

State of Illinois
DEPARTMENT OF AGRICULTURE
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2015

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

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2015

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STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
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AGENCY OFFICIALS

Director	Raymond Poe, Acting (11/16/15 - present) Warren Goetsch, Acting (9/25/15 - 11/15/15) Phillip Nelson (1/20/15 - 9/24/15) Robert F. Flider (through 1/19/15)
Chief Fiscal Officer	Laura A. Cadagin (through 12/30/15) Vacant (12/31/15 - 1/3/15) Richard Campbell (1/4/15 - Present)
General Counsel	Craig Sondgeroth (4/1/15 - present) Raymond Watson (through 4/3/15)
Chief Internal Auditor	Gary Shadid (12/16/14 - Present) Vacant (5/1/14 - 12/15/14) Ted Tracy (through 4/30/14)

Department offices are located at:

State Fairgrounds
801 E. Sangamon Ave.
Springfield, IL 62702

MANAGEMENT ASSERTION LETTER

January 21, 2016

Sikich LLP
3201 West White Oaks Dr., Suite 102
Springfield, IL 62704

Ladies and Gentlemen:

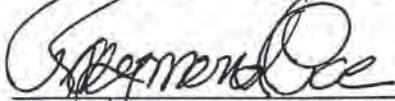
We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Illinois Department of Agriculture (Department). We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the Department's compliance with the following assertions during the two-year period ended June 30, 2015. Based on this evaluation, we assert that during the years ended June 30, 2015 and June 30, 2014, the Department has materially complied with the assertions below.

- A. The Department 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 Department 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 Department 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 Department 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 Department on behalf of the State or held in trust by the Department have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

Illinois Department of Agriculture

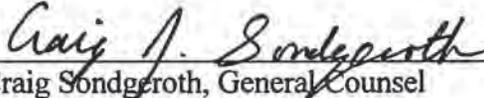
To the best of our knowledge



Raymond Poe, Acting Director



Richard Campbell, Chief Fiscal Officer



Craig Sondgeroth, General Counsel

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2015

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.

ACCOUNTANT'S REPORT

The Independent Accountant's Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes does not contain scope limitations or disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Current Report</u>	<u>Prior Report</u>
Findings	15	11
Repeated findings	7	5
Prior recommendations implemented or not repeated	4	2

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (STATE COMPLIANCE)			
2015-001	10	Confidential assistants members of collective bargaining units	Significant Deficiency and Noncompliance
2015-002	11	Improper classification of contractual obligations	Significant Deficiency and Noncompliance
2015-003	12	Inadequate controls over State property	Significant Deficiency and Noncompliance
2015-004	15	Weaknesses in the administration of State vehicles	Significant Deficiency and Noncompliance

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
2015-005	17	Inadequate administration of Illinois Standardbred Breeders Fund grants	Significant Deficiency and Noncompliance
2015-006	18	Weaknesses in the administration of locally held funds	Significant Deficiency and Noncompliance
2015-007	20	Inadequate controls over the processing of refunds	Significant Deficiency and Noncompliance
2015-008	22	Weaknesses in the administration of accounts receivable	Significant Deficiency and Noncompliance
2015-009	25	Understatement of fees in the Agency Fee Imposition Report	Significant Deficiency and Noncompliance
2015-010	26	Noncompliance with the Fiscal Control and Internal Auditing Act	Significant Deficiency and Noncompliance
2015-011	28	Noncompliance with the Financial Reporting Standards Board Act	Significant Deficiency and Noncompliance
2015-012	29	Inaccurate record of collateral held	Significant Deficiency and Noncompliance
2015-013	31	Noncompliance with the Compassionate Use of Medical Cannabis Pilot Program Act	Significant Deficiency and Noncompliance
2015-014	32	Nonperformance of certain rules and regulations of the Illinois Noxious Weed Law	Significant Deficiency and Noncompliance
2015-015	34	Weaknesses regarding systems development and change control procedures	Significant Deficiency and Noncompliance

PRIOR FINDINGS NOT REPEATED

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
A	35	Computer inventory control weaknesses
B	35	Failure to file accurate TA-2 Reports
C	35	Noncompliance with the Mississippi River Coordinating Council Act
D	35	Disaster contingency plan for computer systems not adequate

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Department personnel at an exit conference on January 20, 2016. Attending were:

Illinois Department of Agriculture

Gary Shadid, Chief Internal Auditor
Grant Hammer, Chief of Staff
Rick Boyd, Bureau of Warehouses Chief
Stuart Selinger, Bureau of Warehouses Supervisor
Craig Sondgeroth, General Counsel

Office of the Auditor General

Elvin Lay, Senior Audit Manager
Paul Usherwood, Senior Audit Manager
Joseph H. Gudgel, IT Audit Manager

Sikich LLP – Special Assistant Auditors

Amy L. Sherwood, Partner
Ryan Randolph, Senior Accountant

Responses to the recommendations were provided by Gary Shadid in correspondence dated January 20, 2016.

INDEPENDENT ACCOUNTANT'S REPORT ON STATE COMPLIANCE,
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

Honorable Frank J. Mautino
Auditor General
State of Illinois

Compliance

As Special Assistant Auditors for the Auditor General, we have examined the State of Illinois, Department of Agriculture's (Department) compliance with the requirements listed below, as more fully described in the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide) as adopted by the Auditor General, during the two years ended June 30, 2015. The management of the Department is responsible for compliance with these requirements. Our responsibility is to express an opinion on the Department's compliance based on our examination.

- A. The Department 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 Department 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 Department 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 Department 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 Department on behalf of the State or held in trust by the Department have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our examination was conducted 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 Department's compliance with those requirements listed in the first paragraph of this report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Department's compliance with specified requirements.

In our opinion, the Department complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the two years ended June 30, 2015. However, the results of our procedures disclosed instances of noncompliance with the requirements, 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 2015-001 through 2015-015.

Internal Control

Management of the Department 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 Department's internal control over compliance with the requirements listed in the first paragraph of this report to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Audit Guide, issued by the Illinois Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over compliance.

A deficiency in 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 in internal control 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings as items 2015-001 through 2015-015 that we consider to be significant deficiencies.

As required by the Audit Guide, immaterial findings excluded from this report have been reported in a separate letter to your office.

The Department's responses to the findings identified in our examination are described in the accompanying schedule of findings. We did not examine the Department's 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 for the years ended June 30, 2015 and June 30, 2014 in Schedules 1 through 15 and the Analysis of Operations Section 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 June 30, 2015 and June 30, 2014 accompanying supplementary information in Schedules 1 through 15. However, we do not express an opinion on the accompanying supplementary information.

We have not applied procedures to the June 30, 2013 accompanying supplementary information in Schedules 3, 4, 6, 7, 8, 11, 12 and in the Analysis of Operations Section, and accordingly, we do not express an opinion or provide any assurance 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 Department management and is not intended to be and should not be used by anyone other than these specified parties.

Sikich LLP

Springfield, Illinois
January 21, 2016

SCHEDULE OF FINDINGS

CURRENT FINDINGS – State Compliance

2015-001 FINDING (Confidential assistants members of collective bargaining units)

The Illinois Department of Agriculture (Department) did not ensure all confidential assistants were removed from a collective bargaining unit or their confidential responsibilities, as defined by the Illinois Public Labor Relations Act (5 ILCS 315/3) (Act), were transferred to non-union employees.

During its performance audit of Management Positions in the Executive Branch released in April 2013, the Office of the Auditor General (OAG) identified 2 Department employees who performed confidential duties, but belonged to a collective bargaining unit. According to the Act, a confidential employee is defined as "...an employee who, in the regular course of his or her duties, assists or acts in a confidential capacity to persons who formulate, determine, and effectuate management policies with regard to labor relations and who, in the regular course of his or her duties, has authorized access to information relating to the effectuation or review of the employer's collective bargaining policies." The Act further notes that confidential employees are excluded from the definition of public employees and as a result would be excluded from being union members.

We noted the position classification of 1 of the employees had changed and they were no longer in the collective bargaining unit before they separated from the Department during the examination period. The classification and duties of the other employee remained unchanged throughout the examination period.

In response to the OAG during its performance audit, the Department stated any positions involved in confidential matters for the Director should be exempt from the bargaining unit. Regarding the ongoing noncompliance, Department management stated the issue noted was due to staffing turnover and a lack of communication.

The failure to exclude confidential assistants from collective bargaining units represents noncompliance with the Act and could jeopardize the relationship between management and the collective bargaining unit. (Finding Code No. 2015-001)

RECOMMENDATION

We recommend the Department remove all confidential assistants from a collective bargaining unit or transfer their confidential responsibilities to non-union employees.

DEPARTMENT RESPONSE

The Department agrees with the finding and will work with CMS to clarify the current job description and remove language causing the identified conflict.

2015-002 FINDING (Improper classification of contractual obligations)

The Illinois Department of Agriculture (Department) improperly classified contractual obligations during the examination period.

During testing of 25 contractual agreements totaling \$1,215,286, we noted 3 of 25 (12%) were improperly classified on the Contract Obligation Document (COD). Specifically,

- Two of 3 contracts totaling \$73,267 were classified as small purchases that exceeded the small purchase threshold. These 2 contracts were subject to the competitive sealed bidding requirements (one professional and artistic and one non-professional and artistic). However, since they were classified as small purchases, they did not go through the competitive sealed bidding process.
- One of 3 contracts totaling \$35,340 was improperly classified as a professional and artistic contract when it was a lease agreement.

The Statewide Accounting Management System (SAMS) (Procedure 15.20.10) indicates the award codes and purchase order type that should be included on the COD. Section 20-20 of the Illinois Procurement Code (30 ILCS 500) states any individual procurement of supplies or services other than professional or artistic services, not exceeding \$10,000 and any procurement of construction not exceeding \$30,000 may be made without competitive sealed bidding. It further states, each July 1, the small purchase maximum established shall be adjusted for inflation as determined by the Consumer Price Index. The State of Illinois Procurement Policy Board set the small purchase threshold at \$20,000 for professional or artistic services and at \$50,000 for commodities and services for both fiscal years under examination (44 Ill. Adm. Code 1.2020).

Department management stated that the exceptions were due to oversight.

Incorrectly classifying contractual obligations on the COD results in false information being reported to the Illinois Office of the Comptroller and could fail to subject contracts to the competitive sealed bidding process. (Finding Code No. 2015-002)

RECOMMENDATION

We recommend the Department implement a secondary review process in order to ensure its contractual obligations are classified properly when completing the Contractual Obligation Documents and all contracts which should be bid undergo the competitive sealed bidding process.

DEPARTMENT RESPONSE

The Department agrees with the finding and will reinforce its review of contractual obligations. It will also review all potential procurements to comply with the competitive bid process and Illinois Procurement Code.

2015-003 FINDING (Inadequate controls over State property)

The Illinois Department of Agriculture (Department) did not exercise adequate controls over State property.

