23 were temporary or no longer employed). Seven (41%) employees evaluations were not completed and four (24%) were completed from 58 days to five months late.

The Department's Human Resources Manual, Chapter 3, Section 3C-4 requires the supervisor to complete an evaluation on each of his/her respective subordinate staff annually.

Department personnel stated the Office of Human Resources currently reviews the timeliness of completing employee evaluations and maintains a database of past due evaluations. The Office of Human Resources sends out memos to supervisors informing them of evaluations that are due. If evaluations are not timely, Human Resources sends a "past due" notice and copies the respective Deputy Director responsible for the division.

Performance evaluations are a systematic and uniform approach used for the development of employees and communication of performance expectations to employees. Performance evaluations should serve as a foundation for salary adjustments, promotions, demotions, discharges, lay off, recall and reinstatement decisions. (Finding Code 10-7, 08-7, 06-19, and 04-13)

RECOMMENDATION:

We recommend the Department ensure adequate resources are provided for ongoing training and follow-up, and to establish and maintain appropriate internal controls for the timely completion and submission of evaluation reviews. We also recommend immediate supervisors be held responsible for completing evaluations in a timely manner.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-7 **FINDING:** (Employee performance evaluations not completed)

DEPARTMENT RESPONSE:

Agree. The Department will continue to track and remind supervisors of performance evaluation deadlines. Additionally, supervisors will be reminded of the importance of the timeliness of the deadlines.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-8 **FINDING:** (Inadequate controls over encroachments)

The Department did not implement adequate procedures to comply with the Illinois and Michigan Canal Protection Act and the Rivers, Lakes and Streams Act.

During our testing of the Illinois and Michigan Canal Protection Act we noted the Department had not developed policies or procedures to ensure compliance.

On April 20, 2009, the Department submitted a letter to a business regarding an encroachment identified by the Department. However, we noted the Department had taken no further action.

The Illinois and Michigan Canal Protection Act (615 ILCS 35/3), states “The Department of Natural Resources shall protect against and prevent encroachments upon the Illinois and Michigan Canal. The Department may change and improve the canal to provide for any other use in connection with conservation or recreation which the Department considers advantageous to the State. No permission now or hereafter granted, which results in obstruction to the navigable condition or capacity of any portion of the canal or interferes with its use for any of the purposes named shall operate in any way whatever to deprive the State of any of its rights in the canal or canal lands and all obstructions or structures now or hereafter erected or placed in the canal shall be subject to removal upon the order of the Department of Natural Resources.”

In addition, during our testing of the Rivers, Lakes and Streams Act we noted the Department had not developed policies or procedures to ensure compliance.

During our testing of two encroachments, we noted:

- The Department submitted a letter of encroachment on April 17, 2006 to a business. However, as of June 30, 2010 the encroachment still remained.
- On November 13, 2009, the Department submitted a letter indicating a deck structure was not permissible and should have been removed. Based on our inquiries with Departmental staff, we were unable to determine the status of the encroachment.

The (615 ILCS 5/24) Rivers, Lakes and Streams Act, states “It shall be the duty of the Department of Natural Resources, to carefully examine the shore lines of Lake Michigan, all other meandered lakes in Illinois and the Chicago River each year for the purpose of seeing that encroachments are not made upon or other unauthorized uses made of these bodies of water, and for the purpose of preventing any land being made along the said Chicago River, Lake Michigan or meandered lakes in such manner as might become an encroachment thereon.”

STATE OF ILLINOIS
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CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-8 **FINDING:** (Inadequate controls over encroachments)-Continued

The Rivers, Lakes and Streams Act (615 ILCS 5/13), states “The Department of Natural Resources shall make a careful investigation of every body of water, both river and lake, in the State, and ascertain to what extent, if at all, the same have been encroached upon by private interests or individuals, and wherever it believes that the same have been encroached upon, the Department shall commence appropriate action either to recover full compensation for such wrongful encroachment, or to recover the use of the same, or of any lands improperly or unlawfully made in connection with any public river or lake for the use of the People of the State. The right and authority hereby given and created shall not be held to be exclusive, or to take from the Attorney General or any other law officer of the State the right to commence suit or action.”

Department personnel stated the Department does not have written policies and procedures to document that the Department followed up on encroachments.

Failure to establish written policies and procedures and to perform timely actions could result in a violation of the Act and increases the possibility that known encroachments will not be handled in accordance with the Department’s goals. (Finding Code No. 10-8)

RECOMMENDATION:

We recommend the Department develop policies and procedures to ensure compliance with the Acts. Additionally, the Department should follow up on encroachments to ensure they comply with the Acts.

DEPARTMENT RESPONSE:

Agree. The Department will develop written policies and procedures to document compliance with the Illinois and Michigan Canal Protection Act and the Rivers, Lakes and Streams Act.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-9 **FINDING:** (Failure to submit the annual OSLAD Progress Reports)

The Department did not comply with the Open Space Lands Acquisition and Development (OSLAD) Act.

During our testing, we noted that the Department's last annual OSLAD Progress Reports compiled and submitted to the General Assembly were for fiscal years 2005 and 2006.

The OSLAD Act (525 ILCS 35/11) states "Progress reports on the implementation and development of this Act shall be filed annually with the Governor and the General Assembly. Such reports shall include a statement of goals and objectives and such quantifiable support documentation as expenditures, allocation of funds by location, including such performance and measurement criteria sufficient to enable the General Assembly to properly evaluate and review program effectiveness."

Department personnel stated due to recent retirements, the deadline for the OSLAD Report was overlooked. Upon hiring of a new Grant Administrator, the missed deadline was detected and the report was completed immediately.

Failure to submit annual Progress Reports is a violation of the OSLAD Act. (Finding Code 10-9)

RECOMMENDATION:

We recommend the Department compile and submit the annual OSLAD Progress Report as required by the Open Space Lands Acquisition and Development Act.

DEPARTMENT RESPONSE:

Agree. The 2009-2010 OSLAD Legislative Report was disbursed to the General Assembly in the winter of 2010. The Department will ensure that future OSLAD Progress Reports are submitted as required by the Open Space Lands Acquisition and Development Act.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-10 **FINDING:** (Failure to maintain written policies and procedures over orders)

The Department failed to establish written policies and procedures to comply with the Rivers, Lakes, and Streams Act.

The Rivers, Lakes, and Streams Act (615 ILCS 5/26) charges the Department of Natural Resources with “protecting the rights of the people of the State in the full and free enjoyment of all such bodies of water, and for the purpose of preventing unlawful and improper encroachment upon the same, or impairment of the rights of the people with reference thereto, and every proper use which the people may make of the public rivers and streams and lakes of the State of Illinois.” Thus the Department was given “full and complete jurisdiction of every public body of water in the State of Illinois” and the ability to enter into orders to enforce the above charge.

615 ILCS 5/26a states “All orders entered by the Department of Natural Resources shall be made only upon giving reasonable notice to persons to be affected by such orders; or having any interest in the subject matter of such orders and after a hearing in relation thereto. Any person who neglects, refuses or fails to obey any lawful order made by the Department of Natural Resources and to carry the same into effect in accordance with such order is liable for a fine of not less than \$100 nor more than \$1000 to be recovered in a civil action in the name of the People of the State of Illinois in any circuit court.”

During our testing, we noted the Department does not have written policies or procedures to ensure reasonable notice is provided to persons to be affected by such orders; or having any interest in the subject matter of such orders and after a hearing in relation thereto for orders entered by the Department.

Department officials stated that prior to entering into such orders, the Department would perform the following steps to ensure reasonable notice is given: 1) A notice is sent to the person or interested parties in which a violation is noted for the Waterway Act, 2) If the Department does not hear back from the person or interested party a second notice is sent that is more authoritative, 3) If the Department still does not hear a third letter is sent describing if no action is taken by the person or interested party on complying with violation the Department will bring it to a Public Hearing, 4) Once it is determined that the person or interested party will not comply a Public Hearing is held and a Hearing Officer will enforce compliance with the person or interested party, and 5) If the individual or interested party does not comply with action mandated by the Hearing Officer the Department will take action in the Circuit Court.

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CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-10 **FINDING:** (Failure to maintain written policies and procedures over orders)

The Department stated they had not entered into such orders during the audit period.

While we understand that no such orders were given during the audit period, we were unable to determine whether the Department has documented its ability to comply with the Act as a result of the lack of a written policy or procedure.

Department personnel stated the Department does not have written policies and procedures to enter into orders to protect the full and free enjoyment and prevent unlawful and improper use of public rivers, streams and lakes.

Failure to establish written policies and procedures for entering orders could result in the Department not given reasonable notice for orders entered; and therefore could result in noncompliance with the Act. (Finding Code No. 10-10)

RECOMMENDATION:

We recommend the Department develop policies and procedures in order to comply with the Rivers, Lakes and Streams Act.

DEPARTMENT RESPONSE:

Agree. The Department will formally document policies and procedures in writing to ensure compliance the Rivers, Lakes and Streams Act.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE
(Continued)
For the Two Years Ended June 30, 2010

10-11 **FINDING:** (Failure to conduct Aquifer Studies)

The Department did not comply with the Department of Natural Resources Act regarding aquifer studies.

During our testing, we obtained the “Overview of the Water Quantity Planning Program and Pilot Studies” compiled pursuant to Executive Order 2006-01, which included a Strategic Plan for future implementation. Although the Department utilizes this 2006 Strategic Plan as a basis for the entire aquifer study process, we were unable to obtain procedures detailing the current process for awarding contracts for aquifer studies, the process for conducting the actual studies, or the process or criteria used to develop Groundwater Flow Models.

The Department of Natural Resources Act (20 ILCS 801/1-35) states, “The Department shall conduct a study to (i) develop an understanding of the geology of each aquifer in the State; (ii) determine the groundwater flow through the geologic units and the interaction of the groundwater with surface waters; (iii) analyze current groundwater withdrawals; and (iv) determine the chemistry of the geologic units and the groundwater in those units. Based upon information obtained from the study, the Department shall develop geologic and groundwater flow models for each underground aquifer in the State showing the impact of adding future wells or of future groundwater withdrawals.”

Department personnel stated this statute belonged to Illinois State Water Survey and the Illinois State Geological Survey which both moved to the University of Illinois. The statute should have been transferred.

Failure to conduct aquifer studies and develop Groundwater Flow Models for aquifers throughout the State of Illinois is a violation of the Act and could have adverse impacts on the surface and groundwater available for personal and industry consumption throughout the State. (Finding Code No. 10-11)

RECOMMENDATION:

We recommend the Department conduct studies of aquifers as outlined in the Act.

DEPARTMENT RESPONSE:

Agree. The Department will either seek Legislation to absolve its responsibility or will seek funding to conduct Aquifer Studies.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

- 10-12 **FINDING:** (Failure to submit a written report of acreage data to the General Assembly in a timely manner)

The Department did not submit the annual report to the General Assembly, as required by the Illinois Hunting Heritage Protection Act in a timely manner.

The Department submitted a written report of acreage data detailing acres of land that had been opened and closed during the previous year to the General Assembly 31 days after the due date of October 1st. In addition, we were unable to obtain written procedures which detail the entire process for compiling the acreage data reported to the General Assembly.

The Illinois Hunting Heritage Protection Act (520 ILCS 30/15 (d)) states “by October 1st of each year, the Director shall submit to the General Assembly a written report describing: (1) the acreage administered by the Department that has been closed during the previous year to recreational hunting and the reasons for the closures; and (2) the acreage administered by the Department that, in order to comply with subsection (c), was opened to recreational hunting to compensate for those acreage closed under paragraph (1).”

Department personnel stated the lack of timeliness was due to staff oversight.

Failure to submit written reports to the General Assembly by the mandated due date is a violation of statute. (Finding Code No. 10-12)

RECOMMENDATION:

We recommend the Department compile and submit the report of acreage data to the General Assembly by October 1 of each year.

DEPARTMENT RESPONSE:

Agree. Once the lapse was recognized, the Department quickly developed and submitted the report. In the future, the Department will ensure timely submission of the annual report of acreage data as required by the Illinois Hunting Heritage Protection Act.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-13 **FINDING:** (Failure to ensure compliance with required inspections)

The Department failed to adopt and impose of a plan to ensure that required daily and quarterly inspections of self-contained self-rescuer devices (SCSR) are performed.

During our testing we noted the Department had not established written policies and procedures that described how a plan is adopted and imposed to ensure the daily and quarterly inspections are performed as required by statute.

The Department requires mine operators to develop and submit emergency response plans (ERP) for review. The ERPs are to outline the daily and quarterly inspections conducted by the operators. The Department completes an evaluation of the ERP which is returned to the mine operator for corrective actions. In addition, the Department performs monthly inspections of each underground mine. Our review noted:

- The Department documents its monthly inspections in a report for each inspection. These reports include only exceptions noted by the State mine inspector. Based on discussions with Department personnel, the required daily inspections of SCSRs are performed by the actual persons who are underground using such devices. We reviewed a sample of five inspection reports as well as a sample of ERP.

Based on our review of ERPs, we noted no language that documents the miner's plan for the daily and quarterly inspections of applicable SCSRs. Based on our review of the five monthly inspection reports, the Department did not adequately document these exceptions to the requirements.

In addition, the Department did not adequately document the decision to follow the requirements of all federal Mine Safety and Health Administration requirements.

The Coal Mining Act (225 ILCS 705/11.08 (h)) states, "The Mining Board must adopt and impose a plan for the daily inspection of SCSR devices required under subsections (a), (b), and (c) of this Section in order to ensure that the devices perform their designated functions each working day. Additional SCSR devices required under subsections (c-5) and (d) must be inspected every 90 days to ensure that the devices perform their designated functions, in addition to meeting all federal Mine Safety and Health Administration requirements."

Department personnel stated the U.S. Mine Safety and Health Agency (MSHA) require all mine operators to submit Emergency Response Plans (ERPs) for approval. ERPs must satisfactorily document compliance with requirements of Federal laws, after which our Statutes have been modeled.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-13 **FINDING:** (Failure to ensure compliance with required inspections)-Continued

Failure to establish written policies and procedures and to adequately monitor the daily inspections of SCSR's as well as those additional inspections required every 90 days could result in noncompliance with 225 ILCS 705/11.08 (h). The failure to comply with 225 ILCS 705/11.08 (h) could negatively impact the mining operations' ability to safely rescue those who could be jeopardized by an accident in coal mines in Illinois. (Finding Code 10-13)

RECOMMENDATION:

We recommend the Department implement policies and procedures to ensure compliance with the plan to ensure daily and quarterly inspections of self-contained self-rescuer devices.

DEPARTMENT RESPONSE:

Agree. The Department will implement policies and procedures to ensure mine operators comply with requirements for daily and quarterly inspections of self-contained self-rescuer devices.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

- 10-14 **FINDING:** (Inadequate documentation relating to mine rescue chambers and wireless tracking devices)

The Department did not maintain adequate documentation to ensure mine operators provided rescue chambers and wireless tracking devices for each underground mine.

We were provided documentation on presentations to the Mining Board detailing various mine operators' plans for providing rescue chambers. This documentation included the Mining Board's request for evidence of the purchase of rescue chambers by the mine operators. However, we noted no evidence of the mining operators' responses to the Mining Board's request, nor did the Department provide documentation to ensure that mine operators actually provided a rescue chamber in each underground mine in the State of Illinois, or whether the required waiver had been filed if the delivery of the rescue chamber had been delayed.

In addition, based on documentation provided, the federal Mine Safety and Health Administration stated there are approved wireless tracking devices. The Emergency Response Plans are to include one of the approved wireless tracking devices. However, we noted no evidence the Department ensured wireless tracking devices were provided in each underground mine.

The Coal Mining Act (225 ILCS 705/29.07 (b)) states "Rescue chambers, wireless emergency communications devices, and wireless tracking devices must be provided in each underground mine within 90 days after the equipment is approved by the federal Mine Safety and Health Administration. To the extent that any of these devices have already been approved by the federal Mine Safety and Health Administration, the operator shall provide the equipment in each underground mine within 90 days after the effective date of this amendatory Act of the 94th General Assembly." In addition 225 ILCS 705/29.07 (c) states "A temporary waiver of the requirements of subsection (b) of this Section of up to 90 days may be issued by the Mining Board if (i) the mine operator submits to the Mining Board a receipt of the product order and (ii) the manufacturer has certified that the product will be delivered within 90 days of the product order."

Department personnel stated that they are confident that all underground mine operations in the State have in place a rescue chamber, although documentation regarding the rescue chambers is not readily available. The Department also maintains that truly wireless tracking devices have not been approved by the Federal Mine Safety Health Administration.

Failure to ensure that each underground mine in the State of Illinois has been provided a rescue chamber and wireless tracking devices, or that the required waiver had been filed in those cases where the delivery of the rescue chamber and wireless tracking devices had been delayed, could result in noncompliance with statute. (Finding Code 10-14)

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-14 **FINDING:** (Inadequate documentation relating to mine rescue chambers and wireless tracking devices) -Continued

RECOMMENDATION:

We recommend the Department maintain adequate documentation supporting the placement of rescue chambers and wireless tracking devices in all State of Illinois mines.

DEPARTMENT RESPONSE:

Agree. The Department will maintain adequate documentation supporting the placement of rescue chambers and wireless tracking devices in all State of Illinois mines.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-15 **FINDING:** (Failure to follow up on outstanding tickets with the Circuit Clerk)

The Department did not follow up on outstanding tickets with the Circuit Clerk.

The Department did not request nor receive a monthly aging report from the Illinois State Police that includes all tickets written for all Department offenses and consequently, did not discuss outstanding ticket amounts owed to the Department with appropriate Circuit Clerks.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires that "All State agencies shall establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that...(4) revenues, expenditures, and transfers of assets, resources or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources."

Department personnel stated the Department has determined that the cost of following up on outstanding tickets outweighs the benefit because the potential recovery of fines is minimal. Also, the Illinois State Police is no longer making the paper disposition report available to other Agencies.

Supreme Court Rule 552, effective since September 30, 2002, while requiring clerk(s) to issue a Disposition Report, does not preclude the Department's responsibility to determine if violators are prosecuted in a timely manner and to follow up on outstanding tickets with the appropriate clerk. Failure to follow up on outstanding tickets could result in lost revenue to the State. (Finding Code 10-15, 08-4, and 06-12)

RECOMMENDATION:

We recommend the Department obtain outstanding ticket reports from the Illinois State Police, review the reports, and follow up on outstanding tickets with the Circuit Clerks.

DEPARTMENT RESPONSE:

Disagree. Supreme Court Rule 552 does not require the Department to follow up on outstanding tickets. Additionally, the Illinois State Police is no longer making the paper disposition report available to other Agencies. Once the Automated Disposition Reporting System is implemented, the Department will be able to follow up on outstanding tickets in a non-cost prohibitive manner.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-15 **FINDING:** (Failure to follow up on outstanding tickets with the Circuit Clerk)-
Continued

AUDITOR'S COMMENT:

Supreme Court Rule 552 states "Upon final disposition of each case, the clerk shall execute the "Disposition Report" and promptly forward it to the law enforcement agency that issued the ticket." It is the issuing law enforcement agency's responsibility to establish and maintain controls to effectively utilize the Disposition Reports.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-16 **FINDING:** (Inadequate controls over written warnings and citations)

The Department did not maintain adequate controls over written warnings and citations issued by the Conservation Police Officers (CPO).

During our testing of 60 written citations during fiscal years 2009 and 2010, we noted the following:

- Of the 34 written citations which were required to be submitted to the Department within 96 hours from issuance; 31 (91%) were not submitted timely.
- One (2%) written citation did not have the stamp date of receipt, and as a result we were unable to determine if the written citation was submitted to the Department within 96 hours from issuance.

The Department's "Forms Instruction Manual" states the CPO has 48 hours to submit the ticket to their District Sergeant, who then has 48 hours to submit the written citation to the Department.

In addition, we noted the Department did not enter current and prior period warnings into the Traffic Information Planning System (TIPS). The backlog of warnings not entered into TIPS dates back to July 1999.

During our detailed testing we noted 31 of 60 (52%) of written citations had not been entered.

The TIPS is a computerized system administered by the State Police that provides law enforcement officials information on written warnings and citations. It is the Department's responsibility to enter issued written warnings and citations into TIPS on a timely basis. Department personnel stated CPO's issue approximately 10,000 written warning per year.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires that "All State agencies shall establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that...(4) revenues, expenditures, and transfers of assets, resources or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources."

Department personnel stated the Department is still using manually written forms for warnings and citations. At this time, the electronic citation systems has not been fully developed and implemented by Illinois State Police.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-16 **FINDING:** (Inadequate controls over written warnings and citations)-Continued

Failure to submit written citations to the Department and enter into TIPS in a timely manner could represent a safety issue for officers. Lack of current information seriously impedes the officer's knowledge when performing their duties. (Finding Code 10-16, 08-5, 06-15, 04-21, and 02-8)

RECOMMENDATION:

We recommend the Department comply with their rules and submit citations within the required timeframe. Additionally, the Department should make provisions to enter all citations into TIPS.

DEPARTMENT RESPONSE:

Agree. Emphasis will be placed on retraining Conservation Police Officers on the importance of completing tickets legibly, accurately, thoroughly and timely. Additionally, the Department will review and possibly revise the current policy regarding length of time for submission of tickets. The Department continues to work with the Illinois State Police on the development and implementation of electronic citation system. With the electronic citation system, Conservation Police Officers will have the ability to enter and print citations and warnings from their laptops in real time, thus reducing the need for manual entry of citations and warnings into the TIPS system by the Springfield Office.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

10-17 **FINDING:** (Failure to submit the Annual Real Property Utilization Report)

The Department did not file the 2008 and 2009 Annual Real Property Utilization Report with the Department of Central Management Services.

The State Property Control Act (30 ILCS 605/7.1(b)) states "All responsible officers shall submit an Annual Real Property Utilization Report to the Administrator, or annual update of such report, on forms required by the Administrator, by July 31 of each year."

Department personnel stated the standard format of the Annual Real Property does not apply to most types of real property held by the Department.

Failure to complete or submit the Annual Real Property Utilization Report prior to the submission date makes the Department non-compliant with 30 ILCS 605/7.1(b) and impairs CMS' ability to review the status of all real property owned by the State . (Finding Code 10-17)

RECOMMENDATION:

We recommend the Department implement procedures to ensure the Report is submitted to the Department of Central Management Services.

DEPARTMENT RESPONSE:

Agree. The Department will work with Central Management Services to determine which of the Department's real property is necessary for the Annual Real Property Utilization Report and the Department will ensure the information is submitted timely.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

PRIOR FINDINGS NOT REPEATED

(Continued)

C FINDING: (Failure to fill Illinois State Museum Board vacancies)

During the prior period, vacancies on the Illinois State Museum Board were not filled in accordance with State Law. During fiscal year 07 and fiscal year 2008, two of 11 (19%) Illinois State Museum Board positions were vacant.

During the current period, the two vacant positions on the Illinois State Museum Board were filled effective March 1, 2010. (Finding Code 08-8, 06-33)

D FINDING: (Amounts reported on Agency Fee Imposition Report Forms do not reconcile to Department records)

During the prior period, the Department did not properly report fees collected on the FY07 and FY08 Agency Fee Imposition Reports submitted to the Illinois Office of the State Comptroller.

During the current period, the Department developed and implemented procedures to ensure that amounts reported on the Agency Fee Imposition Reports are adequately supported and reconciled to the Department's records. (Finding Code No. 08-9, 06-14)

E FINDING: (Inadequate controls over petty cash funds)

During the prior period, the Department did not maintain adequate controls in the operation of its petty cash funds in accordance with State Comptroller requirements (SAMS Procedure 9.10.40). The Department did not ensure the authorized amounts assigned to each petty cash fund were turning over approximately six times a year. We noted 17 of 17 petty cash funds with annual turnover rates ranging from 1.10 to 5.008. Also, the Department did not reconcile one of 17 petty cash funds on a monthly basis. In addition, we noted the custodians prepared bank reconciliations

During the current period, the Department established written policies and procedures regarding petty cash usage and control. Also, the Department reduced the quantity of petty cash accounts as well as the amounts held within the funds and continues to monitor the turnover rates. Periodically, staff from the Office of Fiscal Management randomly chooses a month from the prior fiscal year and petty cash custodians are required to submit their petty cash reconciliation and supporting documentation for that month for review, including documentation of the need to maintain funds at the current level as required by SAMS. (Finding Code 08-10, 06-29)

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

CURRENT FINDINGS-STATE COMPLIANCE

(Continued)

For the Two Years Ended June 30, 2010

PRIOR FINDINGS NOT REPEATED

(Continued)

F **FINDING:** (Inadequate controls over telecommunications expenditures and records)

During the prior period, the Department did not maintain adequate controls over its telecommunications equipment and expenditures.

During the current period, the Department implemented procedures to ensure calling card, cell phone and pager records were updated in a timely manner. However, during our test of 25 lines, we noted eight instances in which the employee assigned to the line had changed. The Department records had not been updated to reflect the changes. This issue is reported in our Report of Immaterial Findings. (Finding Code 08 -12, 06-24, 04-18 and 02-10)

G **FINDING:** (Lack of contingency planning or testing to ensure recovery of computer systems)

During the prior period, the Department had not provided adequate planning for the recovery of its applications and data. Additionally, recovery testing of the applications had not been performed during the prior audit period.

During the current period, the Department tested the mainframe portion of the Plan in June 2009. The Plan stated the testing should be performed at least on an annual basis, hence this issue is reported in our Report of Immaterial Finding. (Finding Code 08-13)

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

FINANCIAL STATEMENT REPORT
For the Year Ended June 30, 2010

SUMMARY

The audit of the accompanying Schedules of Capital Assets and Intangible Assets of the State of Illinois, Illinois Department of Natural Resources was performed by Washington, Pittman & McKeever, LLC.

Based on their audit, the auditors expressed an unqualified opinion on the Department's Schedules of Capital Assets and Intangible Assets.

SUMMARY OF FINDINGS

The auditors identified matters involving the Agency's internal control over financial reporting of the capital asset account that they considered to be a significant deficiency. The significant deficiency is described in the accompanying Schedule of Findings listed in the table of contents as finding 10-1, (Inadequate controls over capital assets).

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Department personnel at an exit conference on April 20, 2011. Attending were:

ILLINOIS DEPARTMENT OF NATURAL RESOURCES

Marc Miller, Director
Jay Curtis, Chief of Staff
Damon Stotts, Acting Chief Fiscal Officer
Lisa LaBonte, Chief Internal Auditor
Megan Buskirk, Audit Liaison

OFFICE OF THE AUDITOR GENERAL

Kathy Lovejoy, Audit Manager

WASHINGTON, PITTMAN & MCKEEVER, LLC

Lester H. McKeever, Jr., Managing Principal
Donald Crowell, Director
Marsha Lopez, Manager

Responses to the recommendations were provided by Mr. Marc Miller, Director, in a letter dated May 3, 2011.

