



OFFICE OF THE AUDITOR GENERAL

January 29, 2026
Performance Audit

Follow-Up Report

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Management Audit of the Illinois Department of Transportation's Life-Cycle Cost Analysis for Road Construction Contracts Audit Follow-Up

The Illinois Office of the Auditor General conducted a management audit of the Illinois Department of Transportation's (Department or IDOT) Life-Cycle Cost Analysis (LCCA) for Road Construction Contracts pursuant to Legislative Audit Commission Resolution Number 140. The audit was released in May 2012 and contained six recommendations directed to the Department. As part of the compliance examination for the two years ended June 30, 2014, the auditors noted two of the six recommendations were fully implemented. As part of the compliance examination for the two years ended June 30, 2016, auditors noted five of the six recommendations were fully implemented. The remaining recommendation was followed up on as part of the compliance examination for the two years ended June 30, 2018, June 30, 2020, and June 30, 2022, and remained partially implemented. As part of the compliance examination for the two years ended June 30, 2024, we followed up on the status of the remaining recommendation. The current status of the recommendation is shown in the table below. The remaining recommendation remains partially implemented as of June 30, 2024.

STATUS OF PERFORMANCE AUDIT RECOMMENDATIONS

As of June 30, 2024

Rec. No.	Recommendation Description	Agency	Current Status		
			Implemented	Partially Implemented	Not Implemented
1	Compliance with Statutory Requirements	IDOT		X	
2	Incorporating User Costs Into LCCA	IDOT	X		
3	Unit Cost Documentation	IDOT	X		
4	Outdated LCCAs	IDOT	X		
5	Review of LCCAs	IDOT	X		
6	Pavement Selection Committee	IDOT	X		

Source: Summary of OAG follow-up.

Recommendation 1: Compliance with Statutory Requirements

The Department of Transportation should conduct life-cycle cost analysis on all projects that meet the requirements of Public Act 96-715. Should IDOT conclude that statutory changes are needed to include additional criteria as to when a LCCA is not feasible, then it should work with the General Assembly to revise the statutory requirements. Furthermore, the Department should more clearly define in the LCCA section of Chapter 53 in its BDE Manual regarding the circumstances when LCCA is required for rehabilitation projects.

Current Status: Partially Implemented

The auditors followed up with the Department on the status of the life-cycle cost analysis plans and were informed that the Bureau of Research with Legislative Affairs was able to propose a legislative change, which was Senate Bill 1999. This bill was passed by the General Assembly and was sent to the Governor for signature on June 27, 2025. The Governor signed Public Act 104-0404 into law on August 15, 2025. The update to the bill clarified that IDOT will perform life-cycle cost analysis for each new construction, re-construction, or replacement road project over \$500,000. It also noted that State rehabilitation and preservation projects shall be exempt from this requirement. This change was implemented after June 30, 2024 and is expected to bring the Department into compliance.

Follow-up was conducted as part of the Fiscal Year 2023 and 2024 State compliance examination by our special assistant auditors, CliftonLarsonAllen LLP. This was the sixth time follow-up has been done on the recommendations from the May 2012 performance audit.