During our testing, we noted the following:

- While testing the existence of the Department's property, we noted exceptions related to 5 of 25 (20%) property items tested, totaling \$12,738. Specifically:
 - Two items were located, but no tag number was present. These items were a Rubbermaid hand cart, totaling \$492, and a Stand Jack Greenlee Reel, costing \$159.
 - A tractor totaling \$5,498 was identified using the serial number listed in the Department's records because the incorrect tag had been placed on the tractor.
 - A drill bit kit totaling \$299 could not be located.
 - A ticket booth totaling \$6,290 was demolished in 2012, but remained on the Department's records.
- We noted that 65 property items totaling \$43,332 and 25 items totaling \$6,839 were reported as lost or stolen, respectively, on the fiscal year 2014 and fiscal year 2015 Request for Deletion from Inventory Forms submitted to the Department of Central Management Services (DCMS). In fiscal year 2014 lost or stolen property items represented 1.8% of the \$2,409,133 of total property deletions. In fiscal year 2015 lost or stolen items represented 2.2% of the \$312,183 of total property deletions.
- One of 2 (50%) property leases tested totaling \$15,341 was not recorded on the Fair Value Report. The Department properly completed the Accounting for Leases – Lessee Form (SCO-560) and submitted it to the Illinois Office of the Comptroller (IOC). The IOC omitted the lease on the fiscal year 2015 Fair Value Report when it issued the fiscal year 2015 Fair Value Report to the Department. The Department failed to acknowledge and request a corrected fiscal year 2015 Fair Value Report from the IOC.
- Three of 25 (12%) equipment deletions tested totaling \$1,207 were scrapped without receiving approval from DCMS. The equipment deletions included a computer monitor, computer console, and a portable radio.

- Testing of the Agency Report of State Property (C-15) resulted in the following exceptions:
 - A capital lease totaling \$15,341 ended June 30, 2013; however, it was not removed from the C-15 until December 31, 2013. The Department corrected this error by June 30, 2014.
 - The Department had capital leases totaling \$11,596 as of September 30, 2013. These leases did not get included on the C-15 until June 30, 2014.
 - The Department entered into a capital lease totaling \$7,444 on November 27, 2013; however, the lease did not get included on the C-15 until June 30, 2014.
 - The Department included a \$2,156,113 transfer from the Capital Development Board in the additions column. The Department did not correct this error before June 30, 2015; however, auditors corrected the error in the appropriate compliance schedule.
 - The Department made a mathematical error in the totals per Department records column. Assets were under reported by \$185,964. The Department did not correct this error before June 30, 2015; however, auditors corrected the error in the appropriate compliance schedule.
 - The Department excluded several items from the fiscal year 2015 C-15. Auditors noted building additions totaling \$143,916 and equipment additions totaling \$95,483 were not included on the C-15. The Department did not correct this error before June 30, 2015; however, auditors corrected the error in the appropriate compliance schedule.

The State Property Control Act (30 ILCS 605/4) (Act) requires every responsible officer of State government to be accountable to the administrator for the supervision, control and inventory of all property under his jurisdiction. The Act (30 ILCS 605/6.02) also requires the Department to maintain a permanent record of all items of property under its jurisdiction and control. The Illinois Administrative Code (Code) (44 Ill. Adm. Code 5010.210) requires the Department to mark each piece of State-owned equipment in its possession with a unique 6-digit number to be assigned by the agency holding the property, and (44 Ill. Adm. Code 5010.220) requires all equipment with an acquisition value of \$500 or more to be reported to the Department of Central Management Services (DCMS) by the holding agency. The Code (44 Ill. Adm. Code 5010.240) also states if equipment is acquired by gift or other means other than by purchase, the value of the equipment is to be reported at its purchase price. Further, the Code (44 Ill. Adm. Code 5010.920) states no item of equipment valued at \$100 or more may be scrapped without the permission of DCMS.

The Statewide Accounting Management System (SAMS) (Procedure 27.20.60) requires an Accounting for Leases-Lessee Form (SCO-560) to be completed for new leases of assets having a fair market value greater than \$5,000 to assist in the determination of lease classification and cost basis of the leased asset if classified as capital. If classified as a capital lease, SAMS (Procedure 29.10.10) requires it to be included on the Form C-15 in the quarter in which the lease was executed.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation. The State Records

Act (5 ILCS 160/9) requires the head of each agency to establish, and maintain an active, continuing program for the economical and efficient management of the records of the agency.

In response to the prior year finding, the Department stated it would strengthen its controls over State property to minimize loss or theft of items and to ensure their property recording. Regarding the exceptions noted during the current examination, the Department management stated that controls have been tightened, as evidenced by the reduction in lost and stolen items and the lack of materiality, in the opinion of the Department, of most of the current exceptions. Despite improved controls, exceptions remain due to a learning process of developing the strongest controls possible.

Failure to maintain adequate control over State property is in noncompliance with State statute, Illinois Administrative Code, and SAMS. The inadequate control increases the risk of equipment loss or theft occurring without detection and results in inaccurate property reporting. (Finding Code No. 2015-003, 2013-001, 11-1, 09-1, 07-1)

RECOMMENDATION

We recommend the Department strengthen its controls over State property by ensuring its property is tagged, inventoried, recorded, and reported in accordance with the rules outlined in State statute, the Illinois Administrative Code, and SAMS.

DEPARTMENT RESPONSE

The Department agrees with the finding. The Bureau of Budget and Fiscal Services is inadequately staffed. The Bureau will strive to develop and implement policies and procedures to ensure data is compiled and reported accurately with appropriate oversight.

2015-004 FINDING (Weaknesses in the administration of State vehicles)

The Illinois Department of Agriculture (Department) demonstrated weaknesses in the maintenance of State vehicles and the reporting of vehicle accidents to the Department of Central Management Services (DCMS).

During testing of 25 vehicles for proper vehicle maintenance we noted the following:

- 47 instances in 20 of 25 (80%) vehicles tested where the vehicle did not have oil changes performed in accordance with the Department of Central Management Services (DCMS) guidelines. Of the 47 instances of vehicles having untimely oil changes, 26 (55%) instances were untimely based on the number of miles driven from the previous oil change; 9 (19%) instances were untimely based on the number of months passed; and 12 (26%) instances were untimely in regards to both miles driven and months passed. The number of miles that oil changes were overdue ranged from 32 to 17,611 miles, while the time oil changes were overdue ranged from 6 days to 7 months.
- 22 of 25 (88%) vehicles tested did not have proper signature on the maintenance charge ticket(s) or invoice(s) provided for the vehicle.

The Illinois Administrative Code (44 Ill. Adm. Code 5040.400) states, “All state-owned...or leased vehicles which fall under this Part shall undergo regular service and/or repair in order to maintain the vehicles in road worthy, safe, operating condition and appropriate cosmetic condition.” Further, DCMS policy indicates that oil change intervals are every 6 months or 3,000 miles, whichever comes first, for vehicles with model years older than 2002 and every 6 months or 5,000 miles, whichever comes first, for vehicles with model years 2003 or newer. The DCMS Vehicle Usage Program, effective July 1, 2012, requires agencies to follow prescribed maintenance intervals to keep fleet costs down. In addition, section 7.1.104 of the Department’s employee handbook states, “After the delivery of products or services, the vehicle operator should legibly sign the charge ticket or invoice after reviewing the ticket or invoice for accuracy.”

In addition, during our testing of the Department’s reporting of accidents involving a State vehicle to DCMS, we noted 2 of 6 (33%) accidents tested were not reported to DCMS within 7 calendar days as required. The accidents were reported to DCMS 9 and 17 days late. The Accident Report Procedures (44 Ill. Adm. Code 5040.520) require drivers of State vehicles involved in an accident to report such accident to DCMS by completing the “Motorist’s Report of Illinois Motor Vehicle Accident” form (SR-1). The SR-1 is to be completed no later than 3 days and submitted to DCMS no later than 7 calendar days following the accident.

In response to this finding in the previous examination, Department management stated it would review and strengthen procedures to enforce DCMS policies for the maintenance of State vehicles.

Related to the ongoing exceptions, Department management stated that in regard to the first vehicle maintenance exception, the Department has a vehicle management system (VMS); however, bureau automotive liaisons (those charged with entering data to the VMS) appeared to not have entered the data timely and/or failed to save the data when it was entered.

In regard to the second vehicle maintenance exception, Department management stated that prior to DCMS leasing vehicles, work tickets were handed to vehicle operators who would then sign those tickets before turning them in. After DCMS began leasing vehicles, work tickets were no longer provided to the operators. Instead, DCMS first “closes” the ticket then provides it to the appropriate bureau via inter-governmental email or mail.

In regard to the accident report exceptions, Department management stated that the cause of the 17 day delay was that the accident report was sent to the bureau automotive liaison; however, that person was on vacation when it was submitted and it was not addressed until the liaison returned to work. In the case of the 9-day delay, the supporting documentation indicates that the operator was told of the time limit but did not turn the accident report in until after the 7 day deadline.

Failure to adequately maintain vehicles can cost the State significant amounts in the future years through additional repair bills and shortened useful lives of the vehicles. Failure to review invoices for accuracy could indebt the State for costs not incurred or services not properly performed. Failure to report timely vehicle accidents to DCMS increases the State’s potential liability and risk of loss. (Finding Code No. 2015-004, 2013-006, 11-5)

RECOMMENDATION

We recommend the Department develop and implement procedures which create stronger controls over its vehicles and address both maintenance and reporting.

DEPARTMENT RESPONSE

The Department accepts the findings on maintenance of state vehicles. A new procedure for monitoring oil changes has been put into place in the Division of Administrative Services and a new training session is scheduled for the Department's vehicle management system. Also, the Department's vehicle coordinator is working to make the SR-1 form more easily accessible to all employees in the event of the accident in order to speed up the reporting of accidents. Additionally, the Department's vehicle coordinator is drafting an update to the Department's employee handbook to reflect changes in CMS policy regarding when the agency issues charge tickets for vehicle maintenance.

2015-005 FINDING (Inadequate administration of Illinois Standardbred Breeders Fund grants)

The Illinois Department of Agriculture (Department) did not adequately administer the Illinois Standardbred Breeders Fund (Fund 0708) grants.

During testing of 10 grant agreements awarded from the Illinois Standardbred Breeders Fund totaling \$809,190, we noted the following:

- Eight out of 10 (80%) grant agreements totaling \$588,079 contained language requiring the grantees to file quarterly reports with the Department describing progress of the services provided under the grant agreement and the grant funds. However, the Department only required the grantees to file these reports annually since races did not occur year around. The grant agreements were not modified to reflect the reporting requirement modification.
- Two out of 10 (20%) grant agreements totaling \$67,180 required the Department to receive an originally marked racing program prior to making payments to the grantee. The Bureau of County Fairs and Horse Racing approved payment to these grantees prior to receiving an originally marked racing program for all races administered by the grantee. (Note: These 2 grants were included in the 8 grant agreements within the first bullet.)

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) (Act) requires all State agencies to establish and maintain a system, or systems, of internal fiscal controls to provide assurance that funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation.

Department management stated the issues noted were due to staffing limitations.

Failure to properly administer awards and grants decreases the Department's accountability over funds granted and increases the risk of noncompliance with the provisions of the grant agreement. In addition, it increases the risk of the funds being utilized for activities other than their intended purpose and demonstrates noncompliance with the Act. (Finding Code No. 2015-005)

RECOMMENDATION

We recommend the Department administer the grant agreements awarded from the Illinois Standardbred Breeders Fund in accordance with the grant agreements signed between it and the grantees and require proper documentation to support payment before remitting grant funds.

DEPARTMENT RESPONSE

The Department agrees with the finding. The bureau will update all Standardbred breeders fund grant agreements to indicate an annual report is required, as opposed to a quarterly report. Also, the Department will date stamp all incoming race programs, if not sent electronically, which will prevent premature payment approval.