WASHINGTON, PITTMAN & McKEEVER, LLC

CERTIFIED PUBLIC ACCOUNTANTS AND

MANAGEMENT CONSULTANTS

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INDEPENDENT AUDITORS' REPORT

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the accompanying Schedules of Capital Assets and Intangible Assets of the State of Illinois, Illinois Department of Natural Resources as of and for the year ended June 30, 2010. These schedules are the responsibility of the State of Illinois, Illinois Department of Natural Resources' management. Our responsibility is to express an opinion on these schedules 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 Schedule of Capital Assets is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the schedule. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall schedule presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 2, the schedules presents only the Capital Asset Account and does not purport to, and does not, present fairly the financial position of the State of Illinois, Illinois Department of Natural Resources as of June 30, 2010, 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 Schedules of Capital Assets and Intangible Assets referred to above present fairly, in all material respects, the Capital Asset Account of the State of Illinois, Illinois Department of Natural Resources, as of June 30, 2010 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 May 3, 2011 on our consideration of the State of Illinois, Illinois Department of Natural Resources' internal control over financial reporting of the Capital Asset Account and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters as they relate to the Capital Asset Account. 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.

Our audit was conducted for the purpose of forming an opinion on the Schedules of Capital Assets and Intangible Assets of the State of Illinois, Illinois Department of Natural Resources. The accompanying Schedules of Changes in Capital Assets and Intangible Assets are presented for the purpose of additional analysis and are not a required part of the Schedules of Capital Assets and Intangible Assets. The Schedules of Changes in Capital Assets and Intangible Assets have been subjected to the auditing procedures applied in the audit of the Schedules of Capital Assets and Intangible Assets and, in our opinion, are fairly stated in all material respects in relation to the Schedules of Capital Assets and Intangible Assets 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, and agency management, and is not intended to be and should not be used by anyone other than these specified parties.

Washington, Pittman & McKeever, LLC
WASHINGTON, PITTMAN & McKEEVER, LLC

Chicago, Illinois
May 3, 2011

**STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES**

Schedule of Capital Assets

**June 30, 2010
(expressed in thousands)**

| | |
|--|--------------------------|
| Capital Assets not being depreciated: | |
| Land and land improvements | \$ 369,355 |
| Total Capital Assets not being depreciated: | <u>369,355</u> |
| Capital Assets being depreciated: | |
| Site improvements | 419,837 |
| Building and building improvements | 258,424 |
| Infrastructure | 50,929 |
| Equipment | 64,175 |
| Total Capital Assets being depreciated: | <u>793,365</u> |
| Less Accumulated Depreciation for: | |
| Site improvements | 216,078 |
| Building and building improvements | 122,689 |
| Infrastructure | 27,074 |
| Equipment | 54,369 |
| Total Accumulated Depreciation | <u>420,210</u> |
| Total Capital Assets being depreciated, net | <u>373,155</u> |
| Total Capital Assets, net | <u><u>\$ 742,510</u></u> |

The accompanying Notes to Schedules of Capital Assets and Intangible Assets are an integral part of this schedule.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

Schedule of Intangible Assets

June 30, 2010
(expressed in thousands)

| | |
|---|-------------------------|
| Intangible Assets not being amortized: | |
| Internally generated intangible assets in development | \$ 327 |
| Easements/rights of way | 70,712 |
| Water/timber/mineral rights | <u>2,974</u> |
| Total Intangible Assets not being depreciated: | <u>74,013</u> |
| | |
| Intangible Assets being amortized: | |
| Non-internally generated computer software | 36 |
| Internally generated computer software | 3,360 |
| Easements/rights of way | <u>1,484</u> |
| Total Intangible Assets being amortized: | <u>4,880</u> |
| | |
| Less Amortization for: | |
| Non-internally generated computer software | 36 |
| Internally generated computer software | 3,360 |
| Easements/rights of way | <u>887</u> |
| Total Amortization | <u>4,283</u> |
| | |
| Total Intangible Assets being amortized, net | <u>597</u> |
| | |
| Total Intangible Assets, net | <u><u>\$ 74,610</u></u> |

The accompanying Notes to Schedules of Capital Assets and Intangible Assets
are an integral part of this schedule.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

NOTES TO SCHEDULES OF CAPITAL ASSETS AND INTANGIBLE ASSETS
For the Year Ended June 30, 2010

1. DESCRIPTION OF CAPITAL ASSET ACCOUNT

The State of Illinois, Illinois Department of Natural Resources (the Department) maintains a Capital Asset Account. Capital Assets include infrastructure, intangibles, land and land improvements, site improvements, buildings, building improvements, equipment, and all other tangible assets that are used in operations and that have expected useful lives extending beyond a single reporting period.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Schedules of Capital Assets and Intangible Assets (Schedules) maintained by the Department 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 Schedules, summarized below are the more significant accounting policies.

(a) 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 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 capital asset account does not have component units, nor is it a component unit of any other entity. However, because the capital asset account is not legally separate from the State of Illinois (State), it is included in the financial statements of the State. 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.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

NOTES TO SCHEDULES OF CAPITAL ASSETS AND INTANGIBLE ASSETS

(Continued)

For the Year Ended June 30, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The Schedules present only the capital assets administered by the State of Illinois, Department of Natural Resources and does not purport to, and does not, present fairly the financial position of the State of Illinois, Illinois Department of Natural Resources as of June 30, 2010, and changes in its financial position, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

(b) Basis of Presentation

The Capital Asset Account balances are reported under the State of Illinois' Comprehensive Annual Financial Report. For its reporting purposes, the Department has presented the Schedules using a columnar format that presents capital assets, net of accumulated depreciation, as of June 30, 2010.

(c) Basis of Accounting

The Capital Asset Account is reported using the economic resources measurement focus and the accrual basis of accounting.

(d) Use of Estimates

The preparation of the Schedules in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and accumulated depreciation at the date of the Schedules. Actual results could differ from those estimates.

(e) Valuation

Capital assets are reported at cost or estimated historical cost or, if donated, at their fair value at the time of acquisition. Historical costs include the amount paid for the asset and ancillary charges necessary to place the asset into its intended location and condition for use. Assets acquired in various amounts for a single purpose which may not individually meet the capitalization threshold are capitalized if the estimated total of the project exceeds the capitalization threshold.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

NOTES TO SCHEDULES OF CAPITAL ASSETS AND INTANGIBLE ASSETS

(Continued)

For the Year Ended June 30, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

For capital assets that are depreciated, expenditures that extend the useful lives of capital assets beyond their initial estimated useful lives (preservation costs) or improve their efficiency (improvements) or capacity (additions) are capitalized, whereas expenditures for repairs and maintenance are expensed. Capital assets are depreciated using the straight-line method.

(f) Capitalization Policies

Capitalization thresholds and the estimated useful lives are as follows:

| Capital Asset Category | Capitalization Threshold | Estimated Useful Life |
|----------------------------|--------------------------|-----------------------|
| Land | \$ 1 | N/A |
| Infrastructure | 250,000 | 30 |
| Site Improvements | 25,000 | 30 |
| Buildings | 100,000 | 30 |
| Building Improvements | 25,000 | 30 |
| Equipment | 5,000 | 7 |
| Capital Leases – Equipment | 5,000 | 7 |

| Intangible Asset Type | Capitalization Threshold | Estimated Useful Life |
|------------------------------------|--------------------------|-----------------------------------|
| Easement other than row indefinite | \$ 25,000 | Indefinite |
| Water rights indefinite | 25,000 | Indefinite |
| Right of way indefinite | 25,000 | Indefinite |
| Software internally generated | 1,000,000 | 3 |
| Software websites | 1,000,000 | 3 |
| Land easements finite | 25,000 | Varies/ depends on contract |
| Software purchased | 25,000 | 3 |
| Conservation land rights finite | 25,000 | Varies/ depends on contract |
| Right of way finite | 25,000 | Varies/ depends on contract |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

NOTES TO SCHEDULES OF CAPITAL ASSETS AND INTANGIBLE ASSETS

(Continued)

For the Year Ended June 30, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

(g) Infrastructure

The Department maintains infrastructure assets, including waterways, dams, tunnels, and drainage systems. The Department maintains certain infrastructure networks, composed of all assets that provide a particular type of service for the Department.

In the majority of cases, a legal title document was not created when these assets were constructed or placed into service. The Department capitalizes all infrastructure assets supported by purchasing documentation (e.g., contracts, requisitions, purchase orders, payment documents, etc.). In cases where infrastructure assets are jointly developed or constructed by the Department and neighboring states or local municipalities, the Department capitalizes only those assets which are maintained by the Department and legal title has not been established by another legal entity.

(h) Historical Treasures and Works of Art

The Department maintains extensive collections of historical treasures and works of art. Items meeting the following conditions are not capitalized: 1) held for public exhibition, education, or research in furtherance of public service, rather than financial gain; 2) protected, kept unencumbered, cared for, and preserved; and 3) subject to an organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collections. All Department historical treasures and works of art meet these conditions and are not capitalized in the Schedule of Capital Assets.

(i) Intangible Assets

In response to GASB Statement No. 51 “Accounting and Financial Reporting for Intangible Assets”, the Department implemented procedures for the year ending June 30, 2010 to account for intangible assets as described by the Statement. The standard requires intangible assets to be classified as capital assets. A separate Schedule of Intangible Assets has been prepared and included in the Capital Asset Account Report.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

NOTES TO SCHEDULES OF CAPITAL ASSETS AND INTANGIBLE ASSETS

(Continued)

For the Year Ended June 30, 2010

3. CAPITAL ASSET MANAGEMENT SYSTEM

The Department maintains a capital asset management system which includes for all capital assets the major asset category, description of asset, date of acquisition, method of acquisition, cost or other value, responsible organizational unit, location of asset, identification of applicable network or subsystem (for infrastructure assets), estimated life, estimated salvage value, annual and accumulated depreciation, and appropriation.

4. REPORTING REQUIREMENTS

The Department is required to complete and submit the *SAMS TO GAAP Reconciliation – Capital Assets* (SCO-537) and *Capital Asset Summary* (SCO-538) forms to the Illinois Office of the Comptroller as part of the year-end reporting process related to capital assets. Amounts reported on these forms have been reconciled to the Schedule of Capital Assets.

Subsequent to June 30, 2010, the Department was required to submit the *Intangible Asset Summary* form to the Illinois Office of the Comptroller as part of the year-end reporting process related to capital assets. To meet the requirements of GASB 51, retroactive reporting is required for all intangible assets except those considered to have indefinite useful lives as of the effective date of GASB 51 and those that would be considered internally generated. If determining the actual historical cost of these intangible assets is not practical due to the lack of sufficient records, the Department should report the estimated historical costs for these intangible assets that were acquired in fiscal years ending after June 30, 1980. Amounts reported on this form have been reconciled to the Schedule of Intangible Assets.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

Schedule of Changes in Capital Assets

For the Year Ended June 30, 2010
(expressed in thousands)

| | <u>Balance At June 30, 2009</u> | <u>Additions</u> | <u>Deletions</u> | <u>Net Transfers</u> | <u>Balance At June 30, 2010</u> |
|--|-------------------------------------|--------------------|------------------|----------------------|-------------------------------------|
| Capital Assets not being depreciated: | | | | | |
| Land and land improvements | \$ 366,046 | \$ 1,792 | \$ 3 | \$ 1,520 | \$ 369,355 |
| Total Capital Assets not being depreciated: | <u>366,046</u> | <u>1,792</u> | <u>3</u> | <u>1,520</u> | <u>369,355</u> |
| Capital Assets being depreciated: | | | | | |
| Site improvements | 415,188 | 2,649 | - | 2,000 | 419,837 |
| Building and building improvements | 258,215 | 98 | - | 111 | 258,424 |
| Infrastructure | 49,169 | 1,760 | - | - | 50,929 |
| Equipment | 64,868 | 2,224 | 64 | (2,853) | 64,175 |
| Total Capital Assets being depreciated: | <u>787,440</u> | <u>6,731</u> | <u>64</u> | <u>(742)</u> | <u>793,365</u> |
| Less Accumulated Depreciation for: | | | | | |
| Site improvements | 204,356 | 11,722 | - | - | 216,078 |
| Building and building improvements | 114,992 | 7,697 | - | - | 122,689 |
| Infrastructure | 25,873 | 1,201 | - | - | 27,074 |
| Equipment | 54,476 | 2,799 | 58 | (2,848) | 54,369 |
| Total Accumulated Depreciation | <u>399,697</u> | <u>23,419</u> | <u>58</u> | <u>(2,848)</u> | <u>420,210</u> |
| Total Capital Assets being depreciated, net | <u>387,743</u> | <u>(16,688)</u> | <u>6</u> | <u>2,106</u> | <u>373,155</u> |
| Total Capital Assets, net | <u>\$ 753,789</u> | <u>\$ (14,896)</u> | <u>\$ 9</u> | <u>\$ 3,626</u> | <u>\$ 742,510</u> |

The accompanying Notes to Schedule of Capital Assets are an integral part of this schedule.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

Schedule of Changes in Intangible Assets

For the Year Ended June 30, 2010
(expressed in thousands)

| | Balance At June 30, 2009 | Additions | Deletions | Net Transfers | Balance At June 30, 2010 |
|---|-----------------------------|------------------|-------------|---------------|-----------------------------|
| Intangible Assets not being amortized: | | | | | |
| Internally generated intangible assets in development | \$ - | \$ 327 | \$ - | \$ - | \$ 327 |
| Easements/rights of way | - | 70,712 | - | - | 70,712 |
| Water/timber/mineral rights | - | 2,974 | - | - | 2,974 |
| Total Intangible Assets not being amortized: | <u>-</u> | <u>74,013</u> | <u>-</u> | <u>-</u> | <u>74,013</u> |
| Intangible Assets being amortized: | | | | | |
| Non-internally generated computer software | 36 | - | - | - | 36 |
| Internally generated computer software | - | 3,360 | - | - | 3,360 |
| Easements/rights of way | 1,310 | 174 | - | - | 1,484 |
| Total Intangible Assets being amortized: | <u>1,346</u> | <u>3,534</u> | <u>-</u> | <u>-</u> | <u>4,880</u> |
| Less Amortization for: | | | | | |
| Non-internally generated computer software | 32 | 4 | - | - | 36 |
| Internally generated computer software | - | 3,360 | - | - | 3,360 |
| Easements/rights of way | 706 | 181 | - | - | 887 |
| Total Amortization | <u>738</u> | <u>3,545</u> | <u>-</u> | <u>-</u> | <u>4,283</u> |
| Total Intangible Assets being amortized, net | <u>608</u> | <u>(11)</u> | <u>-</u> | <u>-</u> | <u>597</u> |
| Total Intangible Assets, net | <u>\$ 608</u> | <u>\$ 74,002</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 74,610</u> |

The accompanying Notes to Schedule of Capital Assets are an integral part of this schedule.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES
For the Two Years Ended June 30, 2010

SUMMARY

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

- Fiscal Schedules and Analysis:
 - Schedule of Expenditures of Federal Awards
 - Year Ended June 30, 2010
 - Year Ended June 30, 2009
 - Notes to Schedules of Expenditures of Federal Awards
 - Schedule of Appropriations, Expenditures and Lapsed Balances
 - Fiscal Year 2010
 - Fiscal Year 2009
 - Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances
 - Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances -- Total All Appropriated Funds by Major Object Code
 - Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances – Total Expenditures by Fund
 - Comparative Schedule of Receipts, Disbursements and Fund Balance (Cash Basis) – Non-appropriated Funds
 - Schedule of Changes in State Property
 - Comparative Schedule of Cash Receipts
 - Reconciliation Schedule of Cash Receipts to Deposits
 - Remitted to the State Comptroller
 - Year Ended June 30, 2010
 - Year Ended June 30, 2009
 - Analysis of Significant Variations in Expenditures
 - Analysis of Significant Variations in Receipts
 - Analysis of Significant Lapse Period Spending
 - Analysis of Significant Account Balances
 - Analysis of Accounts Receivable
 - Schedule of Indirect Cost Reimbursements (Not Examined)

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

(Continued)

For the Two Years Ended June 30, 2010

SUMMARY

(Continued)

- Analysis of Operations:
 - Agency Functions and Planning Program
 - Average Number of Employees
 - Memorandums of Understanding (Not Examined)
 - Emergency Purchases
 - Service Efforts and Accomplishments (Not Examined)
 - Open Space Lands Acquisition Development Grant Program

The accountants' report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General, except for information on the Schedule of Indirect Cost Reimbursements, Memorandums of Understanding and Service Efforts and Accomplishments on which they did not perform any procedures. However, the accountants do not express an opinion on the supplementary information.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2010
(expressed in thousands)

| Federal Grantor/Pass Through Grantor/Program Title | Grantor ID Number | CFDA Number | Federal Expenditures | Amount To Subrecipients |
|---|----------------------|----------------|-------------------------|----------------------------|
| U.S. Department of Agriculture: | | | | |
| Direct Programs: | | | | |
| Plant & Animal Disease, Pest Control and Animal Care | N/A | 10.025 | \$ 215 | \$ - |
| Wildlife Services | N/A | 10.028 | 51 | - |
| Cooperative Forestry Assistance | N/A | 10.664 | 590 | 343 |
| Schools and Roads-Grants to States | N/A | 10.665 | 114 | 114 |
| Forest Legacy | N/A | 10.676 | 3 | - |
| Forest Stewardship | N/A | 10.678 | 609 | 216 |
| Forest Health Protection | NA | 10.680 | 88 | 88 |
| Wildlife Habitat Incentive | N/A | 10.914 | 53 | - |
| Total U.S. Department of Agriculture | | | <u>1,723</u> | <u>761</u> |
| U.S. Department of Defense: | | | | |
| Direct Programs: | | | | |
| Payments to States in Lieu of Real Estate Taxes | N/A | 12.112 | 800 | 800 |
| Total U.S. Department of Defense | | | <u>800</u> | <u>800</u> |
| U.S. Department of Interior: | | | | |
| Direct Programs: | | | | |
| Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining | N/A | 15.250 | 2,613 | 113 |
| Abandoned Mine Land Reclamation | N/A | 15.252 | 8,674 | 368 |
| Sport Fish Restoration | N/A | 15.605 | 8,563 | 1,175 |
| Fish and Wildlife Management Assistance | N/A | 15.608 | 156 | - |
| Wildlife Restoration | N/A | 15.611 | 6,727 | 1,182 |
| Coastal Wetlands Planning, Protection and Restoration Act | N/A | 15.614 | 9 | - |
| Cooperative Endangered Species Conservation | N/A | 15.615 | 236 | 173 |
| Clean Vessel Act | N/A | 15.616 | 37 | 37 |
| Sportfishing and Boating Safety Act | N/A | 15.622 | 123 | - |
| Firearm and Bow Hunter Education and Safety | N/A | 15.626 | 140 | - |
| Landowner Incentive | N/A | 15.633 | 814 | 74 |
| State Wildlife Grants | N/A | 15.634 | 2,136 | 810 |
| National Spatial Data Infrastructure Cooperative Agreements | N/A | 15.809 | 7 | - |
| Outdoor Recreation - Acquisition, Development and Planning | N/A | 15.916 | 476 | - |
| Total U.S. Department of Interior | | | <u>30,711</u> | <u>3,932</u> |
| U.S. Department of Labor: | | | | |
| Direct Programs: | | | | |
| Mine Health and Safety Grants | N/A | 17.600 | 161 | - |
| Brookwood-Sago Project Grants | | 17.603 | 6 | - |
| Total U.S. Department of Labor | | | <u>167</u> | <u>-</u> |
| U.S. Department of Transportation: | | | | |
| Pass-Through Program From: | | | | |
| Illinois Department of Transportation Recreational Trails Program, Revised | C-30-nnn-n | 20.219 | 1,127 | - |
| Total U.S. Department of Transportation | | | <u>1,127</u> | <u>-</u> |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2010
(expressed in thousands)

| <u>Federal Grantor/Pass Through Grantor/Program Title</u> | <u>Grantor ID Number</u> | <u>CFDA Number</u> | <u>Federal Expenditures</u> | <u>Amount To Subrecipients</u> |
|---|--------------------------|--------------------|-----------------------------|--------------------------------|
| U.S. Environmental Protection Agency: | | | | |
| Direct Programs: | | | | |
| State Underground Water Source Protection | N/A | 66.433 | 202 | - |
| Environmental Info Exchange Network Grant Program | N/A | 66.608 | 87 | - |
| | | | <u>289</u> | <u>-</u> |
| Pass-Through Program From: | | | | |
| Illinois Environmental Protection Agency | | | | |
| Nonpoint Source Implementation Grants | N/A | 66.460 | 6 | - |
| Total U.S. Environmental Protection Agency | | | <u>295</u> | <u>-</u> |
| U.S. Department of Homeland Security: | | | | |
| Direct Programs: | | | | |
| Boating Safety Financial Assistance | N/A | 97.012 | 2,115 | - |
| Community Assistance Program - SSSE | N/A | 97.023 | 254 | - |
| National Dam Safety | N/A | 97.041 | 89 | - |
| Cooperating Technical Partners | N/A | 97.045 | 2,014 | 1,875 |
| Map Modernization Management Support | N/A | 97.070 | 34 | - |
| | | | <u>4,506</u> | <u>1,875</u> |
| Pass-Through Program From: | | | | |
| Illinois Emergency Management Assistance | | | | |
| Disaster Grants-Public Assistance (Presidentially Declared Disasters) | various | 97.036 | 629 | - |
| Homeland Security Grant Program | FFY07, FFY08-03 | 97.067 | 4 | - |
| Buffer Zone Protection | FFY 06-02a | 97.078 | 26 | - |
| Total U.S. Department of Homeland Security | | | <u>5,165</u> | <u>1,875</u> |
| Total Federal Awards and Expenditures | | | <u>\$ 39,988</u> | <u>\$ 7,368</u> |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2009
(expressed in thousands)

| Federal Grantor/Pass Through Grantor/Program Title | Grantor ID Number | CFDA Number | Federal Expenditures | Amount To Subrecipients |
|---|----------------------|----------------|-------------------------|----------------------------|
| U.S. Department of Agriculture: | | | | |
| Direct Programs: | | | | |
| Plant & Animal Disease, Pest Control and Animal Care | N/A | 10.025 | \$ 288 | \$ - |
| Wildlife Services | N/A | 10.028 | 44 | - |
| Wetlands Reserve Program | N/A | 10.072 | 6 | - |
| Cooperative Extension Service | N/A | 10.500 | 89 | - |
| Cooperative Forestry Assistance | N/A | 10.664 | 881 | 13 |
| Schools and Roads-Grants to States | N/A | 10.665 | 118 | 118 |
| Urban and Community Forestry | N/A | 10.675 | 36 | 24 |
| Forest Legacy | N/A | 10.676 | 16 | - |
| Forest Stewardship | N/A | 10.678 | 435 | - |
| Forest Health Protection | NA | 10.680 | 30 | - |
| Wildlife Habitat Incentive | N/A | 10.914 | 71 | - |
| Total U.S. Department of Agriculture | | | 2,014 | 155 |
| U.S. Department of Commerce: | | | | |
| Direct Programs: | | | | |
| Interjurisdictional Fisheries Act of 1986 | N/A | 11.407 | 20 | - |
| Coastal Zone Management Administration Awards | N/A | 11.419 | 4 | - |
| Total U.S. Department of Commerce | | | 24 | - |
| U.S. Department of Defense: | | | | |
| Direct Programs: | | | | |
| Payments to States in Lieu of Real Estate Taxes | N/A | 12.112 | 800 | 800 |
| Total U.S. Department of Defense | | | 800 | 800 |
| U.S. Department of Interior: | | | | |
| Direct Programs: | | | | |
| Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining | N/A | 15.250 | 2,413 | 129 |
| Abandoned Mine Land Reclamation | N/A | 15.252 | 11,192 | 320 |
| Sport Fish Restoration | N/A | 15.605 | 5,351 | 1,495 |
| Fish and Wildlife Management Assistance | N/A | 15.608 | 19 | - |
| Wildlife Restoration | N/A | 15.611 | 3,119 | 1,391 |
| Coastal Wetlands Planning, Protection and Restoration Act | N/A | 15.614 | 179 | 14 |
| Cooperative Endangered Species Conservation | N/A | 15.615 | 74 | 74 |
| Clean Vessel Act | N/A | 15.616 | (18) | - |
| Sportfishing and Boating Safety Act | N/A | 15.622 | 18 | - |
| Wildlife Conservation and Restoration | NA | 15.625 | (1) | - |
| Firearm and Bow Hunter Education and Safety | N/A | 15.626 | (81) | - |
| Landowner Incentive | N/A | 15.633 | 437 | 40 |
| State Wildlife Grants | N/A | 15.634 | 730 | 724 |
| US Geological Survey Research and Data Collection | N/A | 15.808 | 461 | 20 |
| National Spatial Data Infrastructure Cooperative Agreements | N/A | 15.809 | 17 | 6 |
| Outdoor Recreation - Acquisition, Development and Planning | N/A | 15.916 | 2,650 | 2,650 |
| Total U.S. Department of Interior | | | 26,560 | 6,863 |

**STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2009
(expressed in thousands)**

| Federal Grantor/Pass Through Grantor/Program Title | Grantor ID Number | CFDA Number | Federal Expenditures | Amount To Subrecipients |
|---|-------------------------|------------------|----------------------|-------------------------|
| U.S. Department of Labor: | | | | |
| Direct Programs: | | | | |
| Mine Health and Safety Grants | N/A | 17.600 | 150 | - |
| Total U.S. Department of Labor | | | <u>150</u> | <u>-</u> |
| U.S. Department of Transportation: | | | | |
| Pass-Through Program From: | | | | |
| Illinois Department of Transportation Recreational Trails Program, Revised | C-30-nnn-n | 20.219 | 2,623 | - |
| Total U.S. Department of Transportation | | | <u>2,623</u> | <u>-</u> |
| U.S. Environmental Protection Agency: | | | | |
| Direct Programs: | | | | |
| State Underground Water Source Protection | N/A | 66.433 | 361 | - |
| Regional Wetland Program Development Grants | N/A | 66.461 | (5) | - |
| Water Quality Cooperative Agreements | N/A | 66.463 | - | - |
| Environmental Info Exchange Network Grant Program | N/A | 66.608 | 114 | - |
| Total U.S. Environmental Protection Agency | | | <u>470</u> | <u>-</u> |
| U.S. Department of Homeland Security: | | | | |
| Direct Programs: | | | | |
| Boating Safety Financial Assistance | N/A | 97.012 | 245 | - |
| Community Assistance Program - SSSE | N/A | 97.023 | 226 | - |
| Disaster Grants-Public Assistance (Presidentially Declared Disasters) | N/A | 97.036 | (93) | - |
| National Dam Safety | N/A | 97.041 | 81 | - |
| Cooperating Technical Partners | N/A | 97.045 | 2,339 | 1,848 |
| Map Modernization Management Support | N/A | 97.070 | 106 | - |
| Buffer Zone Protection | N/A | 97.078 | 181 | - |
| | | | <u>3,085</u> | <u>1,848</u> |
| Pass-Through Program From: | | | | |
| Illinois Emergency Management Assistance Disaster Grants-Public Assistance Buffer Zone Protection | DSR-nnn PW FFY 06-02 | 97.036 97.078 | 1,568 172 | - - |
| Total U.S. Department of Homeland Security | | | <u>4,825</u> | <u>1,848</u> |
| Total Federal Awards and Expenditures | | | <u>\$ 37,466</u> | <u>\$ 9,666</u> |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Two Years Ended June 30, 2010

1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards present the federal award programs administered by the State of Illinois, Illinois Department of Natural Resources (the Department). The Schedules of Expenditures of Federal Awards include the expenditure of awards received directly from federal agencies and awards passed through to other State and local agencies.