2015-006 FINDING (Weaknesses in the administration of locally held funds)

The Illinois Department of Agriculture (Department) did not properly complete the quarterly Report of Receipts and Disbursements for Locally Held Funds (Form C-17) submitted to the Illinois Office of the Comptroller (Comptroller) for 6 Department funds. In addition, the Department did not have proper segregation of duties in the administration of 5 funds.

We reviewed the 8 quarterly Form C-17s submitted to the Comptroller for fiscal years 2014 and 2015 for 12 of 12 (100%) of the Department's locally held funds. We noted the following:

- One of 8 (13%) fiscal year 2014 Form C-17s tested for Agricultural Products Promotional Fund incorrectly overstated cash on hand by \$3,602.
- 15 of 16 (94%) Form C-17s tested for Henry White Fund and Zell Farm Fund reported the incorrect amount of investment income by approximately \$45. In addition, the "cash on hand and in banks" was incorrect as a result of understated receipts of approximately \$45.
- 8 of 8 (100%) Form C-17s tested for Illinois Colt Stakes/Championship Purse Fund incorrectly reported disbursements by approximately \$17,000, carrying forward each quarter in fiscal year 2014. In fiscal year 2015, disbursements were incorrectly reported by approximately \$600 carrying forward each quarter.

In addition, we determined one individual opens the mail, enters financial information, makes deposits and performs bank reconciliations for the following 5 Department funds: White Experimental Farm Fund; Zell Farm Fund; Agricultural Products Promotional Fund, Illinois Agricultural Youth Institute Fund; and Ask Illinois First Fund.

At June 30, 2015 and 2014, the Department's locally funds had balances of \$2,274,428 and \$2,261,940 respectively.

The Statewide Accounting Management System (SAMS) (Procedure 33.13.20) requires each agency to submit accurate quarterly reports of receipts and disbursements of all locally held funds to the Comptroller's Office utilizing the Report of Receipts and Disbursements for Locally Held Funds by the last day of the month following the quarter end.

Fiscal Control and Internal Auditing Act (FCIAA) (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that 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.

In response to this finding from the previous examination, the Department stated it would accurately and consistently prepare quarterly Form C-17s based on balances reported on the Department's accounting records. The Department stated it would also establish controls to ensure an adequate segregation of duties for locally held funds. The Department attributed the weaknesses to staff not understanding the proper accounting for locally held funds, turnover and staff shortages. Related to the exceptions noted during the current examination,

Department management stated it has worked with bureau staff in understanding the accounting and reporting for locally held funds, but additional staff turnover has affected the accuracy of reporting. Additionally, eliminating and combining funds to streamline reporting has begun but was not completed during the examination period.

It is important to properly report locally held funds to the Comptroller because they are not subject to appropriation and are held outside the State Treasury. The Comptroller's Locally Held Fund Reporting System's major function is to capture cash receipt and disbursement information on a quarterly basis in order to provide a more comprehensive fiscal base for the State of Illinois. Failure to provide accurate quarterly reports prevents the Comptroller from maintaining accurate year-to-date receipts and disbursements of locally held funds. Additionally, the failure to segregate duties could prevent the early detection and correction of errors and increases the chance for theft or misappropriation of receipts. (Finding Code No. 2015-006, 2013-004, 11-3)

RECOMMENDATION

We recommend the Department accurately and consistently prepare quarterly Form C-17s based on balances reported on the Department's accounting records. We also recommend the Department establish controls to ensure an adequate segregation of duties for locally held funds.

DEPARTMENT RESPONSE

The Department agrees with the finding and will work with Budget and Fiscal Office staff to ensure proper accounting and reporting procedures. Staff shortages adversely affect the bureau's efforts to separate duties.

2015-007 FINDING (Inadequate controls over the processing of refunds)

The Illinois Department of Agriculture (Department) failed to adequately document the date refund checks were received. As a result, auditors could not determine whether the Department deposited the refund checks in a timely manner in accordance with the State Officers and Employees Money Disposition Act (30 ILCS 230/2) (Act). Other refund checks for which the date was documented were not deposited in compliance with the Act.

Seven of 40 (18%) refunds tested totaling \$8,735 did not have adequate documentation to demonstrate the refund checks were deposited timely. In the 7 instances, the Department could not provide documentation for the date on which the refund check was received. As a result, the auditors were unable to determine whether the refund checks were deposited in a timely manner. In addition, 2 of 40 (5%) refund checks totaling \$1,688 were deposited 6 and 7 days later than the timely deposit requirement outlined in the Act.

The Act requires every department covered under the provisions of the Act to keep in proper books a comprehensive itemized account of all moneys received for or on behalf of the State of Illinois, showing the date of receipt, the payor, and purpose and amount. The Act also requires payment into the State treasury the gross amount of money received on the day of actual physical receipt with respect to any single item of receipt exceeding \$10,000, within 24 hours of actual physical receipt with respect to an accumulation of receipts of \$10,000 or more, or within 48 hours of actual physical receipt with respect to an accumulation of receipts exceeding \$500 but less than \$10,000, disregarding holidays, Saturdays and Sundays, after the receipt of the same, without any deduction on account of salaries, fees, costs, charges, expenses or claims of any description.

The State Records Act (5 ILCS 160/8) requires the records of the Department be maintained and preserved to document the decisions and activities of the Department.

In response to this prior finding, the Department stated it would ensure adequate documentation of the date refund checks were received is maintained and would deposit refund checks in a timely manner. Related to the exceptions noted in the current examination, Department management stated that refunds are received in various bureaus throughout the Department, and failure to date stamp them is due to oversight. Timely deposit is sometimes difficult if a refund check is received with no information as to what bureau it is for or what invoices. It can take several days to track down the needed information.

Failure to maintain necessary source documentation regarding refunds or make deposits in a timely manner results in noncompliance with the State Officers and Employees Money Disposition Act. (Finding Code No. 2015-007, 2013-007)

RECOMMENDATION

We recommend the Department ensure adequate documentation of the date refund checks are received and maintain documentation to support deposits. We also recommend the Department implement the necessary procedures to ensure deposits of refunds and receipts are made in a timely manner.

DEPARTMENT RESPONSE

The Department agrees with the finding. Formal policies and procedures will be revised to address refunds. Sufficient staffing is necessary to ensure timely completion and implementation of this task.

2015-008 FINDING (Weaknesses in the administration of accounts receivable)

The Illinois Department of Agriculture (Department) did not have adequate controls over its administration of accounts receivable including the preparation of accounts receivable reports, related financial records, or its collection efforts.

During our testing of the Department's June 30 Quarterly Summary of Accounts Receivable – Accounts Receivable Activity (Form C-97), we noted:

- The Department was unable to provide adequate supporting documentation for the “Collections this Quarter” category of the quarter ended June 30, 2014 Form C-97 in the Agricultural Premium Fund. The supporting documentation provided in the “Gross Receivables” category did not agree to the amounts included for the quarter ended June 30, 2014 on the Form C-97 submitted by the Department.
- The Department was unable to provide adequate supporting documentation for the “Accounts Receivable Added this Quarter” and “Collections this Quarter” categories of the quarters ended June 30, 2014 and June 30, 2015 Form C-97 in the Illinois State Fair Fund. The supporting documentation provided did not agree to the amounts included in these two categories for the quarter ended June 30, 2014 on the Form C-97 submitted by the Department. Finally, the June 30, 2014 Form C-97 was not revised by the Department after a billing error occurred and the total reimbursement was received.
- The Department was unable to provide adequate supporting documentation for the “Accounts Receivable Added this Quarter” and “Collections this Quarter” categories of the quarters ended June 30, 2014 and June 30, 2015 Form C-97 in the Agriculture Federal Projects Fund. The supporting documentation provided in the “Accounts Receivable Added this Quarter” category did not agree to the amounts included for the quarter ended June 30, 2014 on the Form C-97 submitted by the Department.

During our testing of the Department's June 30 Quarterly Summary of Accounts Receivable – Aging of Total Gross Receivables (Form C-98), we noted:

- The receivables reported for the quarter ended June 30, 2014 were not properly aged in the Weights and Measures Fund. The Department reported \$337,000 as current, when \$327,000 should have been reported as current. The over 1 year aging category was reported as \$219,000, and it should have been \$229,000.

During detail testing of the Department's accounts receivable balances, we noted:

- We could not complete our testing for 2 of 40 (5%) items totaling \$2,850 because the Department could not provide sufficient documentation related to the accounts.

During our testing of 25 returned checks, we noted the following:

- The Department did not turn over the account to the Attorney General's Office, the Comptroller's Offset system, or a collection agency after the returned check was not collected within 90 days of the returned check date for 2 of 25 (8%) items tested totaling \$525. In addition, the Department did not report, establish, or add back the amount of the returned check as an accounts receivable for these items.

Further, upon review of the Department's procedures for handling accounts receivable, we noted the Department's policy relating to the Comptroller's Offset System was inconsistent with the procedures outlined in the Statewide Accounting Management System (SAMS) (Procedure 26.40.20) and the Illinois State Collection Act of 1986 (30 ILCS 210/5). Department policy states debts over \$1,000 and 90 days past due are to be placed in the Comptroller's Offset System, while SAMS (Procedure 26.40.20) and 30 ILCS 210/5 both require debts over \$250 and 90 days past due to be placed in the Comptroller's Offset System.

SAMS (Procedure 26.30.10) describes the accounts receivable reports for State agencies. These reports provide a summary of the status of the State's receivables and related collection efforts. SAMS (Procedure 26.30.20) provides instructions for the completion of Form C-97, which summarizes the accounts receivable activity on a quarterly basis for all funds. The State Records Act (5 ILCS 160/8) requires the Department to make and preserve records containing adequate and proper documentation of the functions and procedures of the Department.

In response to this finding from the prior examination, the Department stated it would modify its accounts receivable processing procedures to ensure adjustments reported to the Comptroller within the Form C-97 were properly supported on the form and within its files. The Department would also amend its collection efforts to ensure the activities were performed within a timely manner and returned checks were added back to accounts receivable for the quarterly reporting. The Department stated it would ensure all of its internal accounting procedures were in compliance with SAMS and State statute. Related to the exceptions noted during the current examination, the Department stated the exceptions were caused by a lack of understanding by the large number of employees managing receivables on an equal number of computer systems.

Failure to support the balances included in the accounts receivable reports provided to the Comptroller results in incorrect financial records and noncompliance with SAMS and State statute. Failure to collect on accounts receivable in a timely and effective manner may result in the delay or loss of revenue to the State. Finally, inconsistent internal collection procedures compared to those in SAMS and State statute results in SAMS and statutory noncompliance. (Finding Code No. 2015-008, 2013-008)

RECOMMENDATION

We recommend the Department modify its accounts receivable processing procedures to ensure balances reported to the Comptroller within the accounts receivable reports are properly supported on the form and within their files. We recommend the Department amend its collection efforts to ensure the activities are performed within a timely manner and returned checks are added back to accounts receivable for quarterly reporting. Finally, we recommend the Department ensure all of its internal accounting procedures are in compliance with SAMS and State statute.

DEPARTMENT RESPONSE

The Department agrees with the finding. The Budget and Fiscal Office is not adequately staffed. Therefore, cross-training staff is necessary to support when staffing shortages occur.

2015-009 FINDING (Understatement of fees in the Agency Fee Imposition Report)

The Illinois Department of Agriculture (Department) understated fees collected in the 2014 Agency Fee Imposition Report submitted to the Illinois Office of the Comptroller (Comptroller).

We noted the fees reported for 3 of 14 (21%) funds on the 2014 Agency Fee Imposition Report did not agree to Department records. The errors noted resulted in the Department understating the fees collected by \$165,700.

The State Comptroller Act (15 ILCS 405/16.2) requires those agencies that impose fees to file an Agency Fee Imposition Report Form. The form shall list and describe the fees imposed by the Agency, the purpose of the fees, the amount of revenue generated by each fee, and the funds into which the fees are deposited.

Department management stated that the errors in the fiscal year 2014 report were due to employee turnover. The employee who had previously prepared the report left a few months before the report was due, and the new employee who was to take it over had not been with the Department long enough to prepare the report. The person who prepared the report in the interim had not done it before.

Inaccurate reporting of fees on the Agency Fee Imposition Report to the Comptroller results in the Comptroller providing inaccurate information on the Statewide Agency Fee Imposition Report submitted to the General Assembly. (Finding Code No. 2015-009)

RECOMMENDATION

We recommend the Department ensure the accuracy of the Agency Fee Imposition Report prior to its submission to the Comptroller.

DEPARTMENT RESPONSE

The Department agrees with the finding. Accounting staff is being trained to minimize the likelihood of inaccurate reporting.

2015-010 FINDING (Noncompliance with the Fiscal Control and Internal Auditing Act)

The Illinois Department of Agriculture (Department) did not comply with the Fiscal Control and Internal Auditing Act (30 ILCS 10/2001) (Act).

The Department did not maintain a full-time internal audit program throughout the examination period. The Department's internal auditing program consists of one auditor, its Chief Internal Auditor. The Department's former Chief Internal Auditor retired in April 2014. The Chief Internal Auditor position was vacant until December 2014. The Department did not outsource its internal auditing program during the times in which the position was vacant to ensure the continuity of its internal auditing program and compliance with the Act. As a result:

- The Department did not complete audits of all major systems of internal accounting and administrative control during fiscal years 2014 and 2015.
- The 2014 Annual Internal Audit Report was not completed.
- The fiscal years 2015 and 2016 Two-year Audit Plan was not completed.

Additionally, the Two-year Audit Plan for fiscal years 2014 and 2015 was not submitted to the Director for approval prior to the beginning of fiscal year 2014. The Department was unable to provide support showing that the Two-year Audit Plan for fiscal years 2014 and 2015 was approved by the Director. The Department did not complete any of the audits in the Two-year Audit Plan for fiscal years 2014 and 2015.

The Act requires designated State agencies to maintain a full-time program of internal auditing. The Act further states the chief executive officer of each designated State agency shall ensure that the internal auditing program includes a two-year plan, identifying audits scheduled for the pending fiscal year, approved by the chief executive officer before the beginning of the fiscal year. By September 30 of each year the chief internal auditor shall submit to the chief executive officer a written report detailing how the audit plan for that year was carried out, the significant findings, and the extent to which recommended changes were implemented.

In response to the finding noted in the previous examination, the Department stated it would ensure audits of all major systems of internal accounting and administrative controls were conducted at least once every two years as required by the Act. The Department also stated it would devote sufficient resources to develop an effective full-time internal audit program such that all planned audits were performed within the designated time period in accordance with the Act. Related to the noncompliance noted during the current examination, the Department stated the Department's Office of Internal Audit was without a Chief Internal Auditor and staff for most of fiscal year 2014. The Chief position was filled in the last month of the second quarter of fiscal year 2015. Therefore, the Department stated, the Office of Internal Audit remains understaffed and will struggle to comply with FCIAA requirements until it is adequately staffed.

Failure to maintain a full time audit function and incomplete auditing of all major internal control systems increases the risk that significant internal control weaknesses will exist and errors and irregularities may go undetected. Furthermore, failure to develop a two-year audit plan and annual report limits the Director's ability to monitor the activities of the Department. Internal control weaknesses could exist without the Director's knowledge. (Finding Code No. 2015-010, 2013-011)

RECOMMENDATION

We recommend the Department ensure audits of all major systems of internal accounting and administrative control are conducted at least once every 2 years as required by the Act. We further recommend the Department devote sufficient resources to develop an effective internal audit program such that all planned audits are performed within the designated time period in accordance with the Act. Finally, we recommend the Department ensure the required 2-year audit plan and annual report are completed and submitted by the Office of Internal Audits and reviewed and approved by the Director as required by the Act.

DEPARTMENT RESPONSE

The Department agrees with the finding and will continue to strive to overcome staffing limitations within the Office of Internal Audit (OIA), which imposes significant scope limitations on the OIA. Additional human resources will be necessary to fully comply with the Fiscal Control and Internal Auditing Act (FCIAA).

2015-011 FINDING (Noncompliance with the Financial Reporting Standards Board Act)

The Illinois Department of Agriculture (Department) did not comply with the Financial Reporting Standards Board Act (30 ILCS 30/20) (Act).

The Act requires the Internal Auditor of every State agency that prepares a generally accepted accounting principles (GAAP) package to submit an annual audit of its GAAP process to the Financial Reporting Standards Board. Internal Audit Guidelines for the GAAP and Financial Statement Process issued by the Financial Reporting Standards Board provides guidance to State Agencies' Internal Auditors for conducting internal audits under the Act. The guidelines state the internal audit should be submitted no later than May 31st for the preceding fiscal year. The Department did not conduct an annual internal audit of its fiscal year 2014 GAAP process. The internal audit was due no later than May 31, 2015.

Department management stated the Chief Internal Auditor and internal audit staff positions were vacant for the last 2 months of fiscal year 2014 and most of the first 2 quarters of fiscal year 2015. Further, the GAAP packages of the Department are prepared by an external contractor. As such, the procedures to be performed require additional planning and time.

Failure to conduct annual audits of the Department's GAAP process increases the risk that weaknesses exist and errors may go undetected in the financial reporting process and represents noncompliance with the Act. (Finding Code No. 2015-011)

RECOMMENDATION

We recommend the Department conduct the required annual internal audit of its GAAP process and submit the internal audit to the Financial Reporting Standards Board no later than May 31 for the preceding fiscal year.

DEPARTMENT RESPONSE

The Department agrees with the finding. The current two-year audit plan indicates the fiscal year 2014 and fiscal year 2015 GAAP audits will be performed simultaneously and submitted on or before May 31, 2016.

2015-012 FINDING (Inaccurate record of collateral held)

The Illinois Department of Agriculture (Department) did not maintain an accurate record of collateral held from grain producers and warehousemen.

The Department's records showed its collateral balances held from grain producers and warehousemen was \$3,649,148 at June 30, 2015 and \$6,246,958 at June 30, 2014. The collateral was held in the form of cash, certificates of deposit, and irrevocable letters of credit. Inaccuracies noted of these balances included:

- The Department could not provide copies of 13 letters of credit totaling \$1,642,813 of the total \$6,246,958 (26%) collateral balance at June 30, 2014.
- The Department could not provide copies of 10 letters of credit totaling \$2,958,836 of the total \$3,649,148 (81%) collateral balance at June 30, 2015.
- The Department had not removed collateral for banks no longer in business or grain dealers no longer licensed.

The issues noted do not affect the Department's financial reporting.

In addition, we noted the Department had not established a policy for releasing collateral held in the Grain Indemnity Trust Fund (Trust Fund) in cases where the required financial measurement had been reached, but the Department had not yet received a written request from the licensee to release the collateral.

The Department deposits cash it receives as collateral into the Trust Fund. The balance in the Trust Fund was \$185,164 at June 30, 2015 and \$171,488 at June 30, 2014.

Sections 15-15, 15-20, and 15-30 of the Grain Code (240 ILCS 40) require licensed grain dealers or warehousemen to maintain certain open position limits and grain quantity, quality, financial, and recordkeeping measures in order to maintain or renew licenses as grain dealers and/or warehousemen. In situations where a licensee fails to meet one or more of those measures, suggesting that a licensee is in danger of experiencing insolvency, the Grain Code requires the Department to collect and hold collateral until the licensee is able to improve the violated measure. If, after the licensee's next balance sheet date or Department examination, the measures are within the parameters required by the Grain Code, the licensee can request the Department release the collateral. The collateral is to be returned within 90 days to the licensee and the guarantor following a written request for the return.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001), requires all State agencies to establish and maintain a system of internal fiscal control to provide assurance that revenues, expenditures and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of reliable financial reports.

Department management stated the inadequate control over letters of credit was due to oversight. Since the letters of credit are not an asset and not included in the financial reporting, the importance of procedures was not realized.

Failure to maintain accurate collateral records leads to the untimely release of collateral and inaccurate reporting, and is in violation of the Fiscal Control and Internal Auditing Act. (Finding Code No. 2015-012)

RECOMMENDATION

We recommend the Department scrutinize its collateral records to ensure it is maintaining collateral only for grain producers and warehousemen with present violations of the Grain Code, and that such records include accurate information. We further recommend the Department develop a policy for returning collateral to grain producers and warehousemen who have satisfactorily taken corrective measures to prevent failures.

DEPARTMENT RESPONSE

The Department agrees with the finding. A spreadsheet listing all Letters of Credit held has been developed and the bureau has upgraded software to track collateral.

2015-013 FINDING (Noncompliance with the Compassionate Use of Medical Cannabis Pilot Program Act)

The Illinois Department of Agriculture (Department) did not comply with various elements of the Compassionate Use of Medical Cannabis Pilot Program Act (410 ILCS 130) (Act).

The Act (410 ILCS 130/150(b)) requires within 180 days of the effective date of the Act, that the Department of Public Health, Department of Financial and Professional Regulation, and Department of Agriculture together establish a computerized database or verification system. The computerized database or verification system was to be created to allow law enforcement personnel and medical cannabis dispensary organization agents to determine whether the identification number corresponds with a current, valid registry identification card. The Act went into effect January 1, 2014. As of June 30, 2015, the computerized database had not been established.

The Act (410 ILCS 130/100(a)(4)) requires the Department to allow for an electronic application process for cultivation center agent identification cards, and provide a confirmation by electronic or other methods that an application has been submitted. However, the Department was not providing a confirmation by electronic or other methods to verify an application had been submitted.

Department management stated the conditions noted are attributable to the original vacancy and subsequent turnover in the position of Bureau Chief. The Pilot Program, being new in every aspect to the State, lacked leadership; therefore, there were some issues that could not be addressed in a timely manner.

Failure to timely implement portions of the Act represents noncompliance with State statute. (Finding Code No. 2015-013)

RECOMMENDATION

We recommend the Department implement procedures to ensure cultivation center agent identification card applicants are notified when applications are received. Additionally, we recommend the Department ensure they meet statutory deadlines.

DEPARTMENT RESPONSE

The Department agrees with the finding. The enabling statute required the Department allow for electronic submission of applications for cultivation center agents and provide confirmation of receipt. Procedures have been implemented to send notification to applicants.

The statute also required, 180 days within the effective date of the Act, the Department and Illinois Department of Financial and Professional Regulation and Illinois Department of Public Health would establish a computerized database to allow law enforcement and dispensaries to authenticate identification cards with patients and/or cultivation center agents. The database has been established and dispensaries are able to verify the information. However, law enforcement access has not yet been enabled. The database vendor and the Illinois State Police are working with the respective Departments to establish access.