The Schedules of Expenditures of Federal Awards were prepared for State compliance purposes only. A separate single audit of the Department was not conducted. A separate single audit of the entire State of Illinois (which includes the Department) was performed and released under separate cover.

2. BASIS OF ACCOUNTING

The Schedules of Expenditures of Federal Awards were prepared on the modified accrual basis of accounting. These schedules have been reconciled to certain Fiscal Schedules (Schedule of Appropriations, Expenditures and Lapsed Balances – Fiscal Year 2010, Schedule of Appropriations, Expenditures and Lapsed Balances – Fiscal Year 2009, Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances, Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances – Total All Appropriated Funds by Major Object Code, and Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances – Total Expenditures by Fund) presented in the supplementary information for State compliance purposes portion of this document.

In 2008, the SEFA was changed to a cash basis from the modified accrual basis. During this process, negative numbers for CFDA's was not reported and sub recipient amount could not exceed the amount an agency received for that CFDA number. In addition, for the SCO-567 and SCO-568 amount, the Department used the lesser of the current year expenditures or current year receipts. This did not affect the CFDA amount as a whole, but could have changed an agency's total expenditure. Also, component units such as universities were removed; therefore these expenditures would be reported under the agency supplying the award and as a sub recipient amount.

3. NONCASH AWARDS

The Department did not receive any noncash awards.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2010

Fourteen Months Ended August 31, 2010

PUBLIC ACT 96-0035, 96-0039, 96-0042, 96-0046

| <u>FUND NAME- ALL FUNDS</u> | | | Expenditures | Lapse Period | | Approximate | |
|--------------------------------------|--------|--------------------|---------------|-----------------|---------------|----------------|--------------|
| <u>APPROPRIATED FUNDS</u> | Fund | Appropriations | Through | Expenditures | Approximate | Balances | Approximate |
| | Number | (Net of Transfers) | June 30, 2010 | July 1 to | Total | Reappropriated | Balances |
| | | | | August 31, 2010 | Expenditures | July 1, 2010 | Lapsed |
| General Revenue Fund | 0001 | \$ 54,940,000 | \$ 45,086,437 | \$ 4,087,032 | \$ 49,173,469 | \$ - | \$ 5,766,531 |
| State Boating Act Fund | 0039 | 26,196,785 | 11,035,514 | 804,782 | 11,840,296 | 10,635,285 | 3,721,204 |
| State Parks Fund | 0040 | 21,369,820 | 8,785,852 | 531,851 | 9,317,703 | 2,959,420 | 9,092,697 |
| Wildlife and Fish Fund | 0041 | 85,582,420 | 58,028,149 | 4,085,441 | 62,113,590 | 10,851,520 | 12,617,310 |
| Salmon Fund | 0042 | 381,700 | 345,055 | 18,347 | 363,402 | - | 18,298 |
| Mines and Minerals UIC Fund | 0077 | 386,900 | 149,965 | 49,375 | 199,340 | - | 187,560 |
| Forest Reserve Fund | 0086 | 500,000 | 113,755 | - | 113,755 | - | 386,245 |
| Plugging and Restoration Fund | 0137 | 1,753,866 | 132,453 | 133,149 | 265,602 | - | 1,488,264 |
| Capital Development Fund | 0141 | 343,286,811 | 6,912,220 | - | 6,912,220 | 99,821,811 | 236,552,780 |
| Explosives Regulatory Fund | 0145 | 129,800 | 101,995 | 2,675 | 104,670 | - | 25,130 |
| Aggregate Operations Regulatory Fund | 0146 | 398,900 | 233,412 | 10,258 | 243,670 | - | 155,230 |
| Coal Mining Regulatory Fund | 0147 | 6,443,400 | 3,008,505 | 307,593 | 3,316,098 | - | 3,127,302 |
| Abandoned Mined Land | | | | | | | |
| Reclamation Set-Aside Fund | 0257 | 1,500,000 | - | - | - | - | 1,500,000 |
| Underground Resource Conservation | | | | | | | |
| Enforcement Trust Fund | 0261 | 997,400 | 620,714 | 37,626 | 658,340 | - | 339,060 |
| State Furbearer Fund | 0293 | 238,037 | 79,530 | - | 79,530 | 139,037 | 19,470 |
| Natural Areas Acquisition Fund | 0298 | 27,188,428 | 5,880,526 | 785,075 | 6,665,601 | 15,635,128 | 4,887,699 |
| Open Space Lands Acquisition | | | | | | | |
| and Development Fund | 0299 | 113,382,631 | 26,257,757 | 43,853 | 26,301,610 | - | 87,081,021 |
| State Pheasant Fund | 0353 | 1,120,466 | 205,304 | - | 205,304 | 625,466 | 289,696 |
| Natural Heritage Fund | 0375 | 75,200 | 42,877 | 20,633 | 63,510 | - | 11,690 |
| Illinois Habitat Fund | 0391 | 5,538,867 | 905,114 | - | 905,114 | 4,098,867 | 534,886 |
| Flood Control Land Lease Fund | 0443 | 800,000 | 800,000 | - | 800,000 | - | - |
| Land and Water Recreation Fund | 0465 | 25,381,481 | - | - | - | 19,181,481 | 6,200,000 |
| Wildlife Prairie Park Fund | 0504 | 100,000 | - | - | - | - | 100,000 |
| Off Highway Vehicle Traits Fund | 0574 | 2,269,969 | 455,345 | - | 455,345 | 1,669,969 | 144,655 |
| Conservation 2000 Fund | 0608 | 20,820,472 | 2,296,652 | 125,039 | 2,421,691 | 15,224,372 | 3,174,409 |
| Conservation 2000 Projects Fund | 0609 | 3,557,716 | 341,922 | - | 341,922 | - | 3,215,794 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2010

Fourteen Months Ended August 31, 2010

PUBLIC ACT 96-0035, 96-0039, 96-0042, 96-0046

| <u>FUND NAME- ALL FUNDS</u> | | | <u>Expenditures</u> | <u>Lapse Period</u> | | <u>Approximate</u> | |
|--|---------------|---------------------------|-----------------------|------------------------|-----------------------|-----------------------|-----------------------|
| <u>APPROPRIATED FUNDS</u> | <u>Fund</u> | <u>Appropriations</u> | <u>Through</u> | <u>Expenditures</u> | <u>July 1 to</u> | <u>Total</u> | <u>Approximate</u> |
| | <u>Number</u> | <u>(Net of Transfers)</u> | <u>June 30, 2010</u> | <u>August 31, 2010</u> | <u>Expenditures</u> | <u>Expenditures</u> | <u>Balances</u> |
| | | | | | | | <u>Reappropriated</u> |
| | | | | | | | <u>July 1, 2010</u> |
| | | | | | | | <u>Approximate</u> |
| | | | | | | | <u>Balances</u> |
| | | | | | | | <u>Lapsed</u> |
| Federal Title IV Fire Protection Assistance Fund | 0670 | 1,317,553 | 365,549 | - | 365,549 | - | 952,004 |
| Federal Surface Mining Control and Reclamation Fund | 0765 | 3,914,600 | 2,367,661 | 355,225 | 2,722,886 | - | 1,191,714 |
| Restoration Trust Fund | 0831 | 1,400,000 | 142,529 | 50,875 | 193,404 | - | 1,206,596 |
| National Flood Insurance Program Fund | 0855 | 711,200 | 284,394 | 25,929 | 310,323 | - | 400,877 |
| Land Reclamation Fund | 0858 | 350,000 | - | - | - | - | 350,000 |
| Snowmobile Trail Establishment Fund | 0866 | 167,402 | 60,782 | - | 60,782 | 87,402 | 19,218 |
| Drug Traffic Prevention Fund | 0878 | 25,000 | 114 | - | 114 | - | 24,886 |
| DNR Special Projects Fund | 0884 | 250,000 | 250,000 | - | 250,000 | - | - |
| DNR Federal Projects Fund | 0894 | 17,266,500 | 1,622,533 | 596,128 | 2,218,661 | - | 15,047,839 |
| Illinois Forestry Development Fund | 0905 | 27,175,721 | 1,195,540 | 84,699 | 1,280,239 | 8,770,321 | 17,125,161 |
| Illinois Wildlife Preservation Fund | 0909 | 4,728,318 | 574,212 | - | 574,212 | 1,528,318 | 2,625,788 |
| State Migratory Waterfowl Stamp Fund | 0953 | 3,202,136 | 252,174 | 288,000 | 540,174 | 2,414,436 | 247,526 |
| Park and Conservation Fund | 0962 | 58,637,198 | 16,767,936 | 1,457,651 | 18,225,587 | 31,924,798 | 8,486,813 |
| Build Illinois Bond Fund | 0971 | 158,000,000 | - | - | - | - | 158,000,000 |
| Illinois Beach Marina Fund | 0982 | 3,684,962 | 1,703,892 | 236,774 | 1,940,666 | 1,124,062 | 620,234 |
| Abandoned Mined Lands Reclamation Council Federal Trust Fund | 0991 | 26,171,777 | 8,521,370 | 172,232 | 8,693,602 | 15,582,877 | 1,895,298 |
| TOTALS - ALL APPROPRIATED FUNDS | | <u>\$ 1,051,343,436</u> | <u>\$ 205,927,739</u> | <u>\$ 14,310,242</u> | <u>\$ 220,237,981</u> | <u>\$ 242,274,570</u> | <u>\$ 588,830,885</u> |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2010

Fourteen Months Ended August 31, 2010

PUBLIC ACT 96-0035, 96-0039, 96-0042, 96-0046

| <u>FUND NAME- ALL FUNDS</u> | | | <u>Expenditures Through June 30, 2010</u> | <u>Lapse Period Expenditures July 1 to August 31, 2010</u> | <u>Approximate Total Expenditures</u> | <u>Approximate Balances Reappropriated July 1, 2010</u> | <u>Approximate Balances Lapsed</u> |
|-----------------------------------|------------------------|--|---|--|---|---|--|
| <u>APPROPRIATED FUNDS</u> | <u>Fund Number</u> | <u>Appropriations (Net of Transfers)</u> | | | | | |
| <u>NON-APPROPRIATED FUNDS</u> | | | | | | | |
| DNR Special Projects Fund | 0884 | N/A | \$ 200,728 | \$ 140,802 | 341,530 | N/A | N/A |
| DNR Federal Projects Fund | 0894 | N/A | 902,011 | 1,031,246 | 1,933,257 | N/A | N/A |
| TOTALS-ALL NON-APPROPRIATED FUNDS | | | <u>\$ 1,102,739</u> | <u>\$ 1,172,048</u> | <u>\$ 2,274,787</u> | | |
| GRAND TOTAL- ALL FUNDS | | <u>\$ 1,051,343,436</u> | <u>\$ 207,030,478</u> | <u>\$ 15,482,290</u> | <u>\$222,512,768</u> | <u>\$ 242,274,570</u> | <u>\$ 588,830,885</u> |

- Notes: 1) All data in this schedule has been obtained from State Comptroller records which has been reconciled to those of the Department.
 2) Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.
 3) Approximate lapse period expenditures do not include interest payments approved for payment by the Agency and submitted to the Comptroller for payment after August.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2009

Fourteen Months Ended August 31, 2009

PUBLIC ACT 95-0731, 95-0734

| <u>FUND NAME- ALL FUNDS</u> | | | <u>Expenditures</u> | <u>Lapse Period</u> | | <u>Balances</u> | |
|---|---------------|---------------------------|----------------------|------------------------|---------------------|-----------------------|-----------------|
| <u>APPROPRIATED FUNDS</u> | <u>Fund</u> | <u>Appropriations</u> | <u>Through</u> | <u>Expenditures</u> | <u>Total</u> | <u>Reappropriated</u> | <u>Balances</u> |
| | <u>Number</u> | <u>(Net of Transfers)</u> | <u>June 30, 2009</u> | <u>July 1 to</u> | <u>Expenditures</u> | <u>July 1, 2009</u> | <u>Lapsed</u> |
| | | | | <u>August 31, 2009</u> | | | |
| General Revenue Fund | 0001 | \$ 51,947,008 | \$ 46,293,890 | \$ 2,715,448 | \$ 49,009,338 | \$ - | \$ 2,937,670 |
| State Boating Act Fund | 0039 | 22,047,552 | 9,557,733 | 638,382 | 10,196,115 | 5,436,007 | 6,415,430 |
| State Parks Fund | 0040 | 15,817,588 | 8,031,198 | 1,175,212 | 9,206,410 | 2,913,958 | 3,697,220 |
| Wildlife and Fish Fund | 0041 | 74,138,255 | 52,629,636 | 5,020,532 | 57,650,168 | 1,502,011 | 14,986,076 |
| Salmon Fund | 0042 | 312,835 | 286,997 | 14,235 | 301,232 | - | 11,603 |
| Mines and Minerals UIC Fund | 0077 | 474,675 | 340,932 | 52,113 | 393,045 | - | 81,630 |
| Forest Reserve Fund | 0086 | 500,000 | 118,165 | - | 118,165 | - | 381,835 |
| Plugging and Restoration Fund | 0137 | 1,706,080 | 508,083 | 21,448 | 529,531 | - | 1,176,549 |
| Capital Development Fund | 0141 | 109,406,452 | 7,981,032 | - | 7,981,032 | 46,366,908 | 55,058,512 |
| Explosives Regulatory Fund | 0145 | 122,400 | 119,089 | - | 119,089 | - | 3,311 |
| Aggregate Operations Regulatory Fund | 0146 | 357,300 | 176,701 | - | 176,701 | - | 180,599 |
| Coal Mining Regulatory Fund | 0147 | 520,800 | 175,463 | 193,713 | 369,176 | - | 151,624 |
| Abandoned Mined Lands Reclamation Reclamation Set-Aside Fund | 257 | 1,500,000 | - | - | - | - | 1,500,000 |
| Underground Resource Conservation Enforcement Trust Fund | 0261 | 879,800 | 597,505 | 16,057 | 613,562 | - | 266,238 |
| State Furbearer Fund | 0293 | 283,161 | 133,124 | - | 133,124 | 139,037 | 11,000 |
| Natural Areas Acquisition Fund | 0298 | 31,290,308 | 13,028,083 | 1,495,225 | 14,523,308 | 7,250,787 | 9,516,213 |
| Open Space Lands Acquisition and Development Fund | 0299 | 122,135,267 | 26,953,439 | 48,001 | 27,001,440 | - | 95,133,827 |
| State Pheasant Fund | 0353 | 1,133,616 | 453,499 | 49,124 | 502,623 | 583,616 | 47,377 |
| Natural Heritage Fund | 0375 | 75,200 | 25,342 | 12,432 | 37,774 | - | 37,426 |
| Illinois Habitat Fund | 0391 | 4,734,221 | 632,740 | 2,615 | 635,355 | 3,134,221 | 964,645 |
| Flood Control Land Lease Fund | 0443 | 800,000 | 799,966 | - | 799,966 | - | 34 |
| Land and Water Recreation Fund | 0465 | 21,831,481 | 2,650,000 | - | 2,650,000 | - | 19,181,481 |
| Wildlife Prairie Park Fund | 0504 | 100,000 | 59,436 | - | 59,436 | - | 40,564 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2009

Fourteen Months Ended August 31, 2009

PUBLIC ACT 95-0731, 95-0734

| FUND NAME- ALL FUNDS | | | Expenditures | Lapse Period | | Balances | |
|---|-------------|--------------------------------------|--------------------------|--|-----------------------|--------------------------------|-----------------------|
| APPROPRIATED FUNDS | Fund Number | Appropriations (Net of Transfers) | Through June 30, 2009 | Expenditures July 1 to August 31, 2009 | Total Expenditures | Reappropriated July 1, 2009 | Balances Lapsed |
| Off Highway Vehicle Trails Fund | 0574 | 2,428,916 | 758,948 | - | 758,948 | - | 1,669,968 |
| Conservation 2000 Fund | 0608 | 21,767,547 | 5,765,458 | 183,827 | 5,949,285 | - | 15,818,262 |
| Conservation 2000 Projects Fund | 0609 | 4,279,585 | 721,870 | - | 721,870 | 4,279,585 | (721,870) |
| Federal Title IV Fire Protection Assistance Fund | 0670 | 1,040,740 | 48,187 | - | 48,187 | - | 992,553 |
| FY09 Budget Relief Fund | 0678 | 11,350,000 | 10,817,752 | 296,662 | 11,114,414 | - | 235,586 |
| Federal Surface Mining Control and Reclamation Fund | 0765 | 3,638,400 | 2,249,494 | 407,084 | 2,656,578 | - | 981,822 |
| Restoration Trust Fund | 0831 | 1,400,000 | 156,671 | 14,219 | 170,890 | - | 1,229,110 |
| National Flood Insurance Program Fund | 0855 | 480,700 | 292,536 | 13,336 | 305,872 | - | 174,828 |
| Land Reclamation Fund | 0858 | 350,000 | - | - | - | - | 350,000 |
| Snowmobile Trail Establishment Fund | 0866 | 162,706 | 75,304 | - | 75,304 | - | 87,402 |
| Drug Traffic Prevention Fund | 0878 | 25,000 | 8,977 | 1,428 | 10,405 | - | 14,595 |
| DNR Special Projects Fund | 0884 | 12,961,022 | 193,627 | - | 193,627 | - | 12,767,395 |
| DNR Federal Projects Fund | 0894 | 9,795,043 | 2,028,102 | 425,154 | 2,453,256 | - | 7,341,787 |
| Illinois Forestry Development Fund | 0905 | 11,659,311 | 2,307,484 | 172,141 | 2,479,625 | - | 9,179,686 |
| Illinois Wildlife Preservation Fund | 0909 | 2,067,264 | 538,946 | - | 538,946 | - | 1,528,318 |
| JJ Wolf Memorial Conservation Investigation Fund | 0931 | 30,000 | - | - | - | - | 30,000 |
| State Migratory Waterfowl Stamp Fund | 0953 | 3,313,957 | 529,822 | 362,000 | 891,822 | 2,414,136 | 7,999 |
| Park and Conservation Fund | 0962 | 49,697,683 | 15,321,575 | 1,232,635 | 16,554,210 | 14,096,307 | 19,047,166 |
| Build Illinois Bond Fund | 0971 | 286,394 | - | - | - | - | 286,394 |
| Illinois Beach Marina Fund | 0982 | 3,404,307 | 1,940,600 | 232,208 | 2,172,808 | 953,106 | 278,393 |
| Abandoned Mined Lands Reclamation Council Federal Trust Fund | 0991 | 24,913,411 | 8,432,805 | 152,673 | 8,585,478 | - | 16,327,933 |
| TOTALS - ALL APPROPRIATED FUNDS | | <u>\$ 627,165,985</u> | <u>\$223,740,211</u> | <u>\$ 14,947,904</u> | <u>\$ 238,688,115</u> | <u>\$ 89,069,679</u> | <u>\$ 299,408,191</u> |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
APPROPRIATIONS FOR FISCAL YEAR 2009

Fourteen Months Ended August 31, 2009

PUBLIC ACT 95-0731, 95-0734

| <u>FUND NAME- ALL FUNDS</u> | <u>Fund Number</u> | <u>Appropriations (Net of Transfers)</u> | <u>Expenditures Through June 30, 2009</u> | <u>Lapse Period Expenditures July 1 to August 31, 2009</u> | <u>Total Expenditures</u> | <u>Balances Reappropriated July 1, 2009</u> | <u>Balances Lapsed</u> |
|---|--------------------|--|---|--|-------------------------------|---|----------------------------|
| <u>APPROPRIATED FUNDS</u> | | | | | | | |
| | | | | | | | |
| <u>NON-APPROPRIATED FUNDS</u> | | | | | | | |
| DNR Special Projects Funds | 0884 | N/A | \$ 2,021,235 | \$ 279,378 | \$ 2,300,613 | N/A | N/A |
| DNR Federal Projects Funds | 0894 | N/A | 1,044,321 | 238,200 | \$ 1,282,521 | N/A | N/A |
| J.J. Wolf Memorial for Conservation Investigation Fund | 0931 | N/A | 125 | - | 125 | N/A | N/A |
| TOTALS-ALL NON-APPROPRIATED FUNDS | | | <u>\$ 3,065,681</u> | <u>\$ 517,578</u> | <u>\$ 3,583,259</u> | | |
| GRAND TOTAL- ALL FUNDS | | <u>\$ 627,165,985</u> | <u>\$226,805,892</u> | <u>\$ 15,465,482</u> | <u>\$ 242,271,374</u> | <u>\$ 89,069,679</u> | <u>\$ 299,408,191</u> |

Notes: 1) All data in this schedule has been obtained from State Comptroller records which has been reconciled to those of the Department.
2) Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

| | Fiscal Year | | |
|--|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>GENERAL REVENUE FUND - 0001</u> | | | |
| Appropriations (net of transfers) | \$ 54,940,000 | \$ 51,947,008 | \$ 84,628,502 |
| Expenditures: | | | |
| Personal services | 35,582,895 | 30,937,841 | 51,941,685 |
| State contributions to State Employees' Retirement System | 2,242,835 | 1,974,216 | 6,143,708 |
| State contributions to Social Security | - | 6,525,805 | 2,548,081 |
| Contractual services | - | 4,453,957 | 6,608,557 |
| Postage | - | 48,700 | - |
| Conferences, vendor payments | - | 6,600 | 6,600 |
| Travel | 230 | 173,486 | 310,403 |
| Commodities | - | 665,840 | 1,154,572 |
| Printing | - | 37,182 | 56,837 |
| Equipment | - | 45,087 | 155,818 |
| Electronic data processing | - | 822,046 | 822,483 |
| Telecommunications | - | 1,012,136 | 1,249,557 |
| Operation of automotive equipment | 1,379,313 | 1,068,504 | 1,395,349 |
| Lump sums | 9,968,196 | 1,237,938 | 2,395,632 |
| Lump sums operations | - | - | 2,888,069 |
| Permanent improvements, lump sum & other purposes | - | - | 644,681 |
| Total expenditures | <u>49,173,469</u> | <u>49,009,338</u> | <u>78,322,032</u> |
| Lapsed balances | <u>\$ 5,766,531</u> | <u>\$ 2,937,670</u> | <u>\$ 6,306,470</u> |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

| | Fiscal Year | | |
|--|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| STATE BOATING ACT FUND - 0039 | | | |
| Appropriations (net of transfers) | \$ 26,196,785 | \$ 22,047,552 | \$ 21,043,689 |
| Expenditures: | | | |
| Personal services | 4,873,007 | 4,553,703 | 4,543,443 |
| State contributions to State Employees' Retirement System | 231,615 | 213,642 | 753,049 |
| State contributions to Social Security | 1,139,800 | 1,166,026 | 201,774 |
| Group insurance | 1,383,802 | 959,743 | 1,088,742 |
| Contractual services | 652,952 | 663,263 | 801,311 |
| Postage | 25,000 | 25,000 | - |
| Travel | 13,374 | 12,844 | 6,767 |
| Commodities | 95,647 | 72,443 | 74,285 |
| Printing | 154,330 | 150,992 | 158,178 |
| Equipment | 203,424 | 50,194 | 157,689 |
| Electronic data processing | 101,600 | 101,600 | 101,600 |
| Telecommunications | 211,972 | 141,880 | 135,145 |
| Operation of automotive equipment | 224,056 | 220,824 | 186,084 |
| Lump sums | 438,215 | 706,202 | 713,362 |
| Lump sums operations | 56,570 | 42,951 | 201,244 |
| Awards and grants | 150,000 | 150,000 | 150,000 |
| Awards & grants, lump sum & other purposes | 1,106,097 | 713,920 | 517,804 |
| Permanent improvements, lump sum & other purposes | 771,626 | 242,909 | 1,110,068 |
| Refunds | 7,209 | 7,979 | 7,935 |
| Total expenditures | <u>11,840,296</u> | <u>10,196,115</u> | <u>10,908,480</u> |
| Reappropriations | <u>10,635,285</u> | <u>5,436,007</u> | <u>9,172,113</u> |
| Lapsed balances | <u>\$ 3,721,204</u> | <u>\$ 6,415,430</u> | <u>\$ 963,096</u> |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

| | Fiscal Year | | |
|--|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| STATE PARKS FUND - 0040 | | | |
| Appropriations (net of transfers) | \$ 21,369,820 | \$ 15,817,588 | \$ 20,541,396 |
| Expenditures: | | | |
| Personal services | 2,588,747 | 2,851,079 | 1,955,350 |
| State contributions to State Employees' Retirement System | 174,681 | 161,545 | 325,159 |
| State contributions to Social Security | 636,795 | 724,169 | 100,789 |
| Group insurance | 741,592 | 603,444 | 503,101 |
| Contractual services | 1,567,760 | 1,587,330 | 1,689,678 |
| Travel | 10,306 | 9,188 | 14,627 |
| Commodities | 437,281 | 402,556 | 440,207 |
| Equipment | 183,285 | 190,936 | 70,085 |
| Electronic data processing | 22,300 | 22,300 | 22,300 |
| Telecommunications | 229,308 | 229,588 | 255,084 |
| Operation of automotive equipment | 298,654 | 288,830 | 257,440 |
| Lump sums | 1,771,985 | 1,555,698 | 2,355,407 |
| Lump sums operations | 24,956 | 27,600 | 42,223 |
| Permanent improvements, lump sum & other purposes | 604,919 | 521,697 | 675,080 |
| Refunds | 25,134 | 30,450 | 24,301 |
| Total expenditures | <u>9,317,703</u> | <u>9,206,410</u> | <u>8,730,831</u> |
| Reappropriations | <u>2,959,420</u> | <u>2,913,958</u> | <u>2,913,958</u> |
| Lapsed balances | <u>\$ 9,092,697</u> | <u>\$ 3,697,220</u> | <u>\$ 8,896,607</u> |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

| | Fiscal Year | | |
|---|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| WILDLIFE AND FISH FUND - 0041 | | | |
| Appropriations (net of transfers) | \$ 85,582,420 | \$ 74,138,255 | \$ 67,378,281 |
| Expenditures: | | | |
| Personal services | 24,702,877 | 24,633,346 | 23,221,836 |
| State contributions to State | | | |
| Employees' Retirement System | 1,611,884 | 1,566,277 | 3,854,632 |
| State contributions to Social Security | 5,688,457 | 5,945,644 | 1,450,802 |
| Group insurance | 7,033,123 | 5,204,135 | 5,720,951 |
| Contractual services | 3,592,334 | 3,767,659 | 3,145,709 |
| Legal fees | 12,183 | - | - |
| Postage | 25,000 | 25,000 | - |
| Travel | 93,526 | 81,314 | 129,503 |
| Commodities | 2,006,184 | 1,783,411 | 1,876,446 |
| Printing | 235,425 | 253,088 | 263,984 |
| Equipment | 554,261 | 520,014 | 1,311,579 |
| Electronic data processing | 891,800 | 891,800 | 891,800 |
| Telecommunications | 345,207 | 349,306 | 283,010 |
| Operation of automotive equipment | 901,888 | 898,673 | 1,042,143 |
| Lump sums | 11,960,697 | 9,121,704 | 6,929,027 |
| Lump sums operations | 1,065,628 | 1,375,689 | 716,306 |
| Awards and grants | 18,346 | - | - |
| Awards & grants, lump sum & other purposes | 137,158 | 100,000 | 101,275 |
| Permanent improvements, lump sum & other purposes | 612,179 | 356,332 | 776,637 |
| Refunds | 625,433 | 776,776 | 719,397 |
| Total expenditures | <u>62,113,590</u> | <u>57,650,168</u> | <u>52,435,037</u> |
| Reappropriations | <u>10,851,520</u> | <u>1,502,011</u> | <u>10,072,431</u> |
| Lapsed balances | <u>\$ 12,617,310</u> | <u>\$ 14,986,076</u> | <u>\$ 4,870,813</u> |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