2015-014 FINDING (Nonperformance of certain rules and regulations of the Illinois Noxious Weed Law)

The Illinois Department of Agriculture (Department) did not perform certain requirements under its rules and regulations of the Illinois Noxious Weed Law (505 ILCS 100) (Law).

During our examination of the Department's Illinois Noxious Weed rules and regulations (8 Ill. Adm. Code 220) to enforce the Law, we noted the following sections were not being performed:

- a) Section 220.160 -Written Report by Superintendent to Director
- b) Section 220.170- Comprehensive Work Plan for Coming Year Submitted to Director and Control Authority
- c) Section 220.190- Individual Notices
- d) Section 220.200 - Quarantine of Land; Approval by Director; Notice of Quarantine Form

The Department's Illinois Noxious Weed rules and regulations require the following:

- a) Section 220.160 -Written Report by Superintendent to Director - Each weed control superintendent shall on or before the first day of November of each year make a written report to the Control Authority with a copy to the Director.
- b) Section 220.170- Comprehensive Work Plan for Coming Year Submitted to Director and Control Authority - Prior to December 31 of each year, each weed control superintendent shall prepare and submit to the Control Authority, with a copy to the Director, a comprehensive work plan for the coming calendar year.
- c) Section 220.190 -Individual Notices - Copies of the notice shall be made available to Landowner; Illinois Department of Agriculture; Control Authority; Tenant, if any; and Mortgage Holder, if any.
- d) Section 220.200- Quarantine of Land; Approval by Director; Notice of Quarantine Form- Control Authority shall also submit to the Director a completed "Notice of Quarantine" for his approval. Upon receipt of the request the Director shall conduct an investigation to determine whether the quarantine is necessary. Within reasonable time, the Director will notify the Control Authority of his findings and approval or disapproval of the request.

In response to the previous recommendation, the Department stated it would continue to work with the counties throughout the State to ensure they perform all duties required by the Law. The Department stated it would utilize the authority granted by Section 22 of the Law and assess fines to entities it finds in noncompliance with the Law. Finally, the Department indicated it would modify its Administrative Rules to address assessment of said fines. Related to the ongoing noncompliance, Department management stated Illinois Counties are not complying with the Act. The Department will continue to work with the counties throughout the State to ensure they perform all duties required by the Law.

Failure to perform the duties required by the Department's Illinois Noxious Weed rules and regulations prevents the Department from properly monitoring the activities covered by the Law. (Finding Code No. 2015-015, 2013-009, 11-6, 09-7)

RECOMMENDATION

We recommend the Department continue to work with the counties throughout the State in order to perform all the duties required by the Law. In addition, we recommend the Department utilize the authority granted by Section 22 of the Illinois Noxious Weed Law (505 ILCS 100) and assess fines to entities it finds in noncompliance with the Law.

DEPARTMENT RESPONSE

The Department agrees with the Auditor's finding and will continue to work with the counties throughout the State in order to perform all the duties required by the Illinois Noxious Weed Law (Act). However, Section 22 of the Act states that a violator of the Act is guilty of a "petty offense." As a "petty offense" is a criminal offense, the Department does not have the authority to impose fines for violations of the Act. The Department will evaluate whether it can address this issue through rule-making or amendment of the Act.

2015-015 **FINDING:** (Weaknesses regarding systems development and change control procedures)

The Illinois Department of Agriculture (Department) did not have formal system development methodology or change control procedures.

The Department had established computer systems in order to meet its mission and mandate. The Department processed and maintained critical, confidential and sensitive information on its computer systems.

The Department had not formally implemented system development methodology and change control procedures to ensure new systems and major changes to existing systems were adequately developed, tested, documented, approved and implemented. In addition, the Department did not have an effective separation of duties for programmers developing and maintaining one of its computer systems.

Generally accepted information technology guidance endorses the implementation of system development standards that require new system developments and modifications to existing systems be properly approved, thoroughly tested, and consistently documented. These procedures include restricting programmers from making a change and moving it into production.

Department personnel stated the Department is in the process of adopting a Computer System Development Methodology. Although change procedures were not formally documented, the Department uses detailed change management rules.

Without adequate systems development or change management procedures, there is an increased likelihood of systems that fail to meet expectations and requirements, and a greater risk of unauthorized, improper, or erroneous changes to computer systems. The lack of separation of duties in the computer environment increases the risk that the confidentiality, integrity, and availability of data will be compromised. (Finding Code No. 2015-015)

RECOMMENDATION

We recommend the Department develop and implement a comprehensive system development methodology and change control procedures which document its current processes and ensure new system developments and modifications to existing systems are developed and implemented in a manner that ensures they are adequately planned, developed, tested, documented, approved, and implemented. Further, the Department should restrict programmer access to all production programs and data. If the Department determines that programmer access is necessary in some situations, it should establish and enforce compensating controls to ensure appropriate management oversight and approval of changes.

DEPARTMENT RESPONSE

The Department agrees with the finding. The Department lacks a formal written system development methodology policy and procedures. The department will embrace the standards set by the new merged state IT organization. Until the merger is complete, the Department will document the system development methodology as prescribed by the Chief Technology Officer and Chief Information Officer for the State of Illinois.

PRIOR FINDINGS NOT REPEATED

A. **FINDING** (Computer inventory control weaknesses)

The previous examination noted the Illinois Department of Agriculture (Department) was not able to locate computer equipment.

During the current examination, the Department significantly reduced the amount of computer equipment that went missing; however, the Department still could not locate some computer equipment. This finding has been moved to the Department's Report of Immaterial Findings. (Finding Code No. 2013-002)

B. **FINDING** (Failure to file accurate TA-2 Reports)

The previous examination noted the Illinois Department of Agriculture (Department) submitted inaccurate Travel Headquarter Reports (TA-2 Report) to the Legislative Audit Commission.

During the current examination, the TA-2 Reports submitted for fiscal years 2014 and 2015, respectively, were properly completed. The travel voucher testing performed during the examination did not render any exceptions concerning the improper completion of the TA-2 Reports. As a result, this finding was not repeated. (Finding Code No. 2013-003)

C. **FINDING** (Noncompliance with the Mississippi River Coordinating Council Act)

During the prior examination the Illinois Department of Agriculture (Department) did not comply with the Mississippi River Coordinating Council Act (20 ILCS 4003) (Act).

During the current examination, our testing showed the Department had a designated member assigned to the Mississippi River Coordinating Council. The Department's attendance at the Mississippi River Coordinating Council meetings significantly improved from that of the previous examination period. As a result, this finding was not repeated. (Finding Code No. 2013-010)

D. **FINDING** (Disaster contingency plan for computer systems not adequate)

In the prior examination, the Department of Agriculture (Department) did not provide adequate planning for the recovery of its applications or data. Additionally, recovery testing of the applications was not performed during the examination period.

During the current examination, the Department updated its Continuity of Operations Plan and Emergency Response and Evacuation Contingency Plan, and conducted limited testing. However, we identified deficiencies in the plans and the Department had not performed comprehensive disaster recovery testing resulting in IM2015-010. (Finding Code No. 2013-005, 11-4, 09-2, 07-3, 05-6, 03-2)

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
STATUS OF MANAGEMENT AUDIT
For the Two Years Ended June 30, 2015

As part of the compliance examination of the Illinois Department of Agriculture (Department), we followed up on the status of the following management audit initially performed by the Office of the Auditor General:

- Management Audit of Management Positions in the Executive Branch

This is the first time a follow-up has been conducted for the Department's Management Audit of Management Positions in the Executive Branch.

Management Audit of Management Positions in the Executive Branch

The Illinois Office of the Auditor General (OAG) conducted a management audit on State Agencies' management positions along with information about managers' organizational unit, job title, and function. The Department was included within this audit. The audit was released in April 2013 and contained 1 recommendation addressed to the Department. The recommendation is listed below:

Recommendation 5 – Confidential Employees in a Union

The identified State agencies should assure all confidential assistants are not included in a collective bargaining unit or their confidential responsibilities as defined by the Public Labor Relations Act (5 ILCS 315/3) are transferred to non-union employees.

Status – Partially Implemented

We followed up to determine if the Department's 2 confidential assistants identified in the audit remained in a collective bargaining unit. One of 2 (50%) confidential assistants were still members of the union. According to the Department, they agreed with the recommendation in the OAG's management audit and stated any positions involved in confidential matters for the Director should be exempt from the bargaining unit. However, they did not subsequently ensure all confidential employees were removed from the union; therefore, we drafted finding 2015-001.

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2015

SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

SUMMARY

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

- Fiscal Schedules and Analysis:
 - Schedule of Appropriations, Expenditures and Lapsed Balances
 - Fiscal Year 2015
 - Fiscal Year 2014
 - Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances by Object
 - Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances by Fund
 - Schedule of Receipts, Disbursements and Fund Balance (Cash Basis) – Locally Held Funds
 - For the Year Ended June 30, 2015
 - For the Year Ended June 30, 2014
 - 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, 2015
 - Year Ended June 30, 2014
 - Analysis of Significant Variations in Expenditures
 - Analysis of Significant Variations in Receipts
 - Analysis of Significant Lapse Period Spending
 - Analysis of Accounts Receivable
 - June 30, 2015
 - June 30, 2014
- Analysis of Operations (Not Examined):
 - Agency Functions and Planning Program (Not Examined)
 - Average Number of Employees (Not Examined)
 - Memorandums of Understanding (Not Examined)
 - Service Efforts and Accomplishments (Not Examined)
 - Schedule of Indirect Cost Reimbursements (Not Examined)

The accountant's report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the accountants have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the June 30, 2015 and June 30, 2014 accompanying supplementary information in Schedules 1 through 15. However, the accountants do not express an opinion on the supplementary information. The accountant's report also states that they have not applied procedures to the Analysis of Operations Section, and accordingly, they do not express an opinion or provide any assurance on it.