| | Fiscal Year | | |
|--|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>SALMON FUND - 0042</u> | | | |
| Appropriations (net of transfers) | \$ 381,700 | \$ 312,835 | \$ 308,200 |
| Expenditures: | | | |
| Personal services | 222,922 | 202,208 | 198,159 |
| State contributions to State | | | |
| Employees' Retirement System | 16,896 | 15,331 | 33,303 |
| State contributions to Social Security | 39,643 | 40,526 | 15,034 |
| Group insurance | 64,119 | 43,167 | 41,192 |
| Contractual services | 19,822 | - | 2,891 |
| Total expenditures | <u>363,402</u> | <u>301,232</u> | <u>290,579</u> |
| Lapsed balances | <u>\$ 18,298</u> | <u>\$ 11,603</u> | <u>\$ 17,621</u> |
| <u>MINES AND MINERALS UIC FUND - 0077</u> | | | |
| Appropriations (net of transfers) | \$ 386,900 | \$ 474,675 | \$ 326,400 |
| Expenditures: | | | |
| Personal services | 125,912 | 249,126 | 174,511 |
| State contributions to State | | | |
| Employees' Retirement System | 9,346 | 18,446 | 28,907 |
| State contributions to Social Security | 28,340 | 73,023 | 12,885 |
| Group insurance | 35,742 | 52,450 | 50,111 |
| Equipment | - | - | 20,000 |
| Total expenditures | <u>199,340</u> | <u>393,045</u> | <u>286,414</u> |
| Lapsed balances | <u>\$ 187,560</u> | <u>\$ 81,630</u> | <u>\$ 39,986</u> |
| <u>FOREST RESERVE FUND - 0086</u> | | | |
| Appropriations (net of transfers) | \$ 500,000 | \$ 500,000 | \$ 500,000 |
| Expenditures: | | | |
| Awards & grants, lump sum & other purposes | 113,755 | 118,165 | 303,623 |
| Total expenditures | <u>113,755</u> | <u>118,165</u> | <u>303,623</u> |
| Lapsed balances | <u>\$ 386,245</u> | <u>\$ 381,835</u> | <u>\$ 196,377</u> |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

| | Fiscal Year | | |
|--|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>TOXIC POLLUTION PREVENTION FUND - 0111</u> | | | |
| Appropriations (net of transfers) | \$ - | \$ - | \$ 89,700 |
| Expenditures: | | | |
| Lump sums | - | - | 23,361 |
| Total expenditures | - | - | 23,361 |
| Lapsed balances | \$ - | \$ - | \$ 66,339 |
| <u>PLUGGING AND RESTORATION FUND - 0137</u> | | | |
| Appropriations (net of transfers) | \$ 1,753,866 | \$ 1,706,080 | \$ 1,656,200 |
| Expenditures: | | | |
| Personal services | 75,415 | 261,146 | 245,177 |
| State contributions to State | | | |
| Employees' Retirement System | 5,601 | 19,433 | 40,610 |
| State contributions to Social Security | 15,423 | 61,288 | 18,241 |
| Group insurance | 21,410 | 54,983 | 55,592 |
| Equipment | 2,030 | 21,045 | 247 |
| Travel | 95 | - | - |
| Commodities | 91 | - | - |
| Operation of automotive equipment | - | 10,055 | 41,162 |
| Lump sums | 145,537 | 101,581 | 94,144 |
| Refunds | - | - | 150 |
| Total expenditures | 265,602 | 529,531 | 495,323 |
| Lapsed balances | \$ 1,488,264 | \$ 1,176,549 | \$ 1,160,877 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

| | Fiscal Year | | |
|---|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>CAPITAL DEVELOPMENT FUND - 0141</u> | | | |
| Appropriations (net of transfers) | \$ 343,286,811 | \$ 109,406,452 | \$ 123,001,044 |
| Expenditures: | | | |
| Equipment | | | |
| Lump sums | 462,413 | 384,923 | 852,494 |
| Construction grants | 1,500,000 | 1,472,673 | 3,044,727 |
| Awards & grants, lump sum & other purposes | 1,783,471 | 4,054,485 | 3,943,285 |
| Permanent improvements | 857,553 | 355,570 | 309,090 |
| Permanent improvements, lump sum & other purposes | 164,440 | 9,301 | 1,514,412 |
| Highway and waterway construction | 2,144,343 | 1,704,080 | 3,930,587 |
| Total expenditures | <u>6,912,220</u> | <u>7,981,032</u> | <u>13,594,595</u> |
| Reappropriations | <u>99,821,811</u> | <u>46,366,908</u> | <u>109,406,449</u> |
| Lapsed balances | <u>\$ 236,552,780</u> | <u>\$ 55,058,512</u> | <u>\$ -</u> |
| <u>EXPLOSIVES REGULATORY FUND - 0145</u> | | | |
| Appropriations (net of transfers) | \$ 129,800 | \$ 122,400 | \$ 109,000 |
| Expenditures: | | | |
| Lump sums | 104,670 | 119,089 | 91,803 |
| Total expenditures | <u>104,670</u> | <u>119,089</u> | <u>91,803</u> |
| Lapsed balances | <u>\$ 25,130</u> | <u>\$ 3,311</u> | <u>\$ 17,197</u> |
| <u>AGGREGATE OPERATIONS REGULATORY FUND - 0146</u> | | | |
| Appropriations (net of transfers) | \$ 398,900 | \$ 357,300 | \$ 290,800 |
| Expenditures: | | | |
| Commodities | 2,291 | 2,296 | 1,392 |
| Telecommunications | - | 16,000 | 16,000 |
| Lump sums | 241,379 | 158,405 | 222,828 |
| Total expenditures | <u>243,670</u> | <u>176,701</u> | <u>240,220</u> |
| Lapsed balances | <u>\$ 155,230</u> | <u>\$ 180,599</u> | <u>\$ 50,580</u> |

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| | Fiscal Year | | |
|--|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>COAL MINING REGULATORY FUND - 0147</u> | | | |
| Appropriations (net of transfers) | 6,443,400 | \$ 520,800 | \$ 471,300 |
| Expenditures: | | | |
| Lump sums | 3,316,098 | 369,176 | 96,604 |
| Total expenditures | 3,316,098 | 369,176 | 96,604 |
| Lapsed balances | \$ 3,127,302 | \$ 151,624 | \$ 374,696 |
| <u>EMERGENCY PUBLIC HEALTH FUND - 0240</u> | | | |
| Appropriations (net of transfers) | \$ - | \$ - | \$ 200,000 |
| Expenditures: | | | |
| Lump sums | - | - | 199,983 |
| Total expenditures | - | - | 199,983 |
| Lapsed balances | \$ - | \$ - | \$ 17 |
| <u>ABANDONED MINED LAND RECLAMATION SET-ASIDE FUND - 0257</u> | | | |
| Appropriations (net of transfers) | \$ 1,500,000 | \$ 1,500,000 | \$ 1,500,000 |
| Lapsed balances | \$ 1,500,000 | \$ 1,500,000 | \$ 1,500,000 |

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| | Fiscal Year | | |
|---|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>UNDERGROUND RESOURCE CONSERVATION ENFORCEMENT TRUST FUND - 0261</u> | | | |
| Appropriations (net of transfers) | \$ 997,400 | \$ 879,800 | \$ 837,200 |
| Expenditures: | | | |
| Personal services | 311,896 | 276,082 | 308,999 |
| State contributions to State Employees' Retirement System | 88,526 | 20,339 | 51,177 |
| State contributions to Social Security | 22,979 | 89,884 | 22,530 |
| Group insurance | 104,698 | 58,122 | 95,102 |
| Contractual services | 43,977 | 66,365 | 68,298 |
| Travel | 1,063 | 2,323 | 909 |
| Commodities | 4,415 | 5,256 | 1,864 |
| Printing | 565 | 550 | 1,115 |
| Equipment | 12,523 | 23,859 | 47,563 |
| Electronic data processing | 2,675 | 360 | 235 |
| Telecommunications | 10,615 | 11,779 | 11,009 |
| Operation of automotive equipment | 51,808 | 53,893 | 45,000 |
| Refunds | 2,600 | 4,750 | 1,029 |
| Total expenditures | <u>658,340</u> | <u>613,562</u> | <u>654,830</u> |
| Lapsed balances | <u>\$ 339,060</u> | <u>\$ 266,238</u> | <u>\$ 182,370</u> |
| <u>STATE FURBEARER FUND - 0293</u> | | | |
| Appropriations (net of transfers) | \$ 238,037 | \$ 283,161 | \$ 259,234 |
| Expenditures: | | | |
| Permanent improvements, lump sum & other purposes | 79,530 | 133,124 | 86,073 |
| Total expenditures | <u>79,530</u> | <u>133,124</u> | <u>86,073</u> |
| Reappropriations | <u>139,037</u> | <u>139,037</u> | <u>173,161</u> |
| Lapsed balances | <u>\$ 19,470</u> | <u>\$ 11,000</u> | <u>\$ -</u> |
| <u>USED TIRE MANAGEMENT FUND - 0294</u> | | | |
| Appropriations (net of transfers) | \$ - | \$ - | \$ 200,000 |
| Expenditures: | | | |
| Lump sums | - | - | 200,000 |
| Total expenditures | <u>-</u> | <u>-</u> | <u>200,000</u> |
| Lapsed balances | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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| | Fiscal Year | | |
|--|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>NATURAL AREAS ACQUISITION FUND - 0298</u> | | | |
| Appropriations (net of transfers) | \$ 27,188,428 | \$ 31,290,308 | \$ 28,072,565 |
| Expenditures: | | | |
| Personal services | 1,008,621 | 1,279,440 | 1,288,453 |
| State contributions to State | | | |
| Employees' Retirement System | 286,820 | 94,651 | 214,046 |
| State contributions to Social Security | 74,355 | 295,948 | 94,911 |
| Group insurance | 208,967 | 270,055 | 303,989 |
| Contractual services | 61,714 | 63,019 | 59,866 |
| Travel | 11,736 | 14,530 | 20,313 |
| Commodities | 32,132 | 40,060 | 39,957 |
| Equipment | 82,455 | 93,533 | 98,676 |
| Electronic data processing | - | 23,000 | 23,000 |
| Telecommunications | 25,351 | 34,196 | 34,200 |
| Operation of automotive equipment | 43,794 | 68,992 | 57,700 |
| Lump sums | 2,375,675 | 3,895,034 | 3,008,459 |
| Lump sums operations | 1,644,933 | 1,465,191 | 1,353,074 |
| Permanent improvements, lump sum & other purposes | 809,048 | 6,885,659 | 4,957,091 |
| Total expenditures | <u>6,665,601</u> | <u>14,523,308</u> | <u>11,553,735</u> |
| Reappropriations | 15,635,128 | 7,250,787 | 7,250,787 |
| Lapsed balances | <u>\$ 4,887,699</u> | <u>\$ 9,516,213</u> | <u>\$ 9,268,043</u> |
| <u>OPEN SPACE LANDS ACQUISITION AND DEVELOPMENT FUND - 0299</u> | | | |
| Appropriations (net of transfers) | \$ 113,382,631 | \$ 122,135,267 | \$ 116,285,953 |
| Expenditures: | | | |
| Lump sums | 1,200,538 | 1,132,504 | 1,170,126 |
| Awards & grants, lump sum & other purposes | 25,101,072 | 25,868,936 | 18,132,487 |
| Total expenditures | <u>26,301,610</u> | <u>27,001,440</u> | <u>19,302,613</u> |
| Reappropriations | - | - | 86,789,467 |
| Lapsed balances | <u>\$ 87,081,021</u> | <u>\$ 95,133,827</u> | <u>\$ 10,193,873</u> |

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| | Fiscal Year | | |
|--|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>STATE PHEASANT FUND - 0353</u> | | | |
| Appropriations (net of transfers) | \$ 1,120,466 | \$ 1,133,616 | \$ 1,082,034 |
| Expenditures: | | | |
| Lump Sums | - | 49,473 | - |
| Permanent improvements, lump sum & other purposes | 205,304 | 453,150 | 498,419 |
| Total expenditures | 205,304 | 502,623 | 498,419 |
| Reappropriations | 625,466 | 583,616 | 583,615 |
| Lapsed balances | \$ 289,696 | \$ 47,377 | \$ - |
| <u>NATURAL HERITAGE FUND - 0375</u> | | | |
| Appropriations (net of transfers) | \$ 75,200 | \$ 75,200 | \$ 75,200 |
| Expenditures: | | | |
| Contractual services | 47,752 | 22,578 | 22,417 |
| Commodities | 15,758 | 15,196 | 14,742 |
| Total expenditures | 63,510 | 37,774 | 37,159 |
| Lapsed balances | \$ 11,690 | \$ 37,426 | \$ 38,041 |
| <u>ILLINOIS HABITAT FUND - 0391</u> | | | |
| Appropriations (net of transfers) | \$ 5,538,867 | \$ 4,734,221 | \$ 4,383,832 |
| Expenditures: | | | |
| Lump Sums | - | 160,000 | - |
| Permanent improvements, lump sum & other purposes | 905,114 | 475,355 | 1,249,612 |
| Total expenditures | 905,114 | 635,355 | 1,249,612 |
| Reappropriations | 4,098,867 | 3,134,221 | 3,134,220 |
| Lapsed balances | \$ 534,886 | \$ 964,645 | \$ - |
| <u>FLOOD CONTROL LAND LEASE FUND - 0443</u> | | | |
| Appropriations (net of transfers) | \$ 800,000 | \$ 800,000 | \$ 700,000 |
| Expenditures: | | | |
| Grants to local governments | 800,000 | 799,966 | 700,000 |
| Total expenditures | 800,000 | 799,966 | 700,000 |
| Lapsed balances | \$ - | \$ 34 | \$ - |

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| | Fiscal Year | | |
|--|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>LAND AND WATER RECREATION FUND - 0465</u> | | | |
| Appropriations (net of transfers) | \$ 25,381,481 | \$ 21,831,481 | \$ 30,391,878 |
| Expenditures: | | | |
| Awards & grants, lump sum & other purposes | - | 2,650,000 | 1,760,397 |
| Total expenditures | - | 2,650,000 | 1,760,397 |
| Reappropriations | 19,181,481 | - | 15,631,481 |
| Lapsed balances | \$ 6,200,000 | \$ 19,181,481 | \$ 13,000,000 |
| <u>WILDLIFE PRAIRIE PARK FUND - 0504</u> | | | |
| Appropriations (net of transfers) | \$ 100,000 | \$ 100,000 | \$ 100,000 |
| Expenditures: | | | |
| Lump sums | - | 59,436 | - |
| Total expenditures | - | 59,436 | - |
| Lapsed balances | \$ 100,000 | \$ 40,564 | \$ 100,000 |
| <u>OFF HIGHWAY VEHICLE TRAILS FUND - 0574</u> | | | |
| Appropriations (net of transfers) | 2,269,969 | \$ 2,428,916 | \$ 2,696,668 |
| Expenditures: | | | |
| Awards & grants, lump sum & other purposes | 455,345 | 758,948 | 867,753 |
| Total expenditures | 455,345 | 758,948 | 867,753 |
| Reappropriations | 1,669,969 | - | 1,828,915 |
| Lapsed balances | \$ 144,655 | \$ 1,669,968 | \$ - |

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| | Fiscal Year | | |
|---|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>CONSERVATION 2000 FUND - 0608</u> | | | |
| Appropriations (net of transfers) | \$ 20,820,472 | \$ 21,767,547 | \$ 18,211,032 |
| Expenditures: | | | |
| Personal Services | 42,396 | 38,949 | - |
| State contributions to State Employees' Retirement System | 3,104 | 2,865 | - |
| State contributions to Social Security | 14,136 | 12,648 | - |
| Group insurance | 12,034 | 8,200 | - |
| Lump sums | 2,350,021 | 5,886,623 | 2,766,985 |
| Lump sums operations | - | - | 59,845 |
| Total expenditures | <u>2,421,691</u> | <u>5,949,285</u> | <u>2,826,830</u> |
| Reappropriations | <u>15,224,372</u> | <u>-</u> | <u>15,369,347</u> |
| Lapsed balances | <u>\$ 3,174,409</u> | <u>\$ 15,818,262</u> | <u>\$ 14,855</u> |
| <u>CONSERVATION 2000 PROJECTS FUND - 0609</u> | | | |
| Appropriations (net of transfers) | \$ 3,557,716 | \$ 4,279,585 | \$ 5,292,388 |
| Expenditures: | | | |
| Permanent improvements, lump sum & other purposes | 341,922 | 721,870 | 1,012,803 |
| Total expenditures | <u>341,922</u> | <u>721,870</u> | <u>1,012,803</u> |
| Reappropriations | <u>-</u> | <u>4,279,585</u> | <u>4,279,585</u> |
| Lapsed balances | <u>\$ 3,215,794</u> | <u>\$ (721,870)</u> | <u>\$ -</u> |
| <u>FEDERAL TITLE IV FIRE PROTECTION ASSISTANCE FUND - 0670</u> | | | |
| Appropriations (net of transfers) | \$ 1,317,553 | \$ 1,040,740 | \$ 837,458 |
| Expenditures: | | | |
| Awards & grants, lump sum & other purposes | 365,549 | 48,187 | 121,719 |
| Total expenditures | <u>365,549</u> | <u>48,187</u> | <u>121,719</u> |
| Lapsed balances | <u>\$ 952,004</u> | <u>\$ 992,553</u> | <u>\$ 715,739</u> |

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| | Fiscal Year | | |
|--|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>FY09 Budget Relief Fund - 0678</u> | | | |
| Appropriations (net of transfers) | \$ - | \$ 11,350,000 | \$ - |
| Expenditures: | | | |
| Interfund Cash Transfer | - | 9,250,000 | - |
| Lump Sums | - | 1,864,414 | - |
| Total expenditures | - | 11,114,414 | - |
| Lapsed balances | \$ - | \$ 235,586 | \$ - |
| <u>FEDERAL SURFACE MINING CONTROL AND RECLAMATION FUND - 0765</u> | | | |
| Appropriations (net of transfers) | \$ 3,914,600 | \$ 3,638,400 | \$ 3,800,700 |
| Expenditures: | | | |
| Personal services | 1,257,513 | 1,215,241 | 1,131,284 |
| State contributions to State | | | |
| Employees' Retirement System | 90,538 | 86,772 | 183,825 |
| State contributions to Social Security | 281,167 | 288,319 | 80,873 |
| Group insurance | 350,721 | 249,798 | 280,993 |
| Contractual services | 278,965 | 379,167 | 361,531 |
| Postage | 12,500 | 12,500 | |
| Attorney Fees | 13,116 | 15,000 | |
| Travel | 5,573 | 7,870 | 8,444 |
| Commodities | 3,547 | 4,124 | 3,279 |
| Printing | - | 100 | - |
| Equipment | 59,289 | 59,290 | 81,465 |
| Electronic data processing | 184,800 | 131,280 | 126,822 |
| Telecommunications | 4,714 | 24,513 | 23,710 |
| Operation of automotive equipment | 34,358 | 25,216 | 27,286 |
| Lump sums | 146,085 | 157,388 | 172,283 |
| Lump sums operations | - | - | 34,452 |
| Total expenditures | 2,722,886 | 2,656,578 | 2,516,247 |
| Lapsed balances | \$ 1,191,714 | \$ 981,822 | \$ 1,284,453 |

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| | Fiscal Year | | |
|--|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>RESTORATION TRUST FUND - 0831</u> | | | |
| Appropriations (net of transfers) | \$ 1,400,000 | \$ 1,400,000 | \$ 1,400,000 |
| Expenditures: | | | |
| Lump sums | 193,404 | 170,890 | 187,225 |
| Total expenditures | 193,404 | 170,890 | 187,225 |
| Lapsed balances | \$ 1,206,596 | \$ 1,229,110 | \$ 1,212,775 |
| <u>HAZARDOUS WASTE RESEARCH FUND - 0840</u> | | | |
| Appropriations (net of transfers) | \$ - | \$ - | \$ 472,100 |
| Expenditures: | | | |
| Lump sums | - | - | 450,179 |
| Total expenditures | - | - | 450,179 |
| Lapsed balances | \$ - | \$ - | \$ 21,921 |
| <u>NATIONAL FLOOD INSURANCE PROGRAM FUND - 0855</u> | | | |
| Appropriations (net of transfers) | \$ 711,200 | \$ 480,700 | \$ 480,700 |
| Expenditures: | | | |
| Lump sums | 310,323 | 305,872 | 301,029 |
| Total expenditures | 310,323 | 305,872 | 301,029 |
| Lapsed balances | \$ 400,877 | \$ 174,828 | \$ 179,671 |

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| | Fiscal Year | | |
|--|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>LAND RECLAMATION FUND - 0858</u> | | | |
| Appropriations (net of transfers) | \$ 350,000 | \$ 350,000 | \$ 350,000 |
| Expenditures: | | | |
| Lump sums | - | - | 4,864 |
| Total expenditures | - | - | 4,864 |
| Lapsed balances | <u>\$ 350,000</u> | <u>\$ 350,000</u> | <u>\$ 345,136</u> |
| <u>SNOWMOBILE TRAIL ESTABLISHMENT FUND - 0866</u> | | | |
| Appropriations (net of transfers) | \$ 167,402 | \$ 162,706 | \$ 162,592 |
| Expenditures: | | | |
| Awards & grants, lump sum & other purposes | 60,782 | 75,304 | 79,886 |
| Total expenditures | 60,782 | 75,304 | 79,886 |
| Reappropriations | 87,402 | - | 82,706 |
| Lapsed balances | <u>\$ 19,218</u> | <u>\$ 87,402</u> | <u>\$ -</u> |
| <u>DRUG TRAFFIC PREVENTION FUND - 0878</u> | | | |
| Appropriations (net of transfers) | \$ 25,000 | \$ 25,000 | \$ 25,000 |
| Expenditures: | | | |
| Lump sums | 114 | 10,405 | 14,020 |
| Total expenditures | 114 | 10,405 | 14,020 |
| Lapsed balances | <u>\$ 24,886</u> | <u>\$ 14,595</u> | <u>\$ 10,980</u> |
| <u>DNR SPECIAL PROJECTS - 884</u> | | | |
| Appropriations (net of transfers) | \$ 250,000 | \$ 12,961,022 | \$ 1,300,000 |
| Expenditures: | | | |
| Lump sums | 250,000 | 193,627 | 1,298,657 |
| Total expenditures | 250,000 | 193,627 | 1,298,657 |
| Lapsed balances | <u>\$ -</u> | <u>\$ 12,767,395</u> | <u>\$ 1,343</u> |

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|--|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>DNR FEDERAL PROJECTS - 894</u> | | | |
| Appropriations (net of transfers) | \$ 17,266,500 | \$ 9,795,043 | \$ 6,162,000 |
| Expenditures: | | | |
| Lump sums | 2,218,661 | 2,453,256 | 2,574,599 |
| Awards & grants, lump sum & other purposes | - | - | - |
| Total expenditures | 2,218,661 | 2,453,256 | 2,574,599 |
| Lapsed balances | \$ 15,047,839 | \$ 7,341,787 | \$ 3,587,401 |
| <u>ILLINOIS FORESTRY DEVELOPMENT FUND - 0905</u> | | | |
| Appropriations (net of transfers) | \$ 27,175,721 | \$ 11,659,311 | \$ 5,799,107 |
| Expenditures: | | | |
| Equipment | - | 77,180 | 80,600 |
| Electronic Data Processing | 13,200 | 13,200 | 13,200 |
| Lump sums | 650,247 | 1,517,702 | 1,299,971 |
| Lump sums operations | 5,279 | 283 | 73,285 |
| Awards & grants | 395,262 | 376,123 | 257,722 |
| Awards & grants, lump sum & other purposes | 216,251 | 495,137 | 189,741 |
| Total expenditures | 1,280,239 | 2,479,625 | 1,914,519 |
| Reappropriations | 8,770,321 | - | 3,321,711 |
| Lapsed balances | \$ 17,125,161 | \$ 9,179,686 | \$ 562,877 |
| <u>ILLINOIS WILDLIFE PRESERVATION FUND - 0909</u> | | | |
| Appropriations (net of transfers) | \$ 4,728,318 | \$ 2,067,264 | \$ 1,879,205 |
| Expenditures: | | | |
| Lump sums | 574,212 | 538,946 | 311,941 |
| Total expenditures | 574,212 | 538,946 | 311,941 |
| Reappropriations | 1,528,318 | - | 1,567,264 |
| Lapsed balances | \$ 2,625,788 | \$ 1,528,318 | \$ - |