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Appropriations for Fiscal Year 2015

SCHEDULE 1

Fourteen Months Ended August 31, 2015

<u>Public Acts 98-0675, 98-0679, 99-0001</u>	<u>Appropriations (Net After Transfers)</u>	<u>Expenditures Through June 30, 2015</u>	<u>Lapse Period Expenditures July 1, 2015 to August 31, 2015</u>	<u>Total Expenditures</u>	<u>Balances Lapsed</u>
Appropriated Funds					
General Revenue Fund - 0001	\$ 22,003,039	\$ 18,213,574	\$ 1,657,093	\$ 19,870,667	\$ 2,132,372
Illinois Department of Agriculture Laboratory Services Revolving Fund - 0024	1,000,000	441,751	61,981	503,732	496,268
Agricultural Premium Fund - 0045	24,639,100	19,695,468	1,451,219	21,146,687	3,492,413
Compassionate Use of Medical Cannabis Fund - 0075	2,200,000	40,504	14,716	55,220	2,144,780
Weights and Measures Fund - 0163	8,178,300	4,921,704	337,482	5,259,186	2,919,114
Fair and Exposition Fund - 0245	900,000	900,000	-	900,000	-
Motor Fuel and Petroleum Standards Fund - 0289	50,000	25,000	2,000	27,000	23,000
Fertilizer Control Fund - 0290	1,500,000	871,816	141,352	1,013,168	486,832
Used Tire Management Fund - 0294	40,000	40,000	-	40,000	-
Feed Control Fund - 0369	1,900,000	1,509,140	103,776	1,612,916	287,084
Livestock Management Facilities Fund - 0430	30,000	27,281	2,719	30,000	-
Illinois State Fair Fund - 0438	7,883,500	6,779,215	555,805	7,335,020	548,480
Federal Agricultural Marketing Services Fund - 0439	4,000	3,451	-	3,451	549
Agricultural Master Fund - 0440	1,000,000	854,942	39,976	894,918	105,082
Wholesome Meat Fund - 0476	8,623,300	6,448,958	344,664	6,793,622	1,829,678
Pesticide Control Fund - 0576	6,500,000	5,798,615	343,979	6,142,594	357,406
Partners for Conservation Fund - 0608	11,710,900	8,752,175	61,072	8,813,247	2,897,653
Partners for Conservation Projects Fund - 0609	2,612,500	-	-	-	2,612,500
Illinois Racing Quarter Horse Breeders Fund - 0631	30,000	4,350	-	4,350	25,650
Agriculture Pesticide Control Act Fund- 0689	650,000	530,641	22,384	553,025	96,975
Illinois Standardbred Breeders Fund - 0708	1,396,400	1,024,180	7,749	1,031,929	364,471
Illinois Thoroughbred Breeders Fund - 0709	2,084,500	1,260,733	16,894	1,277,627	806,873
Illinois Animal Abuse Fund - 0744	4,000	4,000	-	4,000	-
Agriculture Federal Projects Fund - 0826	3,665,000	1,247,957	204,183	1,452,140	2,212,860
Total Appropriated Funds	<u><u>\$ 108,604,539</u></u>	<u><u>\$ 79,395,455</u></u>	<u><u>\$ 5,369,044</u></u>	<u><u>\$ 84,764,499</u></u>	<u><u>\$ 23,840,040</u></u>

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Appropriations for Fiscal Year 2015

SCHEDULE 1

Fourteen Months Ended August 31, 2015

<u>Public Acts 98-0675, 98-0679, 99-0001</u>	<u>Appropriations (Net After Transfers)</u>	<u>Expenditures Through June 30, 2015</u>	<u>Lapse Period Expenditures July 1, 2015 to August 31, 2015</u>	<u>Total Expenditures</u>	<u>Balances Lapsed</u>
Non-Appropriated Funds					
Regulatory Fund - 0291		\$ 29,796	\$ 43	\$ 29,839	
State Cooperative Extension Service Trust Fund - 0602		13,358,051	-	13,358,051	
Wholesome Meat Fund - 0476		115,200	-	115,200	
Corn Commodity Trust Fund - 0807		3,535	-	3,535	
State Fair Promotional Activities Fund - 0835		<u>10,769</u>	<u>11,012</u>	<u>21,781</u>	
 Total Non-Appropriated Funds		<u>\$ 13,517,351</u>	<u>\$ 11,055</u>	<u>\$ 13,528,406</u>	
 Grand Total All Funds		<u>\$ 92,912,806</u>	<u>\$ 5,380,099</u>	<u>\$ 98,292,905</u>	

Note: All data in this schedule has been obtained from State Comptroller records and reconciled to those of the Department. No balances were reappropriated as of July 1, 2015. Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Appropriations for Fiscal Year 2014

SCHEDULE 2

Fourteen Months Ended August 31, 2014

<u>Public Act 98-0050, 98-0064</u>	<u>Appropriations (Net After Transfers)</u>	<u>Expenditures Through June 30, 2014</u>	<u>Lapse Period Expenditures July 1, 2014 to August 31, 2014</u>	<u>Total Expenditures</u>	<u>Balances Lapsed</u>
Appropriated Funds					
General Revenue Fund - 0001	\$ 21,558,300	\$ 19,625,768	\$ 1,076,777	\$ 20,702,545	\$ 855,755
Illinois Department of Agriculture Laboratory Services					
Revolving Fund - 0024	1,250,000	467,876	92,341	560,217	689,783
Agricultural Premium Fund - 0045	24,944,300	21,069,294	2,124,582	23,193,876	1,750,424
Weights and Measures Fund - 0163	6,755,300	4,737,360	479,817	5,217,177	1,538,123
Fair and Exposition Fund - 0245	900,000	900,000	-	900,000	-
Motor Fuel and Petroleum Standards Fund - 0289	50,000	25,000	2,938	27,938	22,062
Fertilizer Control Fund - 0290	1,500,000	922,126	77,389	999,515	500,485
Used Tire Management Fund - 0294	40,000	40,000	-	40,000	-
Feed Control Fund - 0369	1,800,000	781,293	59,569	840,862	959,138
Livestock Management Facilities Fund - 0430	30,000	3,111	250	3,361	26,639
Illinois State Fair Fund - 0438	7,883,500	6,241,903	421,871	6,663,774	1,219,726
Federal Agricultural Marketing Services Fund - 0439	4,000	3,699	-	3,699	301
Agricultural Master Fund - 0440	1,000,000	558,174	3,984	562,158	437,842
Wholesome Meat Fund - 0476	8,345,300	5,841,965	479,328	6,321,293	2,024,007
Pesticide Control Fund - 0576	6,325,000	4,831,108	350,108	5,181,216	1,143,784
Partners for Conservation Fund - 0608	11,668,700	11,290,392	263,060	11,553,452	115,248
Partners for Conservation Projects Fund - 0609	2,612,500	-	-	-	2,612,500
Illinois Racing Quarter Horse Breeders Fund - 0631	30,000	5,700	1,350	7,050	22,950
Agriculture Pesticide Control Act Fund- 0689	650,000	521,800	21,030	542,830	107,170
Illinois Standardbred Breeders Fund - 0708	1,395,600	1,183,060	90,418	1,273,478	122,122
Illinois Thoroughbred Breeders Fund - 0709	2,081,600	1,653,243	284,391	1,937,634	143,966
Illinois Animal Abuse Fund - 0744	4,000	-	3,883	3,883	117
Agriculture Federal Projects Fund - 0826	4,140,000	1,948,774	144,459	2,093,233	2,046,767
Total Appropriated Funds	<u>\$ 104,968,100</u>	<u>\$ 82,651,646</u>	<u>\$ 5,977,545</u>	<u>\$ 88,629,191</u>	<u>\$ 16,338,909</u>

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Appropriations for Fiscal Year 2014

SCHEDULE 2

Fourteen Months Ended August 31, 2014

<u>Public Act 98-0050, 98-0064</u>	<u>Appropriations (Net After Transfers)</u>	<u>Expenditures Through June 30, 2014</u>	<u>Lapse Period Expenditures July 1, 2014 to August 31, 2014</u>	<u>Total Expenditures</u>	<u>Balances Lapsed</u>
Non-Appropriated Funds					
Regulatory Fund - 0291		\$ 26,848	\$ 1,412	\$ 28,260	
State Cooperative Extension Service Trust Fund - 0602		<u>13,431,768</u>	<u>-</u>	<u>13,431,768</u>	
Total Non-Appropriated Funds		<u>\$ 13,458,616</u>	<u>\$ 1,412</u>	<u>\$ 13,460,028</u>	
Grand Total All Funds		<u><u>\$ 96,110,262</u></u>	<u><u>\$ 5,978,957</u></u>	<u><u>\$ 102,089,219</u></u>	

Note: All data in this schedule has been obtained from State Comptroller records and reconciled to those of the Department. No balances were reappropriated as of July 1, 2014. Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES BY OBJECT**
For the Fiscal Years Ended June 30, 2015, 2014, and 2013

SCHEDULE 3

	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
General Revenue Fund - 0001			
Division of Administrative Services			
Appropriations (net after transfers)	\$ 1,593,047	\$ 1,895,330	\$ 1,911,400
Expenditures			
Personal services	706,966	754,050	768,554
State contribution to social security	52,997	55,547	57,074
Contractual services	47,167	275,000	-
Travel	-	479	-
Printing	1,278	195	-
Operational expenses, awards, grants, and permanent improvements	774,832	800,000	673,440
Operational expenses	-	-	377,319
Refunds	265	1,436	-
Total expenditures	<u>\$ 1,583,505</u>	<u>\$ 1,886,707</u>	<u>\$ 1,876,387</u>
Lapsed balances	<u>9,542</u>	<u>8,623</u>	<u>35,013</u>
Bureau of Computer Services			
Appropriations (net after transfers)	349,818	359,100	359,800
Expenditures			
Personal services	325,704	333,734	333,753
State contributions to social security	24,114	24,893	25,133
Total expenditures	<u>\$ 349,818</u>	<u>\$ 358,627</u>	<u>\$ 358,886</u>
Lapsed balances	<u>-</u>	<u>473</u>	<u>914</u>
Division of Agriculture Industry Regulation			
Appropriations (net after transfers)	1,857,243	1,912,700	2,427,500
Expenditures			
Personal services	1,343,816	1,618,045	2,086,032
State contributions to social security	98,889	118,960	155,047
Contractual services	72,776	66,993	-
Travel	1,269	1,875	-
Commodities	2,455	3,000	-
Printing	292	1,508	-
Equipment	-	10,000	-
Telecommunications services	12,405	7,000	-
Operation of automotive equipment	34,939	84,300	-
Other operations	-	-	141,124
Total expenditures	<u>\$ 1,566,841</u>	<u>\$ 1,911,681</u>	<u>\$ 2,382,203</u>
Lapsed balances	<u>290,402</u>	<u>1,019</u>	<u>45,297</u>

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES BY OBJECT**
For the Fiscal Years Ended June 30, 2015, 2014, and 2013

SCHEDULE 3

	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
General Revenue Fund - 0001 (continued)			
Bureau of Marketing and Promotion			
Appropriations (net after transfers)	\$ 695,600	\$ 711,400	\$ 611,600
Expenditures			
Personal services	619,586	660,975	568,283
State contributions to social security	45,205	48,279	42,033
Total expenditures	\$ 664,791	\$ 709,254	\$ 610,316
Lapsed balances	30,809	2,146	1,284
Bureau of Animal Industries			
Appropriations (net after transfers)	3,065,985	3,191,721	3,593,200
Expenditures			
Personal services	2,072,134	2,275,477	2,041,523
State contributions to social security	152,173	165,254	151,946
Contractual services	422,457	363,839	-
Travel	19,464	11,611	-
Commodities	325,809	321,363	-
Printing	3,896	3,129	-
Equipment	1,005	849	-
Telecommunications services	28,991	22,000	-
Operation of automotive equipment	21,011	15,000	-
Other operations	-	-	412,767
Operations of Centralia Animal Disease Laboratory	-	-	399,946
Total expenditures	\$ 3,046,940	\$ 3,178,522	\$ 3,006,182
Lapsed balances	19,045	13,199	587,018
Bureau of Meat and Poultry Inspection			
Appropriations (net after transfers)	3,308,228	3,445,900	3,312,100
Expenditures			
Personal services	3,066,929	3,139,795	3,012,177
State contributions to social security	224,881	229,854	223,201
Contractual services	-	-	73,978
Operation of automotive equipment	4,328	75,996	-
Total expenditures	\$ 3,296,138	\$ 3,445,645	\$ 3,309,356
Lapsed balances	12,090	255	2,744

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES BY OBJECT**
For the Fiscal Years Ended June 30, 2015, 2014, and 2013

SCHEDULE 3

	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
General Revenue Fund - 0001 (continued)			
Bureau of Environmental Programs			
Appropriations (net after transfers)	\$ 2,376,700	\$ 1,481,500	\$ 731,500
Expenditures			
Livestock Management Act	269,300	275,484	273,121
Exotic pest detection and eradication	445,700	456,000	455,602
Total expenditures	\$ 715,000	\$ 731,484	\$ 728,723
Lapsed balances	<u>1,661,700</u>	<u>750,016</u>	<u>2,777</u>
Bureau of Buildings and Grounds - Springfield			
Appropriations (net after transfers)	5,834,405	5,702,549	5,184,500
Expenditures			
Personal services	1,707,149	1,745,242	847,277
State contributions to social security	158,682	179,415	64,848
Contractual services	3,521,976	3,279,797	-
Fire protection	109,100	109,100	105,900
Commodities	117,540	137,641	-
Equipment	120,406	191,652	-
Telecommunications services	53,638	53,900	-
Other operations	-	-	4,147,928
Total expenditures	\$ 5,788,491	\$ 5,696,747	\$ 5,165,953
Lapsed balances	<u>45,914</u>	<u>5,802</u>	<u>18,547</u>
Bureau of Buildings and Grounds - DuQuoin			
Appropriations (net after transfers)	1,941,591	1,859,100	1,666,700
Expenditures			
Personal services	449,323	435,713	202,661
State contributions to social security	35,556	35,493	15,437
Contractual services	1,194,125	1,163,040	-
Commodities	93,289	59,326	-
Equipment	74,171	43,447	-
Telecommunications services	29,300	29,907	-
Operation of automotive equipment	9,465	24,303	-
Other operations	-	-	1,446,893
Total expenditures	\$ 1,885,229	\$ 1,791,229	\$ 1,664,991
Lapsed balances	<u>56,362</u>	<u>67,871</u>	<u>1,709</u>

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES BY OBJECT**
For the Fiscal Years Ended June 30, 2015, 2014, and 2013

SCHEDULE 3

	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
<u>General Revenue Fund - 0001 (continued)</u>			
Bureau of DuQuoin State Fair			
Appropriations (net after transfers)	\$ 980,422	\$ 999,000	\$ 1,010,000
Expenditures			
Personal services	558,972	555,991	556,291
State contributions to social security	43,520	42,495	42,447
Contractual services	353,900	361,620	-
Travel	871	906	-
Commodities	2,926	1,825	-
Printing	3,425	2,921	-
Telecommunications services	10,300	26,891	-
Other operations	-	-	401,794
Total expenditures	\$ 973,914	\$ 992,649	\$ 1,000,532
Lapsed balances	6,508	6,351	9,468
GENERAL REVENUE FUND TOTALS			
Appropriations (net after transfers)	\$ 22,003,039	\$ 21,558,300	\$ 20,808,300
Total expenditures	\$ 19,870,667	\$ 20,702,545	\$ 20,103,529
Lapsed balances	\$ 2,132,372	\$ 855,755	\$ 704,771
<u>Illinois Department of Agriculture Laboratory Services Revolving Fund - 0024</u>			
Bureau of Animal Industries			
Appropriations (net after transfers)	1,000,000	1,250,000	1,000,000
Expenditures			
Expenses authorized by the Animal Disease Laboratories Act	503,732	560,217	685,313
Lapsed balances	496,268	689,783	314,687
<u>Agricultural Premium Fund - 0045</u>			
Division of Administrative Services			
Appropriations (net after transfers)	10,200,000	10,200,000	10,200,000
Expenditures			
Deposit into COOP Extension Service	8,461,640	10,000,000	10,000,000
Food Safety Modernization Initiative	13,817	9,694	111,295
Total expenditures	\$ 8,475,457	\$ 10,009,694	\$ 10,111,295
Lapsed balances	1,724,543	190,306	88,705

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES BY OBJECT**
For the Fiscal Years Ended June 30, 2015, 2014, and 2013

SCHEDULE 3

	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
<u>Agricultural Premium Fund - 0045 - continued</u>			
Bureau of Computer Services			
Appropriations (net after transfers)	\$ 1,702,000	\$ 1,695,900	\$ 1,453,100
Expenditures			
Personal services	231,124	290,253	224,739
State contributions to state employees' retirement system	97,963	117,275	85,826
State contributions to social security	17,054	21,300	16,638
Contractual services	725,265	808,773	739,999
Commodities	422	466	-
Equipment	1,450	2,048	-
Telecommunications services	18,761	32,589	27,694
Total expenditures	\$ 1,092,039	\$ 1,272,704	\$ 1,094,896
Lapsed balances	609,961	423,196	358,204
Division of Agriculture Industry Regulation			
Appropriations (net after transfers)	-	500,000	-
Expenditures			
Other operations	-	65,772	-
Lapsed balances	-	434,228	-
Bureau of Marketing and Promotion			
Appropriations (net after transfers)	2,925,000	2,800,000	2,175,000
Expenditures			
Promotion of agriculture exports	2,153,692	2,264,265	2,007,125
Biotechnology promotion and development	93,500	99,539	92,436
Viticulturist and enologist	150,000	150,000	-
Farmers market technology improvements	43,244	49,981	49,374
Total expenditures	\$ 2,440,436	\$ 2,563,785	\$ 2,148,935
Lapsed balances	484,564	236,215	26,065
Bureau of Land and Water Resources			
Appropriations (net after transfers)	1,132,300	1,069,900	1,043,200
Expenditures			
Personal services	575,057	595,918	598,004
State contributions to state employees' retirement system	244,240	240,918	227,624
State contributions to social security	42,692	43,509	44,586
Contractual services	90,051	106,365	85,990
Travel	6,118	8,890	7,528
Commodities	5,021	5,962	3,782
Printing	-	2,752	-
Equipment	10,512	3,170	8,628

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES BY OBJECT**
For the Fiscal Years Ended June 30, 2015, 2014, and 2013

SCHEDULE 3

	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
<u>Agricultural Premium Fund - 0045 - continued</u>			
Bureau of Land and Water Resources - continued			
Telecommunications services	\$ 7,050	\$ 8,530	\$ 7,584
Operation of automotive equipment	7,270	10,001	8,414
Ordinary and contingent expenditures of the Natural Resources Advisory Board	932	423	663
Total expenditures	<u>\$ 988,943</u>	<u>\$ 1,026,438</u>	<u>\$ 992,803</u>
Lapsed balances	<u>143,357</u>	<u>43,462</u>	<u>50,397</u>
Bureau of Buildings and Grounds - Springfield			
Appropriations (net after transfers)	<u>1,800,000</u>	<u>1,800,000</u>	<u>1,500,000</u>
Expenditures			
Various projects at State Fairgrounds	<u>1,796,825</u>	<u>1,791,150</u>	<u>1,499,959</u>
Lapsed balances	<u>3,175</u>	<u>8,850</u>	<u>41</u>
Bureau of Buildings and Grounds - DuQuoin			
Appropriations (net after transfers)	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,350,000</u>
Expenditures			
Activities at the DuQuoin State Fair	474,885	367,965	487,805
Various projects at DuQuoin Fairgrounds	<u>750,000</u>	<u>750,000</u>	<u>599,990</u>
Total expenditures	<u>\$ 1,224,885</u>	<u>\$ 1,117,965</u>	<u>\$ 1,087,795</u>
Lapsed balances	<u>275,115</u>	<u>382,035</u>	<u>262,205</u>
Bureau of DuQuoin State Fair			
Appropriations (net after transfers)	<u>696,000</u>	<u>696,000</u>	<u>652,100</u>
Expenditures			
Entertainment at the DuQuoin State Fair	<u>685,282</u>	<u>683,178</u>	<u>651,931</u>
Lapsed balances	<u>10,718</u>	<u>12,822</u>	<u>169</u>
Division of County Fairs and Horseracing			
Appropriations (net after transfers)	<u>4,683,800</u>	<u>4,682,500</u>	<u>4,681,000</u>
Expenditures			
Personal services	59,415	61,677	19,899
State contributions to state employees' retirement system	25,174	24,881	7,564
State contributions to social security	5,028	5,682	2,084
Contractual services	17,592	26,263	19,421
Commodities	326	1,216	257
Printing	-	1,862	1,036
Telecommunications services	264	837	809
Operation of automotive equipment	240	474	3,245

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
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For the Fiscal Years Ended June 30, 2015, 2014, and 2013

SCHEDULE 3

	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
<u>Agricultural Premium Fund - 0045 - continued</u>			
Division of County Fairs and Horseracing			
Distribution to encourage and aid county fairs	1,798,600	1,798,600	1,798,597
Premiums to agricultural extension or 4-H	786,398	786,398	786,382
Premiums to vocational agriculture fairs	325,000	325,000	325,000
Rehabilitation of county fairgrounds	1,119,575	1,301,000	1,301,000
Horse racing county/State Fair	305,208	329,300	329,296
Total expenditures	<u>\$ 4,442,820</u>	<u>\$ 4,663,190</u>	<u>\$ 4,594,590</u>
Lapsed balances	<u>240,980</u>	<u>19,310</u>	<u>86,410</u>
AGRICULTURAL PREMIUM FUND TOTALS			
Expenditures			
Appropriations (net after transfers)	\$ 24,639,100	\$ 24,944,300	\$ 23,054,400
Total expenditures	<u>\$ 21,146,687</u>	<u>\$ 23,193,876</u>	<u>\$ 22,182,204</u>
Lapsed balances	<u>\$ 3,492,413</u>	<u>\$ 1,750,424</u>	<u>\$ 872,196</u>
<u>Compassionate Use of Medical Cannabis Fund - 0075</u>			
Appropriations (net after transfers)	<u>2,200,000</u>	<u>-</u>	<u>-</u>
All costs associated with the Compassionate Use of Medical Cannabis Pilot Program	<u>55,220</u>	<u>-</u>	<u>-</u>
Lapsed balances	<u>2,144,780</u>	<u>-</u>	<u>-</u>
<u>Weights and Measures Fund - 0163</u>			
Bureau of Weights and Measurements			
Appropriations (net after transfers)	<u>8,178,300</u>	<u>6,755,300</u>	<u>5,572,300</u>
Expenditures			
Personal services	2,431,657	2,380,033	2,208,824
State contributions to state employees' retirement system	1,030,513	960,553	839,808
State contributions to social security	178,383	174,777	163,922
Group insurance	723,586	731,015	795,655
Contractual services	265,099	251,949	222,129
Travel	45,056	37,731	42,407
Commodities	18,099	13,058	22,367
Printing	11,054	6,629	7,722
Equipment	165,865	270,249	63,459
Telecommunications services	38,427	44,414	35,092
Operation of automotive equipment	351,017	343,886	328,420
Refunds	430	2,883	260
Total expenditures	<u>\$ 5,259,186</u>	<u>\$ 5,217,177</u>	<u>\$ 4,730,065</u>
Lapsed balances	<u>2,919,114</u>	<u>1,538,123</u>	<u>842,235</u>

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES BY OBJECT**
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SCHEDULE 3