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|---|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>JJ WOLF MEMORIAL INVESTIGATIVE FUND - 0931</u> | | | |
| Appropriations (net of transfers) | \$ - | \$ 30,000 | \$ - |
| Expenditures: | | | |
| Interfund Cash Transfer | - | - | - |
| Total expenditures | - | - | - |
| Lapsed balances | \$ - | \$ 30,000 | \$ - |
| <u>STATE MIGRATORY WATERFOWL STAMP FUND - 0953</u> | | | |
| Appropriations (net of transfers) | \$ 3,202,136 | \$ 3,313,957 | \$ 3,239,185 |
| Expenditures: | | | |
| Lump Sums | - | 74,000 | - |
| Awards & grants | 144,000 | 144,000 | 160,000 |
| Grants to non-profit organizations | 144,000 | 144,000 | 160,000 |
| Permanent improvements, lump sum & other purposes | 252,174 | 529,822 | 425,229 |
| Total expenditures | 540,174 | 891,822 | 745,229 |
| Reappropriations | 2,414,436 | 2,414,136 | 2,493,956 |
| Lapsed balances | \$ 247,526 | \$ 7,999 | \$ - |
| <u>PARK AND CONSERVATION FUND - 0962</u> | | | |
| Appropriations (net of transfers) | \$ 58,637,198 | \$ 49,697,683 | \$ 46,763,202 |
| Expenditures: | | | |
| Equipment | | | |
| Lump sums | 12,104,734 | 11,488,909 | 10,275,025 |
| Lump sums operations | - | - | 158,664 |
| Construction grants | 3,071,052 | 2,146,169 | 1,042,665 |
| Permanent improvements, lump sum & other purposes | 3,049,801 | 2,919,132 | 3,350,692 |
| Total expenditures | 18,225,587 | 16,554,210 | 14,827,046 |
| Reappropriations | 31,924,798 | 14,096,307 | 30,500,983 |
| Lapsed balances | \$ 8,486,813 | \$ 19,047,166 | \$ 1,435,173 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

| | Fiscal Year | | |
|---|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>BUILD ILLINOIS BOND FUND - 0971</u> | | | |
| Appropriations (net of transfers) | \$ 158,000,000 | \$ 286,394 | \$ 1,678,752 |
| Expenditures: | | | |
| Lump sums | - | - | 143,003 |
| Awards & grants | - | - | 1,249,355 |
| Total expenditures | - | - | 1,392,358 |
| Reappropriations | - | - | 286,394 |
| Lapsed balances | \$ 158,000,000 | \$ 286,394 | \$ - |
| <u>ILLINOIS BEACH MARINA FUND - 0982</u> | | | |
| Appropriations (net of transfers) | \$ 3,684,962 | \$ 3,404,307 | \$ 3,567,229 |
| Expenditures: | | | |
| Personal Services | 45,864 | 102,671 | |
| State contributions to State | | | |
| Employees' Retirement System | 13,015 | 7,633 | - |
| State contributions to Social Security | 3,381 | 24,932 | - |
| Group insurance | 12,466 | 21,616 | - |
| Lump sums operations | 1,832,650 | 1,805,186 | 1,880,880 |
| Permanent improvements, lump sum & other purposes | 21,937 | 204,045 | 145,824 |
| Refunds | 11,353 | 6,725 | 20,005 |
| Total expenditures | 1,940,666 | 2,172,808 | 2,046,709 |
| Reappropriations | 1,124,062 | 953,106 | 953,106 |
| Lapsed balances | \$ 620,234 | \$ 278,393 | \$ 567,414 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

| | Fiscal Year | | |
|---|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>ABANDONED MINED LANDS RECLAMATION</u> | | | |
| <u>COUNCIL FEDERAL TRUST FUND - 0991</u> | | | |
| Appropriations (net of transfers) | \$ 26,171,777 | \$ 24,913,411 | \$ 25,812,684 |
| Expenditures: | | | |
| Personal services | 1,769,265 | 1,672,996 | 1,568,659 |
| State contributions to State | | | |
| Employees' Retirement System | 131,307 | 124,253 | 260,010 |
| State contributions to Social Security | 502,588 | 344,403 | 116,512 |
| Group insurance | 346,218 | 352,471 | 322,658 |
| Contractual services | 55,720 | 118,484 | 145,801 |
| Postage | 12,500 | 12,500 | - |
| Travel | 6,511 | 10,096 | 6,424 |
| Commodities | 8,258 | 5,367 | 5,002 |
| Printing | - | 74 | - |
| Equipment | 27,827 | 27,459 | 42,974 |
| Electronic data processing | 167,110 | 162,288 | 156,675 |
| Telecommunications | 13,988 | 25,770 | 25,949 |
| Operation of automotive equipment | 29,901 | 38,189 | 44,019 |
| Lump sums | 12,241 | 11,866 | 35,680 |
| Lump sums operations | - | - | 33,176 |
| Awards & grants, lump sum & other purposes | 5,610,168 | 5,679,262 | 6,988,747 |
| Total expenditures | <u>8,693,602</u> | <u>8,585,478</u> | <u>9,752,286</u> |
| Reappropriations | <u>15,582,877</u> | <u>-</u> | <u>15,262,138</u> |
| Lapsed balances | <u>\$ 1,895,298</u> | <u>\$ 16,327,933</u> | <u>\$ 798,260</u> |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

| | Fiscal Year | | |
|--|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>GRAND TOTAL - ALL APPROPRIATED FUNDS</u> | | | |
| Appropriations (net of transfers) | \$ 1,051,343,436 | \$ 627,165,985 | \$ 634,362,410 |
| Total expenditures | 220,237,981 | 238,688,115 | 245,307,622 |
| Reappropriations | <u>242,274,570</u> | <u>89,069,679</u> | <u>321,073,787</u> |
| Lapsed balances | <u>\$ 588,830,885</u> | <u>\$ 299,408,191</u> | <u>\$ 67,981,001</u> |
| <u>GENERAL REVENUE - 0001 STATE COMPTROLLER</u> | | | |
| OFFICERS SALARIES | | | |
| Appropriations (net of transfers) | <u>\$ 384,173</u> | <u>\$ 384,173</u> | <u>\$ 384,173</u> |
| Expenditures: | | | |
| Director | 133,273 | 132,785 | 115,473 |
| Assistant Director | 119,299 | - | - |
| Mine Officers | 67,570 | 62,604 | 90,466 |
| Miners' Examining Officers | <u>51,624</u> | <u>51,624</u> | <u>49,316</u> |
| Total expenditures - Officers Salaries | <u>371,766</u> | <u>247,013</u> | <u>255,255</u> |
| Lapsed balances | <u>\$ 12,407</u> | <u>\$ 137,160</u> | <u>\$ 128,918</u> |

Notes: 1) Fiscal Year 2010 expenditures and related lapsed balances do not reflect any interest payments approved for payment by the Department and submitted to the Comptroller for payment after August.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

TOTAL - ALL APPROPRIATED FUNDS
BY MAJOR OBJECT CODE

| | Fiscal Year | | |
|---|--|----------------------------------|----------------------------------|
| | 2010 | 2009 | 2008 |
| | Public Act 96-0035, 96-0039 96-0042, 96-0046 | Public Act 95-0731 95-0734 | Public Act 95-0348 95-0011 |
| <u>TOTAL - ALL APPROPRIATED FUNDS</u> | | | |
| Appropriations (net of transfers) | \$ 1,051,343,436 | \$ 627,165,985 | \$ 634,362,410 |
| Expenditures: | | | |
| Personal services | 72,607,331 | 68,273,827 | 86,577,556 |
| State contributions to State | | | |
| Employees' Retirement System | 4,906,177 | 4,305,403 | 11,888,426 |
| State contributions to Social Security | 8,447,063 | 15,592,616 | 4,662,432 |
| Group insurance | 10,314,892 | 7,878,185 | 8,462,431 |
| Contractual services | 6,320,997 | 11,121,823 | 12,906,059 |
| Conferences, vendor payments | - | 6,600 | 6,600 |
| Postage | 75,000 | 123,700 | - |
| Attorney Fees | 13,116 | 15,000 | - |
| Travel | 142,415 | 311,651 | 497,390 |
| Commodities | 2,605,604 | 2,996,548 | 3,611,746 |
| Printing | 390,320 | 441,986 | 480,114 |
| Equipment | 1,125,094 | 1,108,596 | 2,066,696 |
| Electronic data processing | 1,383,484 | 2,167,874 | 2,158,115 |
| Telecommunications | 841,156 | 1,845,168 | 2,033,664 |
| Operation of automotive equipment | 2,963,771 | 2,673,177 | 3,096,183 |
| Lump sums | 50,795,440 | 43,725,058 | 38,188,691 |
| Lump sums operations | 4,630,015 | 4,716,900 | 7,441,218 |
| Awards & grants | 707,608 | 670,124 | 1,667,077 |
| Grants to local governments | 800,000 | 799,966 | 850,000 |
| Construction grants | 4,571,052 | 3,618,842 | 4,087,392 |
| Grants to non-profit organizations | 144,000 | 144,000 | 160,000 |
| Awards & grants, lump sum & other purposes | 34,949,645 | 40,562,344 | 33,006,717 |
| Permanent improvements | 857,553 | 355,571 | 309,090 |
| Permanent improvements, lump sum & other purposes | 7,817,993 | 13,452,396 | 16,446,621 |
| Highway and waterway construction | 2,144,343 | 1,704,080 | 3,930,587 |
| Refunds | 671,729 | 826,680 | 772,817 |
| Legal fees | 12,183 | - | - |
| Inter-fund cash transfers | - | 9,250,000 | - |
| Total expenditures | <u>220,237,981</u> | <u>238,688,115</u> | <u>245,307,622</u> |
| Reappropriations | <u>242,274,570</u> | <u>89,069,679</u> | <u>321,789,526</u> |
| Lapsed balances | <u>\$ 588,830,885</u> | <u>\$ 299,408,191</u> | <u>\$ 67,265,262</u> |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

TOTAL - EXPENDITURES BY FUND

| | Fund Number | Fiscal Year | | |
|---|----------------|--------------------------------------|--------------------|--------------------|
| | | 2010 | 2009 | 2008 |
| | | Public Act | Public Act | Public Act |
| | | 96-0035, 96-0039 96-0042, 96-0046 | 95-0731 95-0734 | 95-0348 95-0011 |
| Appropriations (net of transfers and reversions) | | \$ 1,051,343,436 | \$ 627,165,985 | \$ 634,362,410 |
| Expenditures: | | | | |
| General Revenue Fund | 0001 | 49,173,469 | 49,009,338 | 78,322,032 |
| State Boating Act Fund | 0039 | 11,840,296 | 10,196,115 | 10,908,480 |
| State Parks Fund | 0040 | 9,317,703 | 9,206,410 | 8,730,831 |
| Wildlife and Fish Fund | 0041 | 62,113,590 | 57,650,168 | 52,435,037 |
| Salmon Fund | 0042 | 363,402 | 301,232 | 290,579 |
| Mines and Minerals UIC Fund | 0077 | 199,340 | 393,045 | 286,414 |
| Forest Reserve Fund | 0086 | 113,755 | 118,165 | 303,623 |
| Toxic Pollution Prevention Fund | 0111 | - | - | 23,361 |
| Plugging and Restoration Fund | 0137 | 265,602 | 529,531 | 495,323 |
| Capital Development Fund | 0141 | 6,912,220 | 7,981,032 | 13,594,595 |
| Explosives Regulatory Fund | 0145 | 104,670 | 119,089 | 91,803 |
| Aggregate Operations Regulatory Fund | 0146 | 243,670 | 176,701 | 240,220 |
| Coal Mining Regulatory Fund | 0147 | 3,316,098 | 369,176 | 96,604 |
| Emergency Public Health Fund | 0240 | - | - | 199,983 |
| Underground Resource Conservation Enforcement Trust Fund | 0261 | 658,340 | 613,562 | 654,830 |
| State Furbearer Fund | 0293 | 79,530 | 133,124 | 86,073 |
| Used Tire Management Fund | 0294 | - | - | 200,000 |
| Natural Areas Acquisition Fund | 0298 | 6,665,601 | 14,523,308 | 11,553,735 |
| Open Space Lands Acquisition and Development Fund | 0299 | 26,301,610 | 27,001,440 | 19,302,613 |
| State Pheasant Fund | 0353 | 205,304 | 502,623 | 498,419 |
| Natural Heritage Fund | 0375 | 63,510 | 37,774 | 37,159 |
| Illinois Habitat Fund | 0391 | 905,114 | 635,355 | 1,249,612 |
| Flood Control Land Lease Fund | 0443 | 800,000 | 799,966 | 700,000 |
| Land and Water Recreation Fund | 0465 | - | 2,650,000 | 1,760,397 |
| Wildlife Prairie Park Fund | 0504 | - | 59,436 | - |
| Off Highway Vehicle Trails Fund | 0574 | 455,345 | 758,948 | 867,753 |
| Conservation 2000 Fund | 0608 | 2,421,691 | 5,949,285 | 2,826,830 |
| Conservation 2000 Projects Fund | 0609 | 341,922 | 721,870 | 1,012,803 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES

TOTAL - EXPENDITURES BY FUND

| | Fund Number | Fiscal Year | | |
|--|----------------|--------------------------------------|-----------------------|-----------------------|
| | | 2010 | 2009 | 2008 |
| | | Public Act | Public Act | Public Act |
| | | 96-0035, 96-0039 96-0042, 96-0046 | 95-0731 95-0734 | 95-0348 95-0011 |
| Federal Title IV Fire Protection Assistance Fund | 0670 | \$ 365,549 | \$ 48,187 | \$ 121,719 |
| FY09 Budget Relief Fund | 0678 | - | 11,114,414 | - |
| Federal Surface Mining Control and Reclamation Fund | 0765 | 2,722,886 | 2,656,578 | 2,516,247 |
| Restoration Trust Fund | 0831 | 193,404 | 170,890 | 187,225 |
| Hazardous Waste Research Fund | 0840 | - | - | 450,179 |
| National Flood Insurance Program Fund | 0855 | 310,323 | 305,872 | 301,029 |
| Land Reclamation Fund | 0858 | - | - | 4,864 |
| Snowmobile Trail Establishment Fund | 0866 | 60,782 | 75,304 | 79,886 |
| Drug Traffic Prevention Fund | 0878 | 114 | 10,405 | 14,020 |
| DNR Special Projects Fund | 0884 | 250,000 | 193,627 | 1,298,657 |
| DNR Federal Projects Fund | 0894 | 2,218,661 | 2,453,256 | 2,574,599 |
| Illinois Forestry Development Fund | 0905 | 1,280,239 | 2,479,625 | 1,914,519 |
| Illinois Wildlife Preservation Fund | 0909 | 574,212 | 538,946 | 311,941 |
| State Migratory Waterfowl Stamp Fund | 0953 | 540,174 | 891,822 | 745,229 |
| Park and Conservation Fund | 0962 | 18,225,587 | 16,554,210 | 14,827,046 |
| Build Illinois Bond Fund | 0971 | - | - | 1,392,358 |
| Illinois Beach Marina Fund | 0982 | 1,940,666 | 2,172,808 | 2,046,709 |
| Abandoned Mined Lands Reclamation Council Federal Trust Fund | 0991 | 8,693,602 | 8,585,478 | 9,752,286 |
| Total expenditures | | <u>220,237,981</u> | <u>238,688,115</u> | <u>245,307,622</u> |
| Reappropriations | | <u>242,274,570</u> | <u>89,069,679</u> | <u>321,789,526</u> |
| Lapsed balances | | <u>\$ 588,830,885</u> | <u>\$ 299,408,191</u> | <u>\$ 67,265,262</u> |
| <u>NON-APPROPRIATED FUND EXPENDITURES</u> | | | | |
| DNR Special Projects Fund | 0884 | \$ 341,530 | \$ 2,300,613 | \$ 1,905,646 |
| DNR Federal Projects Fund | 0894 | 1,933,257 | 1,282,521 | 1,629,058 |
| J.J. Wolf Memorial for Conservation Investigation Fund | 0931 | - | 125 | 9,260 |
| Total Non-Appropriated Fund expenditures | | <u>\$ 2,274,787</u> | <u>\$ 3,583,259</u> | <u>\$ 3,543,964</u> |
| GRAND TOTAL EXPENDITURES - ALL FUNDS | | <u>\$ 222,512,768</u> | <u>\$ 242,271,374</u> | <u>\$ 248,851,586</u> |

**STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES**

**COMPARATIVE SCHEDULE OF RECEIPTS, DISBURSEMENTS AND
FUND BALANCE (CASH BASIS) - NON-APPROPRIATED FUNDS**

| | Fiscal Year | | |
|--|--------------------|------------------|-----------------|
| | 2010 | 2009 | 2008 |
| <u>INVESTIGATIVE CASH FUND - 1204</u> | | | |
| Cash balance, July 1 | \$ 10,000 | \$ 9,945 | \$ 590 |
| Receipts | 650 | 510 | 21,147 |
| Disbursements | <u>(650)</u> | <u>(455)</u> | <u>(11,792)</u> |
| Cash balance, June 30 | <u>\$ 10,000</u> | <u>\$ 10,000</u> | <u>\$ 9,945</u> |

Note: This locally held non-appropriated cash account is reported as part of the J.J. Wolf Memorial for Conservation Investigation Fund - 0931.

**STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES**

SCHEDULE OF CHANGES IN STATE PROPERTY

Years Ended June 30, 2009 and 2010
(in thousands)

| | <u>Land and Improvements</u> | <u>Site Improvements</u> | <u>Buildings and Improvements</u> | <u>Equipment</u> | <u>Capital Leases- Equipment</u> | <u>Totals</u> |
|---------------------------------|----------------------------------|------------------------------|---------------------------------------|------------------|--------------------------------------|---------------------|
| Balance July 1, 2008 | \$ 362,233 | \$ 235,843 | \$ 486,561 | \$ 113,476 | \$ 25 | \$ 1,198,138 |
| | | | | | | - |
| Additions | 7,166 | 1,905 | 492 | 3,540 | - | 13,103 |
| Deletions and Other Adjustments | (2,044) | (99) | (354) | (745) | (25) | (3,267) |
| Net Transfers | - | 1,855 | (4,669) | (17,254) | - | (20,068) |
| Balance June 30, 2009 | 367,355 | 239,504 | 482,030 | 99,017 | - | 1,187,906 |
| Additions | \$ 1,835 | 2,410 | 304 | 3,055 | - | 7,604 |
| Deletions and Other Adjustments | (51) | (1) | (201) | (366) | - | (619) |
| Net Transfers | 160 | 192,180 | (185,922) | (6,743) | - | (325) |
| Balance June 30, 2010 | <u>\$ 369,299</u> | <u>\$ 434,093</u> | <u>\$ 296,211</u> | <u>\$ 94,963</u> | <u>\$ -</u> | <u>\$ 1,194,566</u> |

This schedule has been reconciled to property reports submitted to the Office of the Comptroller.

**STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES**

**COMPARATIVE SCHEDULE OF CASH RECEIPTS
(Expressed in Thousands)**

| Type | Fiscal Year | | |
|---|--------------------------|--------------------------|--------------------------|
| | 2010 | 2009 | 2008 |
| Deposits by the Department: | | | |
| Licenses and fees | \$ 53,830 | \$ 51,671 | \$ 49,408 |
| Federal government | 41,480 | 36,337 | 32,990 |
| Fines, penalties and violations | 876 | 669 | 691 |
| Rentals: | | | |
| Concession | 1,095 | 1,290 | 1,211 |
| Boat and dock fees | 2,526 | 2,677 | 3,007 |
| Other rental | 5,023 | 4,752 | 4,371 |
| Sales: | | | |
| Merchandise | - | - | 160 |
| Product | 919 | 1,102 | 1,119 |
| Publication | 228 | 232 | 257 |
| Advertising | 4 | 15 | - |
| Donations | 203 | 138 | 30 |
| Other revenue | 2,539 | 13,927 | 6,559 |
| Total per Department records | <u>\$ 108,723</u> | <u>\$ 112,810</u> | <u>\$ 99,803</u> |
| Deposits by other agencies and transfers: | | | |
| Motor fuel tax | 5,040 | 5,040 | 5,040 |
| Environmental license plates | 1,079 | 1,119 | 1,188 |
| Firearm owners I.D. | 1,803 | 1,752 | 749 |
| Real estate transfer tax | 20161 | 20320 | 38,420 |
| Sportsman's license plates | 260 | 260 | 268 |
| Wildlife Prairie Park License | 21 | 21 | - |
| I*M Canal License Plate | 8 | 9 | - |
| All terrain vehicle titles | 304 | 356 | 419 |
| Certificate of title | 4905 | 5,200 | 5,635 |
| M.E.A.O.B. | 10,000 | 10,000 | 10,000 |
| Build Illinois Bond | 10,000 | 10,000 | 10,000 |
| Non-game checkoff | - | 26 | 209 |
| Interest income | 310 | 1,265 | 2,807 |
| Total deposits by other agencies and transfers | <u>53,891</u> | <u>55,368</u> | <u>74,735</u> |
| Combined total | <u><u>\$ 162,614</u></u> | <u><u>\$ 168,178</u></u> | <u><u>\$ 174,538</u></u> |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(Expressed in Thousands)

| | Combined | General Revenue Fund 0001 | State Boating Act Fund 0039 | State Parks Fund 0040 | Wildlife and Fish Fund 0041 | Salmon Fund 0042 | Mines and Minerals Underground Injection Control Fund 0077 |
|--|-------------------|---------------------------|-----------------------------|-----------------------|-----------------------------|------------------|--|
| Licenses and fees | \$ 53,830 | \$ - | \$ 4,657 | \$ 6,228 | \$ 38,212 | \$ 264 | \$ - |
| Federal government | 41,480 | - | 2,612 | - | 16,084 | - | 179 |
| Fines penalties and violations | 876 | 63 | 155 | 136 | 368 | - | - |
| Rental: | | | | | | | |
| Concession | 1,095 | - | - | 844 | 14 | - | - |
| Boat and dock fees | 2,526 | - | - | 4 | 4 | - | - |
| Other rental | 5,023 | - | - | 2,058 | 2,835 | - | - |
| Sales: | | | | | | | |
| Merchandise | - | - | - | - | - | - | - |
| Product | 919 | - | - | 186 | 318 | - | - |
| Publication | 228 | - | - | - | 228 | - | - |
| Advertising | 4 | - | - | 2 | 2 | - | - |
| Donations | 203 | - | - | - | 20 | - | - |
| Other revenue | 2,539 | 17 | 2 | 8 | 51 | - | - |
| Total per Department records | 108,723 | 80 | 7,426 | 9,466 | 58,136 | 264 | 179 |
| Refunds | 29 | - | - | 2 | 2 | - | - |
| Deposits in transit to Comptroller: | | | | | | | |
| Add: Beginning of period | 2,046 | - | 276 | 364 | 1,333 | 6 | - |
| Less: End of period | 3,100 | 3 | 771 | 519 | 1,406 | 5 | - |
| Total per State Comptroller records | \$ 107,698 | \$ 77 | \$ 6,931 | \$ 9,313 | \$ 58,065 | \$ 265 | \$ 179 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(Expressed in Thousands)

| | Forest Reserve Fund 0086 | Plugging and Restoration Fund 0137 | Explosives Regulatory Fund 0145 | Aggregate Operations Regulatory Fund 0146 | Coal Mining Regulatory Fund 0147 | Abandoned Mined Land Reclamation Set-Aside Fund 0257 | Fish and Wildlife Endowment Fund 0260 |
|--|-----------------------------------|---|--|---|---|--|---|
| Licenses and fees | \$ - | \$ 436 | \$ 108 | \$ 223 | \$ 174 | \$ - | \$ 97 |
| Federal government | 114 | - | 9 | - | 3,175 | 1,000 | - |
| Fines penalties and violations | - | - | - | 3 | 31 | - | - |
| Rental: | | | | | | | |
| Concession | - | - | - | - | - | - | - |
| Boat and dock fees | - | - | - | - | - | - | - |
| Other rental | - | - | - | - | - | - | - |
| Sales: | | | | | | | |
| Merchandise | - | - | - | - | - | - | - |
| Product | - | - | - | - | - | - | - |
| Publication | - | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - | - |
| Donations | - | - | - | - | - | - | - |
| Other revenue | - | 21 | - | - | - | - | - |
| Total per Department records | 114 | 457 | 117 | 226 | 3,380 | 1,000 | 97 |
| Refunds | - | - | - | - | 1 | - | - |
| Deposits in transit to Comptroller: | | | | | | | |
| Add: Beginning of period | - | 5 | 1 | - | 1 | - | 2 |
| Less: End of period | - | - | 2 | 1 | - | - | - |
| Total per State Comptroller records | \$ 114 | \$ 462 | \$ 116 | \$ 225 | \$ 3,382 | \$ 1,000 | \$ 99 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(Expressed in Thousands)

| | Underground Resource Conservation Enforcement Trust Fund 0261 | State Furbearer Fund 0293 | Open Space Natural Areas Acquisition Fund 298 | State Pheasant Fund 0353 | Illinois Habitat Fund 0391 | Flood Control Land Lease Fund 0443 |
|--|--|------------------------------------|---|-----------------------------------|-------------------------------------|---|
| Licenses and fees | \$ 563 | \$ 85 | \$ - | \$ 425 | \$ 908 | \$ - |
| Federal government | - | - | - | - | - | 845 |
| Fines penalties and violations | 96 | - | - | - | - | - |
| Rental: | | | | | | |
| Concession | - | - | - | - | - | - |
| Boat and dock fees | - | - | - | - | - | - |
| Other rental | - | - | - | - | - | - |
| Sales: | | | | | | |
| Merchandise | - | - | - | - | - | - |
| Product | - | - | - | - | - | - |
| Publication | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - |
| Donations | - | - | - | - | - | - |
| Other revenue | 21 | - | - | - | - | - |
| Total per Department records | 680 | 85 | - | 425 | 908 | 845 |
| Refunds | - | - | 1 | 8 | - | - |
| Deposits in transit to Comptroller: | | | | | | |
| Add: Beginning of period | 12 | 1 | - | 3 | 6 | - |
| Less: End of period | 35 | 1 | - | 3 | 5 | - |
| Total per State Comptroller records | \$ 657 | \$ 85 | \$ 1 | \$ 433 | \$ 909 | \$ 845 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(Expressed in Thousands)

| | Land and Water Recreation Fund 0465 | Off Highway Vehicle Trails Fund 0574 | Conservation 2000 Fund 0608 | Conservation 2000 Projects Fund 0609 | Federal Title IV Fire Protection Assistance Fund 0670 | Federal Surface Mining Control and Reclamation Fund 0765 | Restoration Trust Fund 0831 |
|--|--|---|--------------------------------------|---|---|--|-----------------------------------|
| Licenses and fees | \$ - | \$ 54 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Federal government | 476 | - | - | - | 427 | 2,781 | - |
| Fines penalties and violations | - | 4 | - | - | - | - | - |
| Rental: | | | | | | | |
| Concession | - | - | - | - | - | - | - |
| Boat and dock fees | - | - | - | - | - | - | - |
| Other rental | - | - | - | - | - | - | - |
| Sales: | | | | | | | |
| Merchandise | - | - | - | - | - | - | - |
| Product | - | - | - | - | - | - | - |
| Publication | - | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - | - |
| Donations | - | - | - | - | - | - | - |
| Other revenue | - | - | - | - | - | - | 389 |
| Total per Department records | 476 | 58 | - | - | 427 | 2,781 | 389 |
| Refunds | - | - | 8 | 5 | - | 1 | - |
| Deposits in transit to Comptroller: | | | | | | | |
| Add: Beginning of period | - | - | - | - | - | - | - |
| Less: End of period | - | 4 | - | - | - | - | - |
| Total per State Comptroller records | \$ 476 | \$ 54 | \$ 8 | \$ 5 | \$ 427 | \$ 2,782 | \$ 389 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(Expressed in Thousands)

| | National Flood Insurance Program Fund 0855 | Land Reclamation Fund 0858 | Snowmobile Trail Establishment Fund 0866 | Drug Traffic Prevention Fund 0878 | DNR Special Projects Fund 0884 | DNR Federal Projects Fund 0894 | Illinois Forestry Development Fund 0905 |
|--|---|-------------------------------------|--|---|---|---|---|
| Licenses and fees | \$ - | \$ - | \$ 75 | \$ - | \$ - | \$ - | \$ 522 |
| Federal government | 341 | - | - | - | - | 3,359 | 648 |
| Fines penalties and violations | - | - | - | 5 | - | - | 9 |
| Rental: | | | | | | | |
| Concession | - | - | - | - | - | - | - |
| Boat and dock fees | - | - | - | - | - | - | - |
| Other rental | - | - | - | - | - | - | - |
| Sales: | | | | | | | |
| Merchandise | - | - | - | - | - | - | - |
| Product | - | - | - | - | - | - | 415 |
| Publication | - | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - | - |
| Donations | - | - | - | - | 134 | - | - |
| Other revenue | - | - | - | - | 873 | - | - |
| Total per Department records | 341 | - | 75 | 5 | 1,007 | 3,359 | 1,594 |
| Refunds | - | - | - | - | - | - | - |
| Deposits in transit to Comptroller: | | | | | | | |
| Add: Beginning of period | - | - | 1 | - | - | - | - |
| Less: End of period | - | - | 2 | - | - | - | 203 |
| Total per State Comptroller records | \$ 341 | \$ - | \$ 74 | \$ 5 | \$ 1,007 | \$ 3,359 | \$ 1,391 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(Expressed in Thousands)

| | Illinois Wildlife Preservation Fund 0909 | Natural Resources Information Fund 0914 | J.J. Wolf Memorial for Conservation Investigation Fund 0931 | State Migratory Waterfowl Stamp Fund 0953 | Park and Conservation Fund 0962 | Illinois Beach Marina Fund 0982 | Abandoned Mined Lands Reclamation Council Federal Trust Fund 0991 |
|--|--|---|--|--|--|--|---|
| Licenses and fees | \$ - | \$ - | \$ - | \$ 799 | \$ - | \$ - | \$ - |
| Federal government | 420 | - | - | 286 | 155 | - | 8,569 |
| Fines penalties and violations | - | - | 6 | - | - | - | - |
| Rental: | | | | | | | |
| Concession | - | - | - | - | - | 237 | - |
| Boat and dock fees | - | - | - | - | - | 2,518 | - |
| Other rental | - | - | - | - | - | 130 | - |
| Sales: | | | | | | | |
| Merchandise | - | - | - | - | - | - | - |
| Product | - | - | - | - | - | - | - |
| Publication | - | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - | - |
| Donations | 31 | - | 18 | - | - | - | - |
| Other revenue | .. | - | - | - | 1,138 | 19 | - |
| Total per Department records | 451 | - | 24 | 1,085 | 1,293 | 2,904 | 8,569 |
| Refunds | - | - | - | - | 1 | - | - |
| Deposits in transit to Comptroller: | | | | | | | |
| Add: Beginning of period | - | - | - | 3 | - | 32 | - |
| Less: End of period | - | - | - | 4 | 24 | 112 | - |
| Total per State Comptroller records | \$ 451 | \$ - | \$ 24 | \$ 1,084 | \$ 1,270 | \$ 2,824 | \$ 8,569 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

**RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(Expressed in Thousands)**

| | Combined | General Revenue Fund 0001 | State Boating Act Fund 0039 | State Parks Fund 0040 | Wildlife and Fish Fund 0041 | Salmon Fund 0042 | Mines and Minerals Underground Injection Control Fund 0077 | Forest Reserve Fund 0086 | Plugging and Restoration Fund 0137 |
|--|-------------------|------------------------------------|--------------------------------------|-----------------------------|--------------------------------------|------------------------|---|-----------------------------------|---|
| Licenses and fees | \$ 51,671 | \$ - | \$ 4,489 | \$ 6,403 | \$ 35,674 | \$ 262 | \$ - | \$ - | \$ 439 |
| Federal government | 36,337 | - | 2,376 | - | 11,011 | - | 399 | 118 | - |
| Fines penalties and violations | 669 | 48 | 149 | 87 | 287 | - | - | - | - |
| Rental: | | | | | | | | | |
| Concession | 1,290 | - | - | 1,034 | 13 | - | - | - | - |
| Boat and dock fees | 2,677 | - | - | 2 | 4 | - | - | - | - |
| Other rental | 4,752 | - | - | 1,921 | 2,704 | - | - | - | - |
| Sales: | | | | | | | | | |
| Merchandise | - | - | - | - | - | - | - | - | - |
| Product | 1,102 | - | - | - | 882 | - | - | - | - |
| Publication | 232 | - | - | - | 232 | - | - | - | - |
| Advertising | 15 | - | - | 12 | 3 | - | - | - | - |
| Donations | 138 | - | - | - | - | - | - | - | - |
| Other revenue | 13,927 | 24 | 28 | 7 | 5,100 | - | - | - | 51 |
| Total per Department records | 112,810 | 72 | 7,042 | 9,466 | 55,910 | 262 | 399 | 118 | 490 |
| Prior year refunds | 144 | 2 | - | - | 4 | - | - | - | - |
| Deposits in transit to Comptroller: | | | | | | | | | |
| Add: Beginning of period | 2,422 | 1 | 344 | 354 | 1,586 | 6 | - | - | 5 |
| Less: End of period | 2,046 | - | 276 | 364 | 1,333 | 6 | - | - | 5 |
| Total per State Comptroller records | \$ 113,330 | \$ 75 | \$ 7,110 | \$ 9,456 | \$ 56,167 | \$ 262 | \$ 399 | \$ 118 | \$ 490 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

**RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(Expressed in Thousands)**

| | Explosives Regulatory Fund 0145 | Aggregate Operations Regulatory Fund 0146 | Coal Mining Regulatory Fund 0147 | Abandoned Mined Land Reclamation Set-Aside Fund 0257 | Fish and Wildlife Endowment Fund 0260 | Underground Resource Conservation Enforcement Trust Fund 0261 | State Furbearer Fund 0293 | Open Space Natural Areas Acquisition Fund 298 | State Pheasant Fund 0353 |
|--|--|---|---|--|---|--|------------------------------------|---|-----------------------------------|
| Licenses and fees | \$ 123 | \$ 192 | \$ 286 | \$ - | \$ 82 | \$ 504 | \$ 87 | \$ - | \$ 436 |
| Federal government | - | - | - | - | - | - | - | - | - |
| Fines penalties and violations | 4 | 4 | 13 | - | - | 45 | - | - | - |
| Rental: | | | | | | | | | |
| Concession | - | - | - | - | - | - | - | - | - |
| Boat and dock fees | - | - | - | - | - | - | - | - | - |
| Other rental | - | - | - | - | - | - | - | - | - |
| Sales: | | | | | | | | | |
| Merchandise | - | - | - | - | - | - | - | - | - |
| Product | - | - | - | - | - | - | - | - | - |
| Publication | - | - | - | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - | - | - | - |
| Donations | - | - | - | - | - | - | - | - | - |
| Other revenue | - | - | 300 | - | 500 | - | - | - | 250 |
| Total per Department records | 127 | 196 | 599 | - | 582 | 609 | 87 | - | 686 |
| Prior year refunds | - | - | - | - | - | - | - | 1 | 18 |
| Deposits in transit to Comptroller: | | | | | | | | | |
| Add: Beginning of period | 2 | 1 | 1 | - | 9 | 11 | 1 | - | 3 |
| Less: End of period | 1 | - | 1 | - | 2 | 12 | 1 | - | 3 |
| Total per State Comptroller records | \$ 128 | \$ 197 | \$ 599 | \$ - | \$ 589 | \$ 608 | \$ 87 | \$ 1 | \$ 704 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

**RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(Expressed in Thousands)**

| | Ill Habitat Endowment Fund 0390 | Illinois Habitat Fund 0391 | Flood Control Land Lease Fund 0443 | Land and Water Recreation Fund 0465 | Off Highway Vehicle Trails Fund 0574 | Conservation 2000 Fund 0608 | Conservation 2000 Projects Fund 0609 | Federal Title IV Fire Protection Assistance Fund 0670 |
|--|--|-------------------------------------|---|--|---|--------------------------------------|---|---|
| Licenses and fees | \$ - | \$ 933 | \$ - | \$ - | \$ 48 | \$ - | \$ - | \$ - |
| Federal government | - | - | 751 | 2,650 | - | - | - | 34 |
| Fines penalties and violations | - | - | - | - | 4 | - | - | - |
| Rental: | | | | | | | | |
| Concession | - | - | - | - | - | - | - | - |
| Boat and dock fees | - | - | - | - | - | - | - | - |
| Other rental | - | - | - | - | - | - | - | - |
| Sales: | | | | | | | | |
| Merchandise | - | - | - | - | - | - | - | - |
| Product | - | - | - | - | - | - | - | - |
| Publication | - | - | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - | - | - |
| Donations | - | - | - | - | - | - | - | - |
| Other revenue | 2,000 | 1,000 | - | - | - | - | - | - |
| Total per Department records | 2,000 | 1,933 | 751 | 2,650 | 52 | - | - | 34 |
| Prior year refunds | - | 23 | - | - | - | 2 | 87 | - |
| Deposits in transit to Comptroller: | | | | | | | | |
| Add: Beginning of period | - | 6 | - | - | 2 | - | - | - |
| Less: End of period | - | 6 | - | - | - | - | - | - |
| Total per State Comptroller records | \$ 2,000 | \$ 1,956 | \$ 751 | \$ 2,650 | \$ 54 | \$ 2 | \$ 87 | \$ 34 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

**RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(Expressed in Thousands)**

| | Federal Surface Mining Control and Reclamation Fund 0765 | Restoration Trust Fund 0831 | Hazardous Waste Fund 0840 | National Flood Insurance Program Fund 0855 | Land Reclamation Fund 0858 | Snowmobile Trail Establishment Fund 0866 | Drug Traffic Prevention Fund 0878 | DNR Special Projects Fund 0884 |
|--|--|-----------------------------------|------------------------------------|---|-------------------------------------|--|---|---|
| Licenses and fees | \$ - | \$ - | \$ - | \$ - | \$ 175 | \$ 76 | \$ - | \$ - |
| Federal government | 2,583 | - | - | 441 | - | - | - | - |
| Fines penalties and violations | - | - | - | - | - | - | 6 | - |
| Rental: | | | | | | | | |
| Concession | - | - | - | - | - | - | - | - |
| Boat and dock fees | - | - | - | - | - | - | - | - |
| Other rental | - | - | - | - | - | - | - | - |
| Sales: | | | | | | | | |
| Merchandise | - | - | - | - | - | - | - | - |
| Product | - | - | - | - | - | - | - | - |
| Publication | - | - | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - | - | - |
| Donations | - | - | - | - | - | - | - | 65 |
| Other revenue | - | 198 | - | - | - | - | - | 952 |
| Total per Department records | 2,583 | 198 | - | 441 | 175 | 76 | 6 | 1,017 |
| Prior year refunds | - | - | 5 | - | - | - | - | - |
| Deposits in transit to Comptroller: | | | | | | | | |
| Add: Beginning of period | - | - | - | - | - | 2 | - | 4 |
| Less: End of period | - | - | - | - | - | 1 | - | - |
| Total per State Comptroller records | \$ 2,583 | \$ 198 | \$ 5 | \$ 441 | \$ 175 | \$ 77 | \$ 6 | \$ 1,018 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(Expressed in Thousands)

| | DNR Federal Projects Fund 0894 | Illinois Forestry Development Fund 0905 | Illinois Wildlife Preservation Fund 0909 | J.J. Wolf Memorial for Conservation Investigation Fund 0931 | State Migratory Waterfowl Stamp Fund 0953 | Park and Conservation Fund 0962 | Illinois Beach Marina Fund 0982 | Abandoned Mined Lands Reclamation Council Federal Trust Fund 0991 |
|--|---|---|--|--|--|--|--|---|
| Licenses and fees | \$ - | \$ 707 | \$ - | \$ - | \$ 695 | \$ - | \$ - | \$ - |
| Federal government | 4,856 | 787 | 437 | - | 486 | - | - | 9,408 |
| Fines penalties and violations | - | 9 | - | 13 | - | - | - | - |
| Rental: | | | | | | | | |
| Concession | - | - | - | - | - | - | 243 | - |
| Boat and dock fees | - | - | - | - | - | - | 2,671 | - |
| Other rental | - | - | - | - | - | - | 127 | - |
| Sales: | | | | | | | | |
| Merchandise | - | - | - | - | - | - | - | - |
| Product | - | 220 | - | - | - | - | - | - |
| Publication | - | - | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - | - | - |
| Donations | - | - | 73 | - | - | - | - | - |
| Other revenue | - | - | - | - | 500 | 3,002 | 15 | - |
| Total per Department records | 4,856 | 1,723 | 510 | 13 | 1,681 | 3,002 | 3,056 | 9,408 |
| Prior year refunds | - | - | - | - | - | 2 | - | - |
| Deposits in transit to Comptroller: | | | | | | | | |
| Add: Beginning of period | - | 2 | - | - | 3 | - | 82 | - |
| Less: End of period | - | - | - | - | 3 | - | 32 | - |
| Total per State Comptroller records | \$ 4,856 | \$ 1,725 | \$ 510 | \$ 13 | \$ 1,681 | \$ 3,004 | \$ 3,106 | \$ 9,408 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2010

The Illinois Department of Natural Resources' (the Department) explanation for significant fluctuations in expenditures exceeding \$150,000 and 15% as presented in the "Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances Total Expenditures by Fund" is detailed below:

Fiscal Year 2010

State Boating Act Fund – 0039

Expenditures increased \$1,644,181, or 16% from fiscal year 2009 to 2010. The increase in personal services line and related retirement would be due to bargaining unit contract increases. The increase in equipment occurred in the division of Law Enforcement where they were able to purchase additional pick-ups than the year before as well as various pieces of replacement equipment reimbursable per contract (GPS devices, flashlights, clothing, etc.). The main variant for the lump sums is more activity from the Dredge Crew. This activity is driven by available projects and weather and can fluctuate widely.

Mines and Minerals UIC Fund – 0077

Expenditures decreased \$193,705 or 49% from fiscal year 2009 to fiscal year 2010. These expenditures were made up of payroll and related fringe benefits for June 30 applied to the lapse period. The work performed was for underground injection control to wells to maintain clean water.

Plugging and Restoration Fund – 0137

Expenditures decreased \$263,929 or 50% from fiscal year 2009 to 2010. Fewer personal services were spent due to cash considerations in the fund.

Coal Mining Regulatory Fund – 0147

Expenditures increased \$2,946,922 or 798% from fiscal year 2009 to 2010. This variant is due to a grant received from the Illinois Department of Commerce and Economic Development (DCEO) in fiscal year 2010 that supplanted General Revenue Fund (GRF) funding for the mine safety program. This grant runs through fiscal year 2011.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES

(Continued)

For the Two Years Ended June 30, 2010

Fiscal Year 2010 (Continued)

Natural Areas Acquisition Fund -- 0298

Expenditures decreased \$7,857,707 or 54% from fiscal year 2009 to 2010. The decrease in expenditures in personal services was due to the moving of headcount off the fund and onto GRF for the last quarter in fiscal year 2010. This was done to conserve cash in the fund. The lump sum variant was predominantly due to over \$800k less spending in the sand build-up at Illinois Beach, and around \$500k more expenditures in the Illinois Natural Areas Inventory project. The variant in the lump sum operations line was an expenditure increase in the Natural Areas Preservation Program. The Permanent Improvement variant was due to a large land acquisition parcel in Northern Illinois that paid out in fiscal year 2009. Fewer land acquisitions are being pursued due to cash considerations.

State Pheasant Fund -- 0353

Expenditures decreased \$297,319 or 59% from fiscal year 2009 to 2010. The decrease was due to the timing of reimbursement requests. These were grants to local governments that were reimbursed for up to 50% of approved eligible costs.

Illinois Habitat Fund - 0391

Expenditures increased \$269,759 or 42% from fiscal year 2009 to 2010. The decrease in the lump sum line was due to a utilization of an operating appropriation in fiscal year 2009 that was not utilized in fiscal year 2010. The Permanent Improvement line increase was due to a land acquisition at Copperhead Hollow State Wildlife Area in fiscal year 2010.

Land and Water Recreation Fund- 0465

Expenditures decreased \$2,650,000 or 100% from fiscal year 2009 to 2010. This is a pass-through account. The decrease was due to the reduction in federal funding for the projects selected.

Off Highway Vehicle Trails Fund -- 0574

Expenditures decreased \$303,603 or 40% from fiscal year 2009 to 2010. The decrease was due to the timing of reimbursement requests. These were grants to local governments who were reimbursed for up to 100% of approved eligible costs. These funds were designed to develop, maintain, and acquire land for off highway vehicle parks and trails. Due to the wide variety of eligible expenses, expenditures are very inconsistent from year to year.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES

(Continued)

For the Two Years Ended June 30, 2010

Fiscal Year 2010 (Continued)

Conservation 2000 Fund - 0608

Expenditures decreased \$3,527,594 or 59% from fiscal year 2009 to 2010. The decrease was in part due to a reduction in grant levels, which is variable. Also, in 2009 there was an additional \$2M in personal services paid out of this fund than in fiscal year 2010.

Conservation 2000 Projects Fund - 0609

Expenditures decreased \$379,948 or 53% from fiscal year 2009 to 2010. Capital projects routinely run across several fiscal years and use re-appropriations, which were spent. There were no new appropriations for fiscal year 2010.

Federal Title IV Fire Protection Assistance Fund - 0670

Expenditures increased \$317,362 or 659% from fiscal year 2009 to 2010. The increase was due to an increase of fire education classes being conducted and the beginning of a new grant cycle.

FY09 Budget Relief Fund - 0678

Expenditures decreased \$11,114,414 or 100% from fiscal year 2009 to 2010. The decrease in inter-fund transfers was due to the repayment to the Department's stamp funds that were swept for fiscal year 2009. The lump sum line supported Land Management payroll in fiscal year 2009. There was not an appropriation in fiscal year 2010.

Illinois Forestry Development Fund - 0905

Expenditures decreased \$1,199,386 or 48% from fiscal year 2009 to 2010. The decrease in the lump sum and grants was due to lack of cash available in the fund.

State Migratory Waterfowl Stamp Fund - 0953

Expenditures decreased \$351,648 or 39% from fiscal year 2009 to 2010. The reduction was due to roughly half the number of projects being vouchered from fiscal year 2009 to fiscal year 2010.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
(Continued)
For the Two Years Ended June 30, 2010

Fiscal Year 2009

General Revenue – 0001

Total expenditures decreased by \$29,312,694 or 37% due to personal services expenditures decreasing by \$21,003,844 or 40% from fiscal year 2008 to fiscal year 2009. In fiscal year 2008, the Scientific Surveys were still under the DNR umbrella. In fiscal year 2009, they were transferred to the U of I. This accounts for almost \$15M in reduced spending in personal services expenditures. The Social Security reduction (1170 lines) would be from the corresponding personal services expenditures reduction. The Department also experienced a \$9M veto in personal services expenditures and Social Security in fiscal year 2009. This also contributed to lower spending in personal services expenditures and Social Security. Same issue with the Contractual line – over \$800k reduction in spending of the \$2.1M variant was due to the Survey transfer. Another \$1.1M was a reduction in Land Management’s apron level. For Op of Auto, average gas prices for fiscal year 2008 were around \$3.15 per gallon compared to about \$2.50 per gallon in fiscal year 2009. The bulk of the Lump sum reduction (\$828k of the \$1.1M), is the elimination of the appropriation to Wildlife Prairie Park. There were also dollars expended in fiscal year 2008 for the Water Quantity Study in Chicago that were not appropriated in fiscal year 2009. The \$2.8M reduction in Lump sum operations is due to the elimination of the Shared Services model that was to be implemented on a statewide level. The Permanent improvement line was used by Water Resources and was eliminated in fiscal year 2009.

Forest Reserve Fund – 0086

Expenditures decreased \$185,458, or 61% from fiscal year 2008 to 2009. The decrease is due to a change in the Federal formula used to determine the payouts to the counties. This is a pass-thru account that is administered by the Department. Dollars received by the Feds are then forwarded to the counties.

Capital Development Fund – 0141

Expenditures decreased \$5,613,563 or 41% from fiscal year 2008 to 2009. Capital projects routinely run across several fiscal years and use re-appropriations, which were spent. There were no new appropriations for fiscal year 2009. The 1900 Lump sum line funded the CREP program. There were limited dollars available for this program going from fiscal year 2008 to fiscal year 2009 resulting in decreased spending. Construction grants had limited funds available, and thus lower spending. The same can be said for the Permanent Improvement lines. Since these are bond funds, there was limited authorization and fewer dollars available for expenditure between fiscal year 2008 and fiscal year 2009 for all of these lines.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES

(Continued)

For the Two Years Ended June 30, 2010

Fiscal Year 2009 (Continued)

Coal Mining Regulatory Fund -- 147

Expenditures increased \$272,572 or 282% from fiscal year 2008 to 2009. There was insufficient cash to support operations in fiscal year 2008. Fiscal year 2009 saw a return to more historical spending levels.

Emergency Public Health Fund – 240

Expenditures decreased \$199,983 or 100% from fiscal year 2008 to 2009. This is one of the funds utilized by the Scientific Surveys that transferred to the University of Illinois (U of I). This is no longer under the Department's umbrella.

Used Tire Management Fund – 294

Expenditures decreased by \$200,000, or 100% from fiscal year 2008 to 2009. This is one of the funds utilized by the Scientific Surveys that transferred to the U of I. This is no longer under the Department's umbrella.

Natural Areas Acquisition Fund – 0298

Expenditures increased \$2,969,573 or 26% from fiscal year 2008 to 2009. Roughly half of the Lump sum variant is an increase in spending for the Illinois Natural Areas Inventory Project from fiscal year 2008 to fiscal year 2009. This is a multi-year project in which spending varies from year to year. Weather can be a factor. The Natural Areas Stewardship Program and Natural Areas Preservation Act Program also saw increased expenditures from fiscal year 2008 to fiscal year 2009. These are all Resource Conservation Programs. There was more land acquisitions paid out in permanent improvements in fiscal year 2009 than fiscal year 2008.

Open Space Lands Acquisition and Development Fund – 0299

Expenditures increased \$7,698,827 or 40% from fiscal year 2008 to 2009. This program spends out over several years from the time a project is granted out. Grant levels peaked in fiscal year 2007 and fiscal year 2008. These higher grant levels will be realized over the next few fiscal years starting in fiscal year 2009.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
(Continued)
For the Two Years Ended June 30, 2010

Fiscal Year 2009 (Continued)

Illinois Habitat Fund – 0391

Expenditures decreased by \$614,257 or 49 % from fiscal year 2008 to 2009. The Lump sum variant was due to an appropriation being utilized in the fiscal year 2009 operating bill that was not utilized in fiscal year 2008. For the 6900 line variant, there was a large land acquisition in June of fiscal year 2008 that did not occur in fiscal year 2009 resulting in lower spending.

Land and Water Recreation Fund – 0465

Expenditures increased \$889,603 or 51 % from fiscal year 2008 to 2009. The increase was due to more projects being identified as eligible for use of the funds.

Conservation 2000 Fund – 0608

Expenditures increased \$3,122,455 or 110 % from fiscal year 2008 to 2009. The increase resulted from higher personal services expenditures in this fund due to the GRF veto.

Conservation 2000 Projects Fund – 0609

Expenditures decreased \$290,933 or 29% from fiscal year 2006 to 2009. Capital projects routinely run across several fiscal years and use re-appropriations, which were spent. There were no new appropriations for fiscal year 2009.

FY09 Budget Relief Fund – 678

Expenditures increased \$11,114,414, or 100% from fiscal year 2008 to 2009. This increase was due to two factors. First, \$9,250M in cash was swept from 6 funds that were later restored. The \$9.250M was then vouchered out of the 678 fund back into the affected funds. Second, \$2.1M was appropriated out of this fund to assist Land Management in keeping headcount on board due to the fiscal year 2009 GRF veto. Over \$1.8M was spent for this purpose.

Hazardous Waste Research Fund – 840

Expenditures decreased \$450,179 or 100% from fiscal year 2008 to 2009. This is one of the funds utilized by the Scientific Surveys that transferred to the U of I. This is no longer under the IDNR umbrella.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES

(Continued)

For the Two Years Ended June 30, 2010

Fiscal Year 2009 (Continued)

DNR Special Projects Fund – 0884 (Appropriated)

Expenditures decreased \$1,105,030 or 85 % from fiscal year 2008 to 2009. The bulk of spending for the Water Quantity Initiative Study was in fiscal year 2008 and then tapered off in fiscal year 2009.

Illinois Forestry Development Fund – 905

Expenditures increased \$565,106 or 30% from fiscal year 2008 to 2009. The awards and grants line increase is due to higher re-appropriation spending indicating older awards starting to come in for reimbursement.

Illinois Wildlife Preservation Fund – 909

Expenditures increased \$227,005 or 73% from fiscal year 2008 to 2009. There were more federal projects being run through this fund in fiscal year 2009. In addition, Endangered Species grants were awarded in fiscal year 2009, these are not awarded every year, also contributing to the increase.

Build Illinois Bond Fund – 0971

Expenditures decreased \$1,392,358 or 100% from fiscal year 2008 to 2009. Capital projects routinely run across several fiscal years and use re-appropriations, which were spent.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2010

The Department of Natural Resources' (Department) analysis of significant fluctuations in cash receipts exceeding \$150,000 and 15% as presented in the "Comparative Schedule of Cash Receipts" is detailed below (amounts expressed in thousands):

Fiscal Year 2010

Fines, Penalties and Violations

Fines, Penalties and Violations increased \$207 or 31% from fiscal year 2009 to 2010. The circuit court of each county in Illinois has fines and penalties that they try to resolve each year. The Department is not privy to the details and nature of the fines, only to the disposition and the amounts to be deposited.

Concessions

Concessions decreased \$194 or 15% from fiscal year 2009 to 2010. Concession revenues fluctuate in many cases due to the timing of when the leases expire. The length of a lease can vary from one year to multiple years with some requiring a flat rate while others require a flat rate plus a percentage of sales. In fiscal year 2010, the decrease can also be attributed to the bankruptcy of the Eagle Creek account.

Product Sales

Product Sales decreased \$183 or 17% from fiscal year 2009 to 2010. In fiscal year 09, 100% of Union County's grain sales went into Product Sales, while in fiscal year 10 the revenues were split evenly between Product Sales and the Farm Lease Program. Additionally, water supply agreements were down by \$65 in fiscal year 2010.

Other Revenue

Other revenue decreased \$11,388 or 82% from fiscal year 2009 to 2010. This decrease was due to a sweep of funds that occurred during fiscal year 2009, which did not occur during fiscal year 2010.

Interest Income

Interest income decreased \$955 or 75% from fiscal year 2009 to 2010. This decrease was due to declining in interest rates for the balances of Fund 041, 042, 069, 137, 145, 146, 147, 257, 260, 261, 293, 353, 390, 391, 504, 574, 953, and 982.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
(Continued)
For the Two Years Ended June 30, 2010

Fiscal Year 2009

Merchandise Sales

Merchandise sales decreased \$160 or 100% from fiscal year 2008 to 2009. In fiscal year 2008, the Department closed the gift shop.

Other Revenue

Other revenue increased \$7,368 or 112% from fiscal year 2008 to 2009. This increase was due to funds being swept from the following funds in fiscal year 2009: Wildlife & Fish \$5,000; Wildlife Endowment \$500; Pheasant Stamp \$250; Illinois Habitat Endowment \$2,000; Illinois Habitat Fund \$1,000; and State Migratory Waterfowl Stamp Fund \$500. When the money was returned to the Department it did not go directly into the Fund, but via warrants from the Budget Relief Fund. The money was then deposited back into the funds via Receipt Deposit Transmittals (RDT).

Firearms ID's (FOID)

FOID increased \$1,003 or 134% from fiscal year 2008 to 2009. In fiscal year 2009, the price of the FOID card went from \$5.00 for 5 years to \$10.00 for 10 years. The Department received more money up front but revenues will decrease in the future.

Real Estate Transfer Tax

Real estate transfer tax decreased \$18,100 or 47% from fiscal year 2008 to 2009. This decrease is completely market driven with no changes in percentage rates from the housing market over the fiscal years.

Non-game Check off

Non-game Check off decreased \$183 or 88% from fiscal year 2008 to 2009. The Non-game Check off is monies the Department receives from the \$1.00 donation box that is listed on an Individual's Tax Return and deposited into the Wildlife Preservation Fund. This fund was only to be used for the preservation of wildlife. In fiscal year 2009, the Governor took a portion of these monies and deposited them into the General Revenue Fund. As a result, the public has been hesitant on making donations to the Non-game Check off.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
(Continued)
For the Two Years Ended June 30, 2010

Fiscal Year 2009 (Continued)

Interest Income

Interest income decreased \$1,542 or 55% from fiscal year 2008 to 2009. This decrease was due to declining in interest rates for the balances of Fund 041, 042, 069, 137, 145, 146, 147, 257, 260, 261, 293, 353, 390, 391, 504, 574, 953, and 982.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2010

The Illinois Department of Natural Resources' (the Department) explanation for significant lapse period spending exceeding \$15,000 and 15% as presented in the "Schedule of Appropriations, Expenditures and Lapsed Balances" for fiscal years 2010 and 2009 is detailed below:

Fiscal Year 2010

Mines and Minerals UIC Fund - 077

Lapse period expenditures totaled \$49,375 or 25% of total expenditures for fiscal year 2010. These expenditures were made up of payroll and related fringe benefits for June 2010 applied to the lapse period. The work performed was for underground injection control to wells to maintain clean water.

Plugging and Restoration Fund - 137

Lapse period expenditures totaled \$133,149 or 50% of total expenditures for fiscal year 2010. Significant amounts expended reflect three wells that needed plugged in Oblong, Clay City, and Mill Shoals and services associated with those contracts.

Natural Heritage Fund - 375

Lapse period expenditures totaled \$20,633 or 32% of total expenditures for fiscal year 2010. Significant expenditures were for preparation work and herbicide spraying services and woody exotic species control. The work was performed on during June 2010, respectively, and applied to lapse period.

Restoration Trust Fund – 0831

Lapse period expenditures totaled \$50,875 or 26% of total expenditures for fiscal year 2010. The majority of these expenditures were for completion of invasive species control at Long Run Seep and development of contaminant review tool and provision support services incurred prior to June 30, but billed to the Department during lapse period.

DNR Federal Projects Fund – 0894 (Appropriated)

Lapse period expenditures totaled \$596,128 or 27% of total expenditures for fiscal year 2010. These expenditures were for professional services, which were performed prior to June 30 related to the development and modernization of digital floodplain maps for the Department's Office of Water Resources FEMA Map Modernization Program.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING

(Continued)

For the Two Years Ended June 30, 2010

Fiscal Year 2010 (Continued)

State Migratory Waterfowl Stamp Fund – 0953

Lapse period expenditures totaled \$288,000 or 53% of total expenditures for fiscal year 2010. Significant expenditures were payments to Canada to preserve the habitat of Ducks that fly over Illinois.

DNR Federal Projects Fund – 0884 (Non-Appropriated)

Lapse period expenditures totaled \$140,802 or 41% of total expenditures for fiscal year 2010. The majority of these expenditures are seasonal expenses. Contracts and obligations could not be completed until weather was appropriate, therefore forcing payments to be later in year.

DNR Federal Projects Fund – 0894 (Non-Appropriated)

Lapse period expenditures totaled \$1,031,246 or 53% of total expenditures for fiscal year 2010. The majority of these expenditures were for payroll for the Map Mod grant; FEMA Flood Damage expenditures; Asian Carp Grant and Illinois Department of Commerce and Economic Opportunity (DCEO) Grant (both new in fiscal year 10), and their corresponding expenditures.

Fiscal Year 2009

Coal Mining Regulatory Fund-147

Lapse period expenditures totaled \$193,713 or 52% of total expenditures for fiscal year 2009. Grants were received from the Illinois Department of Commerce and Economic Opportunity (DCEO), and were paid through this fund, increasing both revenue and expenses.

Control and Reclamation Fund– 765

Lapse period expenditures totaled \$407,084 or 15% of total expenditures for fiscal year 2009. The majority of these expenditures were attributed to an increase in payroll, caused by the hiring of new employees.

DNR Federal Projects Fund – 0894 (Appropriated)

Lapse period expenditures totaled \$425,154 or 17% of total expenditures for fiscal year 2009. These expenditures were for professional services performed prior to June 30, 2009 for the development and modernization of Digital Floodplain Maps in Illinois for the Department's Office of Water Resources FEMA Map Modernization Program.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING

(Continued)

For the Two Years Ended June 30, 2010

Fiscal Year 2009 (Continued)

State Migratory Waterfowl Stamp Fund-- 0953

Lapse period expenditures totaled \$362,000 or 41% of total expenditures for fiscal year 2009. All expenditures were contracts that expired in June 2009. Payments were made after project completion, resulting in lapse period expenditures.

DNR Federal Projects Fund – 0894 (Non-Appropriated)

Lapse period expenditures totaled \$238,200 or 19% of total expenditures for fiscal year 2009. The majority of these expenditures related to an emergency flood and its corresponding flood damage expenditures.

**STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES**

**ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
AND ACCOUNTS RECEIVABLE**

**June 30, 2010 and 2009
(Expressed in Thousands)**

INVENTORIES

Inventories of commodities, per Department records, were as follows:

| | Fiscal Year 2010 | Fiscal Year 2009 |
|------------------------------|---------------------|---------------------|
| Fish Hatcheries | \$ 1,138 | \$ 1,118 |
| Farm Commodities | 130 | 139 |
| Game Farms | 352 | 288 |
| Law Uniforms | 83 | 78 |
| Havana Warehouse | 188 | 155 |
| Office and Paper Supplies | 17 | 6 |
| Office Postage and UPS | - | 102 |
| Targets | 10 | 72 |
| Museum Publications | 170 | 172 |
| Pawnee Warehouse | 34 | 2,186 |
| Clearinghouse | 383 | 301 |
| | <u>\$ 2,505</u> | <u>\$ 4,617</u> |
| Total per Department records | | |

Inventories are valued at cost, on a first-in, first-out basis.

ACCOUNTS RECEIVABLE

Aging of accounts receivable, which reconciles to reports submitted to the Illinois Office of the Comptroller, were as follows:

| | Fiscal Year 2010 | Fiscal Year 2009 |
|------------------------------|---------------------|---------------------|
| 1 - 30 days | \$ 2,162 | \$ 2,970 |
| 31 - 90 days | 19 | 47 |
| 91 - 180 days | 49 | 110 |
| 181 days to one year | 9 | 997 |
| Over one year | 2,735 | 1,666 |
| | <u>\$ 4,974</u> | <u>\$ 5,790</u> |
| Total per Department records | | |

The Department implemented the collection procedures listed in SAMS procedure 26.40.10, as well as, makes frequent collection attempts via letter and telephone calls.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SCHEDULE OF INDIRECT COST REIMBURSEMENTS

FOR THE YEARS ENDED JUNE 30, 2010

(Not Examined)

The indirect cost reimbursements are based on rates negotiated with the U.S. Department of the Interior, National Business Center. These indirect cost reimbursements provide funding for allowable program costs that are incurred for a common purpose and are not assignable to specific cost objectives. Indirect cost reimbursements are deposited into Federal Trust Funds: Abandoned Mined Lands Reclamation Council Federal Trust, Federal Surface Mining Control and Reclamation, Mines and Minerals Underground Injection Control, and National Flood Insurance Program. Following are reimbursements deposited during fiscal years 2010 and 2009.

| <u>Federal Programs/Grants</u> | <u>2010</u> | <u>2009</u> |
|--|-------------------------------|-------------------------------|
| <u>OFFICE OF MINES & MINERALS</u> | | |
| Abandoned Mined Lands Reclamation (AML) | \$ 592 | \$ 534 |
| Federal Surface Mining Control (LRD) | 985 | 819 |
| Mine Safety & Health (MS&T) | 9 | 28 |
| <u>OFFICE OF WATER RESOURCES</u> | | |
| National Flood Insurance / CAP-SSSE | <u>99</u> | <u>113</u> |
| Total Indirect Cost Reimbursements | <u><u>\$ 1,685</u></u> | <u><u>\$ 1,494</u></u> |

The indirect cost rates established with the U.S. Department of the Interior, National Business Center for allocating indirect costs to federal award programs for fiscal year 2010 and 2009 are 22.16% and 20.08% for the Office of Resource Conservation; 36.87% and 34.09% for the Office of Mines and Minerals; 35.32% and 44.33% for the Office of Water Resources and 44.04% and 37.67% for the Office of Scientific Research and Analysis, respectively.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

AGENCY FUNCTIONS AND PLANNING PROGRAM
For the Two Years Ended June 30, 2010

Agency Functions

The Illinois Department of Natural Resources (the Department) was established on July 1, 1995 when the functions of the former Department of Conservation, Department of Mines and Minerals, the Abandoned Mined Lands Reclamation Council, portions of the Department of Energy and Natural Resources and the Division of Water Resources from the Department of Transportation were merged by an Executive Order of the Governor. The Department is headquartered at the Illinois Department of Natural Resources building, located at the State Fairgrounds.

The Department currently manages over 300 sites totaling more than 400,000 acres of publicly owned and leased land. In addition, the Department manages a variety of other public sites such as museums, boat access areas, marinas and trails. The Department also maintains concessions that are leased to or operated by private concessionaires or local communities.

The mission of the Department is to manage, conserve, and protect Illinois' natural, recreational and cultural resources, further the public's understanding and appreciation of those resources, and promote the education, science and public safety of Illinois' natural resources for present and future generations.

In order to carry out this mission, the Department conducts executive and selected technical staff conferences periodically to update the Department's strategic plan.

In 2008, the conferences updated the strategic plan and identified the following priorities and initiatives, which were still in effect during the audit period.

Strategic Priorities

The Department's strategic priorities are as follows:

1. Maintain and meet the outdoor educational and recreational demands of Illinois' citizens in a manner that preserves and protects fish, wildlife, natural areas and other natural resources of our State.
2. Pursue direct acquisition of property to meet the Department's ecosystem based management and resource compatible recreation objectives.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

AGENCY FUNCTIONS AND PLANNING PROGRAM

(Continued)

For the Two Years Ended June 30, 2010

Strategic Priorities (Continued):

3. Improve the quality of life for Illinois citizens through the proper management of the water resources of the State, including water supply, flood damage reduction, watershed planning, and regulation of development within the floodplains.
4. Effectively integrate Information Technology into the Department's operations to increase productivity and enhance service delivery.
5. Repair, reclaim, and restore land and water resources that were degraded by mining activity prior to the passage of the Surface Mining Control Reclamation Act in 1977.
6. Encourage the public's safe use of recreational and natural resources.
7. Work together with conservation partners to conserve wildlife & plant species before they become rarer and more costly to protect.

Key Initiatives

The Department's key initiatives are as follows:

1. Implement a new invasive species control, research & education program to address the most pressing invasive species problems on state lands & waters to prevent further degradation of those resources.
2. Continue to monitor sales and improve customer service with the DNR Direct, Point of Sale network to facilitate the purchase of licenses and permits.
3. Continue development, marketing and promotion of all events at the new World Shooting and Recreational Complex near Sparta in south west Illinois.
4. Make multiple years of data available through publications, the Internet, maps, and other materials.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

AGENCY FUNCTIONS AND PLANNING PROGRAM
(Continued)

For the Two Years Ended June 30, 2010

Key Initiatives (Continued):

5. Continue work begun on Federal Emergency Management Agency (FEMA) grant to create floodplain maps of Illinois.
6. Implement key components of the Wildlife Action Plan through coordination of field level efforts and improved technology.
7. Illinois Natural Areas Inventory Update - The Department will work with a contractor over a 3-year period to develop an accurate and comprehensive up-to-date catalog of natural areas in Illinois.
8. Water Quantity Management Plan-Pursuant to Executive Order 2006-Work continues on a major budget initiative for a three year, \$5 million effort, to develop a comprehensive water quantity planning initiative in two regional pilot areas in Illinois.
9. The Department has implemented the Conservation Stewardship Program initiated by the passage of SB 17.
10. The Department is in the process of developing and implementing a long-term management plan for the complicated issues surrounding the preservation and management of lakeshore at IL Beach SP for a wide range of natural resource & recreational purposes. This effort is being conducted with the review of state and federal regulatory officials.
11. Implement the Tech Academy, a new 2 year program through the IL State Museum for low-income students. The program encourages them to pursue careers in environmental sciences and natural resources. This program, piloted through a National Science Foundation grant, is a national model to attract students into the sciences.
12. Expanding the Department's Office of Water Resources (OWR) operations and capital programs for safety enhancements at State owned dams located on public waters by upgrading and rehabilitating spillways and supporting facilities including dam removal, dam modifications, and safety signage and markings to reduce the risk of injury to the waterway using public.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

AGENCY FUNCTIONS AND PLANNING PROGRAM
(Continued)

For the Two Years Ended June 30, 2010

Organization

The Department is organized into the following offices:

- Office of Director
- Office of Fiscal Management
- Office of Administration
- Office of Architecture, Engineering and Grants
- Office of Land Management
- Office of Law Enforcement
- Office of Legislation
- Office of Legal Counsel
- Office of Mines and Minerals
- Office of Realty and Environmental Planning
- Office of Resource Conservation
- Office of Scientific Research and Analysis
- Office of Strategic Services (formerly the Office of Administration, Public Service, and Public Events, Programs & Promotions in 2009)
- Office of Water Resources

The Office of Director directs and manages the Department through the Director, Assistant Director and three Deputy Directors. The Office is responsible for the overall performance of all other Offices. Activities under the Office of the Director include: Office of Compliance, Equal Employment Opportunities & Ethics, Human Resources, Legal Counsel, Fiscal Management, and State Purchasing Officer.

The Office of Architecture, Engineering & Grants (OAEG) manages, coordinates, and executes the Department's capital construction program and grants to local government entities. The Office staff generates and submits the annual capital budget requests and acts as the Department's liaison with the Capital Development Board and the Governor's Office of Management & Budget. Office staff also provides project reviews and management, ensuring public health, safety, and ADA accessibility requirements are met. The Office is comprised of two divisions.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

AGENCY FUNCTIONS AND PLANNING PROGRAM
(Continued)

For the Two Years Ended June 30, 2010

Organization (Continued):

The Division of Architecture & Engineering executes the Department's capital construction program, coordinates work with the Capital Development Board, coordinates the Park Road Program with IDOT and provides design review and construction management on these projects, provides design and construction management of the waterfowl development program and manages the Department's Heavy Equipment Construction and dredging programs. The Division insures public health and safety codes are met at Department facilities and provides technical expertise on emergency declarations as defined by the procurement code. It provides in-house design and technical assistance for all Department facilities, such as dams, bridges, water and sewer systems, bikeways, canals, roads, boat access areas, lodges, concessions, campgrounds and day use areas and hazardous material storage. It undertakes special studies and investigations to define scopes of work, and evaluate and propose alternative solutions for problematic occurrences and future planning needs. The Division of Grant Administration is responsible for managing and coordinating the various recreational grant programs to local government entities and other designated organizations. These programs provide federal and State funds to enhance and improve recreational facilities through a competitive selection process. Division staff also provides oversight for completed grant projects to ensure program compliance. Program activities include Open Space Land Acquisition and Development (OSLAD) purchases and development of public lands and waters, boat access area development and acquisition, bike path development and acquisition, snowmobile programs, off-highway vehicle trails, recreational trails, public museum, capital grants, development and acquisition, and various other programs.

The Office of Land Management has one division. The Division of Parks & Recreation is responsible for the management and maintenance of State owned or leased sites. Types of sites managed include State parks, fish and wildlife areas, recreation areas, forests, natural areas, marinas, boat accesses, and habitat areas. It functions to provide quality resource compatible recreation opportunities to site visitors, such as camping, day use, trail use, fishing, boating, and hunting. It provides interpretive programs at sites including visitor centers, wildlife viewing platforms, and amphitheatres. The Division is also responsible for maintaining a variety of facilities, equipment, and infrastructure so that sites are kept in a safe, clean, and attractive condition for visitor use. Management activities at sites include habitat plantings, controlled burnings, and control of exotic plant species.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

AGENCY FUNCTIONS AND PLANNING PROGRAM

(Continued)

For the Two Years Ended June 30, 2010

Organization (Continued):

The Office of Law Enforcement supports the Department's programs designed to protect Illinois' natural and recreational resources through enforcement of those portions of the Illinois Compiled Statutes enacted for that purpose. Conservation Police Officers are vested with full State-wide police authority and are trained to the highest standards for law enforcement professionals. In addition to these enforcement responsibilities, Conservation Police Officers serve as an important link between the Department and its various constituencies (civic groups, sportsmen's groups, sport shows, etc.). The Field Operations Section is responsible for planning, scheduling, and execution of enforcement and public service programs through Conservation Police Officers stationed statewide. Throughout the State, there are five regions further divided into districts. Each officer is assigned to a district.

In addition, the Operations Section also includes an Investigation Unit which conducts covert and overt investigation operations statewide. The Support Services Section assists with the following responsibilities: forensic research and utilization; officer training and development; public inquiries, complaints; responses to the poacher hot-line; compilation of boating accident data; production of an annual report; purchase, issuance, and maintenance of all vehicles, equipment, and uniforms; collection and disposal of confiscated property, including firearms; and the fine monies imposed by the courts related to conservation citations.

The Office of Legislation acts as the Department's liaison to the General Assembly. They track both Senate and House Bills and coordinate the collection of information requested by the Legislature on these bills.

The Office of Mines and Minerals regulates mining and oil and gas operations throughout the State and enforces various acts that govern these industries. It is also responsible for ensuring the health and safety of workers in the mining industry. The Office delivers health and safety training programs and regulates the working conditions and atmospheres in the State's underground and surface coal and metal/non-metal mines. This includes inspection, maintenance of mine rescue stations, and operation of an analytical laboratory to conduct necessary testing. It also regulates possession, use, and storage of explosives. The Office is comprised of four divisions: The Abandoned Mined Land Reclamation Division, the Land Reclamation Division, the Division of Oil and Gas, and the Mine Safety/Blasting and Explosives Division.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

AGENCY FUNCTIONS AND PLANNING PROGRAM
(Continued)

For the Two Years Ended June 30, 2010

Organization (Continued):

The Abandoned Mined Land Reclamation Division reclaims lands and waters adversely affected by mining prior to 1977, restoring them to productive use. It maintains an emergency program to respond to life-threatening situations, such as gas leaks, mine subsidence, and refuse fires. This program is part of the Federal Surface Mining Control and Reclamation Act of 1977 (SMCRA).

This Division is completely federally funded through a federal tax on mined coal. The Land Reclamation Division has the responsibility of ensuring that active surface mining operations are properly reclaimed and lands affected by mining are restored to productive use. It regulates the repair to land and structures damaged by mine subsidence as a result of underground coal mining. It also issues permits for all coal mining operations in the State. The Division of Oil and Gas purpose is: to prevent waste and environmental damage resulting from oil and gas operations, to foster the orderly development of oil and gas reservoirs, to protect the correlative rights of mineral owners, and to administer plugging of abandoned wells. It issues permits for the drilling of oil and gas wells, establishes standards for construction and operations of wells and production equipment, and ensures wells are properly spaced to prevent pollution of land and contamination of water. These tasks are achieved through permits, regulation, inspection, and development of recovery projects. The Mine Safety/Blasting and Explosives Division is responsible for coal miner safety training, aggregate reclamation, aggregate blasting, coal blasting, and explosive handling and storage. These responsibilities are achieved through issuing permits and certificates; the regulation of these activities; and the inspection of mines, blasting sites, and explosive magazines.

The newly created Office of Strategic Services (fiscal year 2010) combines three offices, Administration, Public Service, and the Office of Public Events, Programs & Promotions: The Office of Administration provides internal support through two divisions. The Division of Administrative Support is responsible for maintaining central warehouse and shop facilities, messenger services, and vehicle fleet management, as well the documentation clearinghouse, mail room, and copy center. The Division of Systems and Licensing issues various licenses, stamps, or permits for regulated outdoor activities such as hunting, fishing, and registration/titles for boats or snowmobiles. It is also responsible for the Department's information systems.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

AGENCY FUNCTIONS AND PLANNING PROGRAM
(Continued)

For the Two Years Ended June 30, 2010

Organization (Continued):

The Office of Public Service addresses the coordination of public involvement with the day-to-day operations of the Department. The Office of Public Service achieves this through various sections including the Marketing, Publications, Resource Education, and the James R. Thompson Center Office of Public Services. The Office informs the public about the Department's programs and activities via publications, podcasts and marketing programs. Additionally, the Office produces a monthly magazine, *Outdoor Illinois*, which is available on a subscription basis. The Office serves as the headquarters for the Department's graphics, photography and coordinates printing.

The Division of Education is responsible for the development, training, and dissemination of educational programs and materials; providing environmental awareness through the promotion of Departmental programs and events; and for providing hands-on outdoor education. The Division works closely with educators, State agencies, and other groups to ensure environmental goals are being met.

The Office of Public Events, Programs & Promotions manages both mandated safety programs and special educational safety programs, e.g. Hunter Safety and Wing-shooting clinics.

The Office of Realty and Environmental Planning is responsible for the Department's land acquisition programs. It is also responsible for coordinating the analysis of the State's natural resources, reviews the environmental impact of Departmental activities, and evaluates environmental contaminant concerns on Department property and other natural resources. It is comprised of three divisions: Ecosystems and Environment, Realty and Planning, and Administration – Concession and Lease Management. The Division of Ecosystems and Environment provides quantitative and empirical analysis regarding the natural resources of the State and the conditions surrounding their use and management, including environmental and socioeconomic factors and trends. This information is integrated into the Illinois Natural Resource Information Network. This Division also directs state-wide environmental analysis functions of the Department to ensure preservation and protection of natural resource values. This includes consultation processes required by the Endangered Species Act and Interagency Wetland Policy Act. The Division of Realty and Planning carries out a variety of outdoor recreation and natural resource planning, which includes program development and coordination initiatives for the Department, including a Greenways and Trails section and a Site Planning section.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

AGENCY FUNCTIONS AND PLANNING PROGRAM

(Continued)

For the Two Years Ended June 30, 2010

Organization (Continued):

It expedites the Department's annual capital construction program to ensure stewardship of the State's natural resources while maximizing compatible recreational opportunities. The Division of Realty and Planning is responsible for the acquisition of all real estate for use in the Department's recreational, bikeway, natural areas, wildlife habitat, waterfowl, and greenways programs. It is also responsible for accepting land donations, performing legislative transfers, and jurisdictional transfers of Department property. It provides technical assistance to other Department offices, as well as other State agencies. This Division administers all land owner incentive programs pertaining to real property.

The Division of Administration - Concession and Lease Management handles general legal agreement negotiations, coordination, and maintenance; general land leasing; rights of way; special land permits; and State park lodges and concessions.

The Office of Resource Conservation is responsible for the following tasks: protecting and enhancing the State's fish, wildlife, forestry, and natural heritage resources; directing resource management activities on more than 400,000 acres of public land; and providing outdoor recreational opportunities compatible with these resources. It is comprised of four divisions: Wildlife Resources, Natural Heritage, Forestry, and Fisheries. The Division of Wildlife Resources has the mission of restoring, maintaining, and enhancing wildlife habitat and populations, as well as to provide for optimum enjoyment and compatible use of these resources by the citizens and visitors of Illinois. Divisional biologists survey and manage wildlife populations and habitats, as well as develop state-wide and site specific management plans for both private and public lands. The Division also offers educational programs to improve public awareness and appreciation of wildlife. The Division of Natural Heritage has the mission of locating, preserving, protecting, and managing for future generations, lands which contain elements of Illinois' rich natural heritage, and native plant and bird conservation. District biologists work to preserve and restore forests, prairies, and wetlands and all Illinois habitats. The Division of Forestry has the mission of providing stewardship of Illinois forests for the long term sustainability of wood products, wildlife habitat, urban and community enhancement and recreational areas. District foresters provide forestry programs, services, and activities to assist private landowners, governmental agencies and other Departmental offices. These activities include conservation and protection of forests, reforestation woodland management, fire management, and forest marketing utilization.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

AGENCY FUNCTIONS AND PLANNING PROGRAM

(Continued)

For the Two Years Ended June 30, 2010

Organization (Continued):

The Division of Fisheries is responsible for utilizing education and scientifically-based management for the protection, restoration, and enhancement of fisheries and other aquatic resources, including Lake Michigan (976,640 acres), reservoirs (54,580 acres), impoundments (257,560 acres), and streams (325,000 acres). The fish hatchery system consists of three hatcheries that annually stock about 30 million fish of 19 species into waters state-wide.

The Illinois State Museum (the Museum) collects and preserves objects of scientific and artistic value representing past and present fauna and flora, the life and works of humans, geological history, and natural resources, and interprets and educates the public concerning these items. These responsibilities are accomplished by utilizing the collections and staff resources to provide quality research, exhibitions, publications, and educational programs to enhance the experiences, aesthetic values, and quality of life for the people of Illinois.

The Museum conducts research and educational programming related to the Illinois landscape; its organisms, both living and extinct; and its art and cultural heritage, both past and present. The Museum maintains extensive anthropology, art, botany, geology, and zoology collections, recognized both nationally and internationally. It operates a museum in Springfield, the Dickson Mounds Museum, and various galleries located throughout the state.

The Office of Water Resources administers regulatory programs over construction in the floodways of rivers, lakes, and streams. It is also responsible for construction in the shore waters of Lake Michigan, construction and operation of dams, construction in public bodies of water, and diversion of water from Lake Michigan, and withdrawal of water from three State lakes (Shelbyville, Carlyle, and Rend Lakes). The Office serves as the lead State agency for water resource planning, navigation, floodplain management, the National Flood Insurance Program, and interstate organizations on water resources. Duties also include the State Water Plan, drought response, flood emergency situation reports, and the comprehensive review of Illinois Water Use law. The Office gathers water resource data related to disasters and disseminates the information to other agencies. It also cooperates with the United States Geological Survey for summaries of river stage information.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

AGENCY FUNCTIONS AND PLANNING PROGRAM
(Continued)

For the Two Years Ended June 30, 2010

Organization (Continued):

The Office consists of five divisions: Planning, Project Implementation, Resource Management, Program Development, and Administrative Services. The Division of Planning is responsible for hydraulic engineering activities; preparation of authorized flood control, drainage and other water resource projects; preparation of reports, charts, maps, and graphs; and response for local assistance and emergency flooding situations. The Division of Project Implementation is responsible for preparation of design plans and specifications for Office construction projects, supervision of these projects, and acquisition of all necessary rights-of-way or flood prone property, and the administration and maintenance of State-owned dams and facilities on waterways throughout the State. The Division of Resource Management is responsible for regulating construction activities within the floodways of Illinois' rivers, lakes, and streams; protecting public interest in public waters; allocating and monitoring the usage of Lake Michigan water; reviewing floodplain studies to ensure compliance with regulations; and assisting with the National Flood Insurance program. The Division of Program Development is responsible for compiling and analyzing physical and economic data to determine present and projected future water problems and formulating the most economical solutions to water problems. The Division of Administrative Services provides administrative functions for the office, such as fiscal management, property control, record retention, and coordination with other Department Offices.

Management

The Director is assisted by an Assistant Director and three Deputy Directors. These Department directors are supported by an extensive staff of Office directors and Division managers. The Director is involved in key personnel decisions and in the budget process. Upper management attend weekly staff meetings and, if needed, issue meetings to address a particular concern in the Department.

Compliance with Rules and Regulations

The Department uses several individuals to identify laws and regulations that are applicable to its activities. The Office of Legislation is responsible for implementing the passage of substantive legislative changes to existing statutes. Legislative Liaisons report directly to the Director and coordinate with executive staff and senior managers the preparation for maintaining a working relationship with members of the General Assembly, other departments of State government, private entities, and citizens of the State which are impacted by legislation of the Department. All changes in legislation are immediately communicated to the appropriate personnel.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

AGENCY FUNCTIONS AND PLANNING PROGRAM

(Continued)

For the Two Years Ended June 30, 2010

Compliance with Rules and Regulations (Continued)

The Office of Legal Counsel is also responsible for providing advice to the Director in establishing policies, as well as preparing and reviewing proposed legislation and administrative rules. These programs assist the Department to recognize the needs of the public and to provide a united voice for Illinois' natural resources.

The Chief Fiscal Officer (CFO) serves as Director of the Office of Fiscal Management. The CFO's role in monitoring operations includes reviewing fiscal procedures to ensure compliance with all rules, regulations, and accounting standards.

The policy and procedure manual is the primary source used by management to communicate the goals and objectives of the Department. Changes and updates to the manual are made on a timely basis with policy memorandums mailed to each of the office directors who are responsible for informing their employees. Any administrative changes to the manual, such as a change in board members, would result in a replacement page being issued to all employees. In addition, a fiscal management handbook, which is located on the Department's intranet, provides guidance for many matters, such as procurement, vouchering, and petty cash procedures.

Strategic Planning

The Department first established a strategic planning function in fiscal year 1996, shortly after the Department's creation. The Department's most recent update of its strategic plan occurred in 2008. It identifies seven priorities with associated initiatives. The Department also has developed performance measures and goals which are annually reported to the Comptroller for inclusion in the State's Service Effort and Accomplishment Report (SEA).

Strategic planning activities are coordinated by the Director's Office, while the Office of Fiscal Management coordinates the collection and reporting of SEA information to the Comptroller.

The Department has several formal, ongoing planning programs. One plan is the State-wide Comprehensive Outdoor Recreation Plan. This plan, fully revised every five years, identifies issues and Department programs and priorities in the area of outdoor recreation. The Office of Realty and Environmental Planning carries out a variety of outdoor recreation and natural resource planning activities, such as site plans and economic analysis of feasibility of improvements such as campgrounds, cabins, and marinas. The Department prepares an Annual Capital Improvement Plan, which is presented to the Governor's Office of Management and Budget (GOMB), Capital Development Board, and the General Assembly. The Office of Water Resources is the State's lead agency for water resource planning. It prepares the State Water Plan and is involved in other planning activities related to the Management of the State's water resources.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

AVERAGE NUMBER OF EMPLOYEES

| | Fiscal Year | | |
|------------------------------------|-------------|-------|-------|
| | 2010 | 2009 | 2008 |
| Regular: | | | |
| General Office | 72 | 74 | 84 |
| Architecture, Engineering & Grants | 25 | 29 | - |
| Realty and Environmental Planning | 50 | 51 | - |
| Business Services | 47 | 49 | - |
| Public Services | 13 | 12 | - |
| Special Events | 23 | 26 | - |
| Resource Conservation | 217 | 212 | 221 |
| Law Enforcement | 154 | 160 | 174 |
| Land Management & Education | 390 | 421 | 473 |
| Mines & Minerals | 98 | 97 | 103 |
| Water Resources | 59 | 60 | 63 |
| Waste Management & Research Center | - | - | 28 |
| Geological Survey | - | - | 96 |
| Natural History Survey | - | - | 56 |
| Water Survey | - | - | 53 |
| Museums | 61 | 65 | 68 |
| Conservation 2000 | 17 | 16 | 11 |
| Total Regular | 1,226 | 1,272 | 1,430 |
| Part-Time and Seasonal | | | |
| General Office | 3 | 3 | 1 |
| Architecture, Engineering & Grants | 1 | 7 | - |
| Realty and Environmental Planning | - | 2 | - |
| Business Services | - | 2 | - |
| Public Services | - | - | - |
| Special Events | 11 | 16 | - |
| Resource Conservation | 52 | 67 | 43 |
| Law Enforcement | 1 | 1 | 2 |
| Land Management & Education | 340 | 348 | 174 |
| Mines & Minerals | 7 | 5 | 4 |
| Water Resources | 5 | - | 1 |
| Waste Management & Research Center | - | - | - |
| Geological Survey | - | - | - |
| Natural History Survey | - | - | - |
| Water Survey | - | - | - |
| Museums | - | - | - |
| Conservation 2000 | - | 1 | 1 |
| Total Part-Time and Seasonal | 420 | 452 | 226 |
| Total | | | |
| General Office | 75 | 77 | 85 |
| Architecture, Engineering & Grants | 26 | 36 | - |
| Realty and Environmental Planning | 50 | 53 | - |
| Business Services | 47 | 51 | - |
| Public Services | 13 | 12 | - |
| Special Events | 34 | 42 | - |
| Resource Conservation | 269 | 279 | 264 |
| Law Enforcement | 155 | 161 | 176 |
| Land Management & Education | 730 | 769 | 647 |
| Mines & Minerals | 105 | 102 | 107 |
| Water Resources | 64 | 60 | 64 |
| Waste Management & Research Center | - | - | 28 |
| Geological Survey | - | - | 96 |
| Natural History Survey | - | - | 56 |
| Water Survey | - | - | 53 |
| Museums | 61 | 65 | 68 |
| Conservation 2000 | 17 | 17 | 12 |
| Grand Total | 1,646 | 1,724 | 1,656 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

MEMORANDUMS OF UNDERSTANDING
For the Two Years Ended June 30, 2010

(Not Examined)

The Illinois Department of Natural Resources (the Department) entered into two Memorandums of Understanding (MOU) during the engagement period as follows:

- 1) The MOU was with the Great Lakes Fishery Commission (GLFC) and the Quantitative Fisheries Center at Michigan State University (QFC) commenced on August 15, 2008 and is in effect through December 31, 2012. This agreement amends the previous agreement effective October 1, 2007 through September 30, 2012. The MOU provides for the transfer of contributions to the QFC. The MOU provides for the following terms of agreement:
 - The Department will provide 100% of federal funds received under grant agreement NA07NMF4070283 to the QFC via GLFC.
 - The Department shall provide 100% of inter-jurisdictional funds received by the National Oceanic Atmospheric Association (NOAA) to the GLFC for transfer to QFC.
 - The Department's obligations shall cease if the Illinois General Assembly or the federal funding source does not appropriate sufficient funds for the purpose of this agreement in any given fiscal year.
 - All disbursements shall be made to the designated GLFC deposit account via check.
 - QFC will provide statistical and modeling expertise to state fisheries agencies involved in the management of inter-jurisdictional fisheries projects on the Great Lakes. Each January, the Department is to ultimately submit project requests to the QFC Associate Director and Board of Advisors to be ranked in order of priority.
 - QFC will provide the Department with Semi-annual progress reports due each April 15th and October 15th.
 - QFC will provide matching funds of 25% of the Department's annual contribution for each year of this agreement. This information will be reported on the Reimbursement Request and Matching Funds Report and submitted to the Department contact by October 15th each year of the agreement.
 - GLFC will invoice the Department the beginning of each year of this agreement for the full amount of funds received from the NOAA and facilitate all fund transfers to QFC at no cost.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

MEMORANDUMS OF UNDERSTANDING

(Continued)

For the Two Years Ended June 30, 2010

(Not Examined)

- 2) The MOU was with the Friends of the World Shooting and Recreational Complex (Friends of WSRC) and the Department's World Shooting and Recreational Complex (WSRC) executed on April 19, 2010. The MOU provides for the Friends of WSRC to assist the Department and the WSRC in conducting its SASS U.S. Open Cowboy Action Championship (SASS), the Midwestern Skeet Classic (Classic), and the Junior World Skeet Tournament recreational programs.

The Department agreed to pay for all prizes for each event from the Imprest Fund. The MOU provides for the following terms of agreement:

- The Department will provide staff and necessary resources for the events including staff, support, materials, security, camping, food service, staff management, site preparation and management, site clean-up, and all other technical aspects of the use of the complex.
- Friends of WSRC will staff or other support to the Department as well as provide cash management support including acceptance of shooting receipts, cashiering during the tournament, payment of event expenses.
- For the SASS event, Friends of WSRC agreed to accept 65% of all net profits collected from the event and pay the Dooley Gang 50% of their received net profit for event management fees. The Department shall receive \$3 for each registered shooter.
- For the Midwest Skeet Classic event, Friends of WSRC agreed to accept 15% of all net profits collected from the event.
- Both Parties agreed to share proceeds that accrue from each event as well as the sharing of all associated expenditures. The Friends of WSRC also had no obligation to utilize any Friends of WSRC non event related funds.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES
EMERGENCY PURCHASES
For the two years ended June 30, 2009 and 2010

The Department reported the following emergency purchases to the Office of the Auditor General during fiscal years 2009 and 2010:

| DESCRIPTION OF EMERGENCY PURCHASE | ACTUAL AMOUNT |
|---|---------------------|
| FISCAL YEAR 2009 | |
| World Shooting and Recreational Complex - 20 a/c units at Vendor Bldgs 1-5 | \$ 20,000 * |
| Fox River Aqueduct-Removal and disposal of debris | 38,900 |
| Sag Type Subsidence event damaging 5 duplexes and 2 quadplexes in Springfield | 49,446 * |
| Sanganois State Conservation Area-Cleanup of White Levee breach | 56,197 |
| Repairs to Sewer line | 89,679 |
| Red Hills State Park-Repair of leaking dam | 46,371 * |
| Southern Illinois Cleanup of 1/09 Ice Storm affecting multiple state parks | 500,000 * |
| Union County Refuge-Fertilizer | 42,367 |
| Horseshoe Lake Refuge-Fertilizer | 18,830 |
| Starved Rock State Park-Repair of Fluid Cooler | 47,750 |
| Starved Rock State Park-Waste Water Treatment Facilities Repairs | 52,897 |
| Reclamation work of abandoned mine shaft in Tuloca in Marshall County | 91,013 * |
| Plugging of Well 407 | 39,957 |
| TOTAL FISCAL YEAR 2009 COST | \$ 1,093,407 |
| FISCAL YEAR 2010 | |
| Cleanup of Giant City and Murshysboro State Parks after 5/8/09 storm | \$ 71,675 |
| Cleanup of Giant City and Murshysboro State Parks after 5/8/09 storm | 55,625 |
| Repair and Maintenance of Barrier IIA, due to Asian Carp incursion | 876,265 |
| Establishment of wetlands in the Mississippi River Area using federal funds | 82,552 |
| Pere Marquette State Park-Repairs of Water Treatment Plant | 54,460 |
| New data entry services agreement due to contract breach by previous vendor | 48,678 * |
| Asian Carp migration control | 660,419 * |
| TOTAL FISCAL YEAR 2010 COST | \$ 1,849,674 |

* Denotes estimated cost

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SERVICE EFFORTS AND ACCOMPLISHMENTS
For the Two Years Ended June 30, 2010

(Not Examined)

The Illinois Department of Natural Resources' (the Department) mission is to manage, conserve and protect the Illinois' natural, recreational and cultural resources, further the public's understanding and appreciation of those resources and promote the education, science and public safety of Illinois' natural resources for present and future generations.

The Department is organized into an Office of Administration and 11 main operating offices. These offices administer activities in four core program areas: Resource Compatible Recreation, Natural and Cultural Resource Protection, Resource-Related Public Safety, and Science, Education and Culture.

Resource Compatible Recreation

The mission of Resource Compatible Recreation program is to provide safe, accessible, high quality and resource compatible outdoor recreation opportunities to the public so they can enjoy the State's natural and cultural resources.

The Resource Compatible Recreation program goals are as follows: 1) meet the public's outdoor recreation needs in a resource-compatible manner, 2) develop and maintain Department facilities and infrastructure to provide meaningful outdoor recreation experiences for Illinois residents and visitors, and 3) establish and maintain partnerships to expand resource compatible recreation opportunities.

The Department owns or manages nearly 471,000 acres of land and water and offers a wide range of recreational opportunities, including camping, picnicking, sightseeing, fishing, hunting, boating, swimming and trail use. In fiscal year 2010, 36,100,000 people visited these sites.

A key objective of the Resource Compatible Recreation program is to maintain a high level of visitor satisfaction with the overall quality of Department sites. In fiscal year 2010, 95 percent of park visitors expressed high satisfaction (i.e., visitor survey scores of 4 or more on a 5 point scale, with 5 equaling excellent) with overall park facilities and operations.

The Department provides funding to local Illinois governments for outdoor recreation facilities and land for open space. In fiscal year 2010, the Department awarded 60 grants totaling nearly \$16,705,100. With financial assistance provided by the Department, local grant recipients acquired 314 acres and acquired and developed 420 miles of bike trails.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SERVICE EFFORTS AND ACCOMPLISHMENTS

(Continued)

For the Two Years Ended June 30, 2010

(Not Examined)

Resource Compatible Recreation (Continued)

The following are the Resource Compatible Recreation program's Input, Output, and Outcome Indicators.

| | Fiscal Year 2008 | Fiscal Year 2009 | Fiscal Year 2010 |
|--|---------------------|---------------------|---------------------|
| <u>Input Indicators</u> | | | |
| Total expenditures (in thousands) | \$85,819 | \$88,521 | 99,973 |
| Average monthly full-time employee equivalents | 663 | 615 | 725 |
| <u>Output Indicators</u> | | | |
| Acreage owned and managed | 373,857 | 469,244 | 470,649 |
| Number of grants awarded | 111 | 69 | 60 |
| Total dollar amount of grants awarded (thousands) | \$31,537 | \$21,350 | \$16,705 |
| Fishing licenses issued | 601,687 | 639,451 | 627,189 |
| Hunting licenses issued | 194,458 | 184,275 | 194,576 |
| Site attendance | 41,580,000 | 40,528,080 | 36,100,000 |
| <u>Outcome Indicators</u> | | | |
| Amount of grantee acquired acreage | 3,309 | 636 | 314 |
| Miles of bike trails acquired/developed through grants | 345 | 308 | 420 |
| Percentage of highly satisfied park visitors | 85% | 73% | 95% |
| <u>Efficiency/Cost Effectiveness</u> | | | |
| Cost per acre managed (in dollars) | \$106 | \$117 | \$117 |
| Cost per visitor (in dollars) | \$1.26 | \$1.36 | \$1.30 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SERVICE EFFORTS AND ACCOMPLISHMENTS

(Continued)

For the Two Years Ended June 30, 2010

(Not Examined)

Natural and Cultural Resource Protection

The mission of the Natural and Cultural Resource Protection program is to protect, manage, enhance, and restore Illinois' natural and cultural resources to preserve these resources for present and future generations.

The Natural and Cultural Resource Protection program goals are as follows: 1) restore, enhance and sustain Illinois' natural and cultural resources for present and future generations, 2) acquire interest in land to meet the public's open space and resource protection needs, 3) maximize the effectiveness of laws, statutes and administrative rules to better protect resources, 4) balance resource consumption and use with resource protection, and 5) avoid, minimize and mitigate adverse impacts to Illinois' lands and waters that result from mining and mineral extraction activities.

As part of the Natural and Cultural Resource Protection program, the Department manages land and water resources, enforces resource laws, acquires resource-rich lands, reclaims mine sites, and manages the State's mineral resources.

The Department owns or manages less than five percent of the State's vast natural resources. As a result, a key goal of the Department's Natural and Cultural Resource Protection program is to protect, manage and enhance natural resources not under ownership or direct management of the Department. The Department offers a number of programs to assist landowners and local entities in the management of resources under their control. For example, in fiscal year 2010 the Department produced 1,331,700 seedlings and reforested 3,686 acres.

Improvement in air quality is an important outcome of the Department's reforestation efforts, as the photosynthetic process of planted trees removes carbon generated by fossil fuel consumption from the atmosphere. The Department's reforestation activities in fiscal year 2010 resulted in the annual absorption of an additional 3,317 tons of carbon from the atmosphere.

The Ecosystem Program is a voluntary program that provides assessment and monitoring, financial and technical support and technical assistance to Local Partnership Councils (Ecosystem Partnerships) represented by groups of individuals including private organizations and public agencies which seek to maintain and enhance conditions in key watersheds in which they live, work and recreate. A key objective of this program has been to increase both the number of ecosystem partnerships and their coverage area throughout the State. In fiscal year 2010, 41 partnerships covered 86% of the State.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SERVICE EFFORTS AND ACCOMPLISHMENTS

(Continued)

For the Two Years Ended June 30, 2010

(Not Examined)

Natural and Cultural Resource Protection (Continued)

The Conservation Reserve Enhancement Program (CREP) is a unique State and Federal partnership to assist landowners in protecting lands along the Illinois River Watershed through the implementation of resource management practices such as the planting of trees and grasses and the development of wetlands. CREP is a voluntary program whose objective is to enhance water quality and habitats for threatened and endangered species through the restoration of 232,000 acres along the Illinois and Kaskaskia River and its tributaries. Enrollment in CREP began in fiscal year 1999, and at the end of fiscal year 2010 approximately 125,894 acres had been enrolled in the program. This acreage represents 54.3 percent of the program's ultimate enrollment goal.

The following are the Natural and Cultural Resource Protection program's Input, Output, and Outcome Indicators.

| | <u>Fiscal Year</u> 2008 | <u>Fiscal Year</u> 2009 | <u>Fiscal Year</u> 2010 |
|---|----------------------------|----------------------------|----------------------------|
| <u>Input Indicators</u> | | | |
| Total expenditures (in thousands) | \$108,009 | \$117,698 | \$94,819 |
| Average Monthly full-time employee equivalents | 671 | 671 | 592 |
| <u>Output Indicators</u> | | | |
| Number of acres reforested | 4,447 | 2,969 | 3,686 |
| Number of protected natural areas | 627 | 499 | 509 |
| Number of Ecosystem Partnerships designated | 41 | 41 | 41 |
| Number of acres annually enrolled in CREP | 2,255 | -739 | 0 |
| Amount of seedlings produced for reforestation | 1,600,000 | 1,776,300 | 1,331,700 |
| <u>Outcome Indicators</u> | | | |
| Percent of the state covered by Ecosystem Partnerships | 86% | 86% | 86% |
| Tons of carbon removed from the atmosphere by reforestation | 3,310 | 2,672 | 3,317 |
| Conservation Reserve and Enhancement Program (CREP) enrollment percentage | 54.1% | 54.6% | 54.6% |
| Number of deer harvested | 199,671 | 188,914 | 189,634 |
| Protected natural area acreage | 89,764 | 89,399 | 93,662 |
| Acquired land (acres) | 944 | 1,715 | 1,932 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SERVICE EFFORTS AND ACCOMPLISHMENTS

(Continued)

For the Two Years Ended June 30, 2010

(Not Examined)

Resource-Related Public Safety

The mission of the Resource-Related Public Safety program is to ensure the safe and enjoyable use of the State's lands, water and resources, ensure safety in mining and blasting activities, and to protect the public's interests in public waters and floodways.

The Resource-Related Public Safety program goals are as follows: 1) ensure the safety of the public visiting state-managed sites or participating in state-regulated outdoor recreation, 2) protect workers in the extraction industry from mining and explosive accidents, and 3) manage dams and floodways to protect people and property in floodplains.

Through its Resource-Related Public Safety program, the Department offers safety education classes for hunters, boaters, trappers and snowmobilers, certifying 19,529 students in fiscal year 2010. The Department's conservation police offices enforce State laws pertaining to boating, hunting and snowmobile safety, and assist park staff in ensuring the safe use of facilities and resources at agency sites.

One measurement to determine if the Department is meeting the challenge of ensuring the safety of the public visiting state-managed sites is the percentage of visitor survey scores of 4 or more on a 5 point scale (5 = excellent). In fiscal year 2010, 95% percent of park visitors expressed high satisfaction with park safety.

The Department's Resource-Related Public Safety program includes programs to ensure the safety of the State's coal and aggregate miners and others involved in the use of blasting and explosives. Agency staff works to protect the public from mine subsidence and other abandoned mine emergencies and enforce safety standards for dam and floodplain construction.

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SERVICE EFFORTS AND ACCOMPLISHMENTS

(Continued)

For the Two Years Ended June 30, 2010

(Not Examined)

Resource-Related Public Safety (Continued)

The following are the Resource-Related Public Safety program's Input, Output, and Outcome Indicators.

| | Fiscal Year 2008 | Fiscal Year 2009 | Fiscal Year 2010 |
|--|---------------------|---------------------|---------------------|
| <u>Input Indicators</u> | | | |
| Total expenditures (in thousands) | \$16,372 | \$15,375 | \$13,401 |
| Average monthly full-time employee equivalents | 120 | 122 | 121 |
| <u>Output Indicators</u> | | | |
| Number of safety education classes held | 525 | 541 | 537 |
| Number of mine safety certifications issued | 716 | 951 | 809 |
| Number of mine safety accident prevention contacts | 16,766 | 15,355 | 16,398 |
| Number of blasting and explosives licenses and certifications issued | 1,595 | 1,730 | 1,324 |
| Number of blasting and explosives inspections performed | 1,551 | 1,539 | 1,350 |
| Number of dams inspected | 290 | 150 | 168 |
| <u>Outcome Indicators</u> | | | |
| Percentage of visitors expressing high satisfaction with park safety | 89% | 79% | 95% |
| Number of students certified by safety education classes | 20,261 | 19,798 | 19,529 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SERVICE EFFORTS AND ACCOMPLISHMENTS

(Continued)

For the Two Years Ended June 30, 2010

(Not Examined)

Science, Education and Culture

The mission of the Science, Education and Culture program is to collect and analyze data on our natural and cultural resources and to provide objectives, scientific information and education programs on these resources to government agencies, businesses, other scientists, education institutions, teachers, students and the general public to advance their understanding and appreciation of the State's natural and cultural resources.

The Science, Education and Culture program goals are as follows: 1) educate the public on the diversity and value of the State's natural, and cultural resources, 2) preserve and showcase the State's natural, cultural and artistic heritage, 3) acquire and provide geological information for use in making environmental, economic, public safety and human health related decisions, 4) acquire and provide natural history information that can be used to promote the common understanding of and the sustainable conservation of Illinois' living natural resources, 5) promote information on water and atmospheric resources for use in private and public decision-making, and 6) develop technologies and provide information and technical assistance on waste management and pollution prevention to businesses and the public.

The Department offers a wide range of interpretative and environmental education opportunities as part of the Science, Education and Culture Program. Illinois ENTICE (Environment and Nature Training Institute for Conservation Education) is a teacher training program designed to incorporate long-term, standards-based natural resource education into Illinois classrooms. The Department has been certified by the Illinois State Board of Education as a certificate renewal credit provider as part of the Board's recertification requirements for teachers. In fiscal year 2010, 171 teachers completed ENTICE training and the Department awarded teachers 834 continuing professional education hours.

The Department's science institutions are the Illinois State Museum, Illinois Natural History Survey, Illinois State Water Survey, Illinois State Geological Survey, and the Illinois Waste Management and Research Center. Department scientists work on cutting-edge issues and apply the latest technologies available to them. The scientific knowledge that they provide is key to making up-to-date decisions on the appropriate use, effective management and protection of all of Illinois' resources.

In fiscal year 2010, 97 percent of park visitors expressed high satisfaction with interpretive programs as measured by the percentage of visitor survey scores of 4 or more on a 5-point scale (5 = excellent).

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

SERVICE EFFORTS AND ACCOMPLISHMENTS

(Continued)

For the Two Years Ended June 30, 2010

(Not Examined)

Science, Education and Culture (Continued)

The Department's State Museum and its branch facilities, uses its collections and applied research findings in order to serve as an informal education resource and provide learning opportunities for people of all ages. In fiscal year 2010, the State Museum facilities had over 300,000 visitors.

The following are the Science, Education and Culture program's Input, Output, and Outcome Indicators.

| | <u>Fiscal Year</u> 2008 | <u>Fiscal Year</u> 2009 | <u>Fiscal Year</u> 2010 |
|---|----------------------------|----------------------------|----------------------------|
| <u>Input Indicators</u> | | | |
| Total expenditures (in thousands) | \$35,107 | \$17,095 | \$15,999 |
| Average monthly full-time employee equivalents | 400 | 138 | 153 |
| <u>Output Indicators</u> | | | |
| Number of user sessions on websites (in thousands) | 6,336,502 | 2,629,058 | 3,797,646 |
| Number of teachers completing ENTICE Training | 240 | 120 | 171 |
| Number of active science research projects | 73 | 71 | 74 |
| <u>Outcome Indicators</u> | | | |
| Percentage of site visitors expressing high satisfaction with interpretive programs | 89% | 70% | 97% |
| Number of continuing professional education (CPE) hours awarded to teachers via "ENTICE" and other programs | 883 | 604 | 834 |
| Attendance at Museum facilities | 306,748 | 315,208 | 312,889 |

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES

OPEN SPACE LANDS ACQUISITION DEVELOPMENT GRANT PROGRAM
For the Two Years Ended June 30, 2010

(Not Examined)

The Illinois Open Space Lands Acquisition and Development (OSLAD) Program is a grant program that provides up to 50% funding assistance to eligible units of local government for approved land acquisition and/or development projects for public outdoor recreation purposes. Actual grant payment is provided on a reimbursement basis after the approved project is satisfactorily completed and actual, eligible costs determined. The Illinois Department of Natural Resources (the Department) is the State agency responsible for administering the OSLAD program. Allocation of grant funds to local projects from this program are made in accordance with priorities identified through the Department's statewide outdoor recreation planning process.

Project applications from local agencies requesting OSLAD assistance must be submitted to the Department for evaluation and consideration of project merit. Project applications must be received by the Department no sooner than May 1 and no later than July 1 of each year. Applications are objectively evaluated and awarded on a competitive basis, in relation to the following priorities and evaluation criteria:

- 1) Statewide Outdoor Recreation Priorities and Project Need (60%)
- 2) Local Planning (10%)
- 3) Site Characteristics and Development Plan (25%)
- 4) Project Special Considerations (5%)

Project approvals are made on a priority basis. The following local government agencies are eligible for OSLAD assistance 1) municipalities, townships and counties; 2) park districts; 3) conservation districts; and, 4) forest preserve districts. Other local government agencies having statutory authority to acquire and develop lands for public park and outdoor recreation purposes may also be eligible for OSLAD consideration. Except for jurisdictions with a population exceeding 2 million residents, the maximum grant funding for approved acquisition projects is limited to \$750,000, approved development projects is limited to \$400,000, and approved combination projects is limited to \$400,000. Counties serving a population exceeding 2 million residents shall be eligible for up to \$1.15 million in annual OSLAD funding for approved acquisition and/or development projects. Municipalities with a population exceeding 2 million residents shall be eligible for up to \$2.3 million in annual OSLAD funding for approved projects. However, no more than 10% of the annual OSLAD appropriation can be allocated to one project.

All project costs incurred prior to the Department's approval, with the exception of eligible project architectural/engineering costs, are ineligible for OSLAD assistance. Only proposed acquisition and development projects are eligible for grant assistance.

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During fiscal year 2010 and 2009, the Department awarded grants under the OSLAD program as follows:

| | <u>Fiscal Year</u> <u>2010</u> | <u>Fiscal Year</u> <u>2009</u> |
|--------------------------------|-----------------------------------|-----------------------------------|
| Total Grants Requested | 97 | 128 |
| Total Grants Awarded | 49 | 58 |
| Total Projects Awarded | \$ 16,935,850 | \$ 20,448,000 |
| <u>2010 Grant Projects</u> | | |
| Total Expenditures | \$ - | \$ - |
| <u>2009 Grant Projects</u> | | |
| Total Expenditures | \$ 1,148,350 | \$ - |