	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
<u>Fair and Exposition Fund - 0245</u>			
Division of County Fairs and Horseracing			
Appropriations (net after transfers)	\$ 900,000	\$ 900,000	\$ 900,900
Expenditures			
Distribution to county fairs and fair and expositions authorities	900,000	900,000	900,900
Lapsed balances	-	-	-
<u>Motor Fuel and Petroleum Standards Fund - 0289</u>			
Bureau of Weights and Measures			
Appropriations (net after transfers)	50,000	50,000	50,000
Expenditures			
Regulation of motor fuel quality	27,000	27,938	33,805
Lapsed balances	23,000	22,062	16,195
<u>Fertilizer Control Fund - 0290</u>			
Division of Agriculture Industry Regulation			
Appropriations (net after transfers)	1,500,000	1,500,000	500,000
Expenditures			
Fertilizer research	1,013,168	999,515	102,599
Lapsed balances	486,832	500,485	397,401
<u>Used Tire Management Fund - 0294</u>			
Bureau of Environmental Programs			
Appropriations (net after transfers)	40,000	40,000	40,000
Expenditures			
Mosquito control	40,000	40,000	40,000
Lapsed balances	-	-	-
<u>Feed Control Fund - 0369</u>			
Division of Agriculture Industry Regulation			
Appropriations (net after transfers)	1,900,000	1,800,000	1,800,000
Expenditures			
For feed control	1,612,916	840,862	1,042,599
Lapsed balances	287,084	959,138	757,401

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AND LAPSED BALANCES BY OBJECT**
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SCHEDULE 3

	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
<u>Livestock Management Facilities Fund - 0430</u>			
Bureau of Environmental Programs			
Appropriations (net after transfers)	\$ 30,000	\$ 30,000	\$ 30,000
Expenditures			
Livestock management	30,000	3,361	5,488
Lapsed balances	-	26,639	24,512
<u>Illinois State Fair Fund - 0438</u>			
Bureau of Buildings and Grounds - Springfield			
Appropriations (net after transfers)	7,883,500	7,883,500	7,183,500
Expenditures			
Operation of State Fair	5,485,977	4,997,016	4,727,511
Activities at the Illinois State Fair	1,007,301	812,966	738,404
Awards to livestock breeders	181,141	217,615	221,500
Awards and premiums at Illinois State Fair	482,001	457,577	423,034
Grand circuit horse racing	178,600	178,600	178,600
Total expenditures	\$ 7,335,020	\$ 6,663,774	\$ 6,289,049
Lapsed balances	548,480	1,219,726	894,451
<u>Federal Agricultural Marketing Services Fund - 0439</u>			
Bureau of Marketing and Promotion			
Appropriations (net after transfers)	4,000	4,000	4,000
Expenditures			
Research laws and principles relating to agricultural marketing	3,451	3,699	3,037
Lapsed balances	549	301	963
<u>Agricultural Master Fund - 0440</u>			
Bureau of Meat and Poultry Inspection			
Appropriations (net after transfers)	1,000,000	1,000,000	869,000
Expenditures			
Inspection of agriculture products	894,918	562,158	516,531
Lapsed balances	105,082	437,842	352,469

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SCHEDULE 3

	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
Wholesome Meat Fund - 0476			
Division of Administrative Services			
Appropriations (net after transfers)	\$ 684,800	\$ 680,000	\$ 674,500
Expenditures			
Personal services	235,505	205,250	181,949
State contributions to state employees' retirement system	99,795	82,778	69,200
State contributions to social security	17,219	15,244	13,755
Group insurance	56,402	40,656	33,239
Contractual services	110,000	57,612	78,323
Travel	7,594	8,834	9,589
Commodities	1,216	3,289	1,164
Printing	-	229	-
Equipment	-	560	-
Costs and expenses related to operations	100,000	97,715	-
Total expenditures	<u>627,731</u>	<u>512,167</u>	<u>387,219</u>
Lapsed balances	<u>57,069</u>	<u>167,833</u>	<u>287,281</u>
Bureau of Meat and Poultry Inspection			
Appropriations (net after transfers)	7,938,500	7,665,300	7,598,500
Expenditures			
Personal services	2,922,905	2,809,160	2,731,768
State contributions to state employees' retirement system	1,238,997	1,129,889	1,038,669
State contributions to social security	214,061	206,618	203,198
Group insurance	951,514	895,692	1,032,432
Contractual services	488,474	469,082	402,423
Travel	102,360	115,174	200,253
Commodities	49,520	20,617	21,631
Printing	956	2,348	65
Equipment	9,743	2,196	1,109
Telecommunications services	33,961	33,159	30,434
Operation of automotive equipment	153,400	125,191	192,646
Total expenditures	<u>\$ 6,165,891</u>	<u>\$ 5,809,126</u>	<u>\$ 5,854,628</u>
Lapsed balances	<u>1,772,609</u>	<u>1,856,174</u>	<u>1,743,872</u>
WHOLESOME MEAT FUND TOTALS			
Appropriations (net after transfers)	\$ 8,623,300	\$ 8,345,300	\$ 8,273,000
Total expenditures	<u>\$ 6,793,622</u>	<u>\$ 6,321,293</u>	<u>\$ 6,241,847</u>
Lapsed balances	<u>\$ 1,829,678</u>	<u>\$ 2,024,007</u>	<u>\$ 2,031,153</u>

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AND LAPSED BALANCES BY OBJECT**
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	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
<u>Pesticide Control Fund - 0576</u>			
Bureau of Environmental Programs			
Appropriations (net after transfers)	\$ 6,500,000	\$ 6,325,000	\$ 5,800,000
Expenditures			
Administration and enforcement of Pesticide Act of 1979	6,142,594	5,181,216	5,031,300
Lapsed balances	357,406	1,143,784	768,700
<u>Partners for Conservation Fund - 0608</u>			
Division of Administrative Services			
Appropriations (net after transfers)	3,443,900	3,443,900	-
Expenditures			
Deposit into Cooperative Extension Service	994,700	994,700	-
U of I Cook County Cooperative Extension Service	2,449,200	2,449,200	-
Total expenditures	\$ 3,443,900	\$ 3,443,900	\$ -
Lapsed balances	-	-	-
Bureau of Land and Water Resources			
Appropriations (net after transfers)	8,267,000	8,224,800	11,144,200
Expenditures			
Personal services	396,349	372,597	327,268
State contributions to state employees' retirement system	168,143	150,457	124,618
State contributions to social security	29,659	27,946	24,247
Group insurance	69,306	58,624	93,488
Deposit into Cooperative Extension Service	-	-	994,700
U of I Cook County Cooperative Extension Service	-	-	2,449,200
Soil and water conservation district boards and administration	2,386,871	2,999,999	2,485,000
Conservation 2000 Program	2,319,019	4,499,929	4,488,800
Total expenditures	5,369,347	8,109,552	10,987,321
Lapsed balances	2,897,653	115,248	156,879
PARTNERS FOR CONSERVATION FUND TOTALS			
Appropriations (net after transfers)	\$ 11,710,900	\$ 11,668,700	\$ 11,144,200
Total expenditures	\$ 8,813,247	\$ 11,553,452	\$ 11,144,200
Lapsed balances	\$ 2,897,653	\$ 115,248	\$ -

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SCHEDULE 3

	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
<u>Partners for Conservation Projects Fund - 0609</u>			
Bureau of Land and Water Resources			
Appropriations (net after transfers)	\$ 2,612,500	\$ 2,612,500	\$ 2,612,500
Expenditures			
Total expenditures	-	-	-
Lapsed balances	2,612,500	2,612,500	2,612,500
<u>Illinois Racing Quarter Horse Breeders Fund - 0631</u>			
Division of County Fairs and Horseracing			
Appropriations (net after transfers)	30,000	30,000	30,000
Expenditures			
Promotion of Illinois horse racing and breeding industry	4,350	7,050	7,050
Lapsed balances	25,650	22,950	22,950
<u>Agriculture Pesticide Control Act Fund - 0689</u>			
Bureau of Environmental Programs			
Appropriations (net after transfers)	650,000	650,000	625,000
Expenditures			
Certification of pesticide applicators expenses of pesticide enforcement programs	553,025	542,830	367,152
Lapsed balances	96,975	107,170	257,848
<u>Illinois Standardbred Breeders Fund - 0708</u>			
Division of County Fairs and Horseracing			
Appropriations (net after transfers)	1,396,400	1,395,600	1,394,100
Expenditures			
Personal services	28,429	26,429	11,538
State contributions to state employees' retirement system	12,044	10,660	4,383
State contributions to social security	3,460	2,746	1,437
Contractual services	42,667	39,384	39,973
Travel	1,204	428	839
Commodities	6,334	2,869	10,287
Printing	-	596	663
Operation of automotive equipment	2,797	4,766	1,833
Grants and other purposes authorized in Section 31 of the Illinois Horse Racing Act of 1975, except administrative expense	934,994	1,185,600	1,187,590
Total expenditures	\$ 1,031,929	\$ 1,273,478	\$ 1,258,543
Lapsed balances	364,471	122,122	135,557

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	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
<u>Illinois Thoroughbred Breeders Fund - 0709</u>			
Division of County Fairs and Horseracing			
Appropriations (net after transfers)	\$ 2,084,500	\$ 2,081,600	\$ 2,076,100
Expenditures			
Personal services	201,384	177,730	177,528
State contributions to state employees' retirement system	85,459	71,708	67,496
State contributions to social security	16,725	15,471	16,603
Contractual services	42,526	55,177	67,985
Travel	-	450	677
Commodities	1,515	1,623	2,104
Printing	476	391	1,642
Equipment	540	-	-
Telecommunications	4,131	3,488	4,168
Operation of automotive equipment	2,052	2,739	5,430
Grants and other purposes authorized in Section 31 of the Illinois Horse Racing Act of 1975, except administrative expense	922,819	1,608,857	1,609,500
Total expenditures	<u>\$ 1,277,627</u>	<u>\$ 1,937,634</u>	<u>\$ 1,953,133</u>
Lapsed balances	<u>806,873</u>	<u>143,966</u>	<u>122,967</u>
<u>Illinois Animal Abuse Fund - 0744</u>			
Bureau of Animal Industries			
Appropriations (net after transfers)	4,000	4,000	4,000
Expenditures			
Expenses associated with the investigation of animal abuse	4,000	3,883	-
Lapsed balances	<u>-</u>	<u>117</u>	<u>4,000</u>
<u>Agriculture Federal Projects Fund - 0826</u>			
Division of Agriculture Industry Regulation			
Appropriations (net after transfers)	500,000	500,000	500,000
Expenditures			
Various federal projects	327,461	294,631	295,036
Lapsed balances	<u>172,539</u>	<u>205,369</u>	<u>204,964</u>
Bureau of Marketing and Promotion			
Appropriations (net after transfers)	850,000	850,000	850,000
Expenditures			
Various federal projects	537,354	758,933	788,140
Lapsed balances	<u>312,646</u>	<u>91,067</u>	<u>61,860</u>

STATE OF ILLINOIS
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**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES BY OBJECT**
For the Fiscal Years Ended June 30, 2015, 2014, and 2013

SCHEDULE 3

	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
<u>Agriculture Federal Projects Fund - 0826 - continued</u>			
Bureau of Weights and Measures			
Appropriations (net after transfers)	\$ 200,000	\$ 200,000	\$ 200,000
Expenditures			
Total expenditures	-	-	-
Lapsed balances	200,000	200,000	200,000
Bureau of Animal Industries			
Appropriations (net after transfers)	100,000	100,000	300,000
Expenditures			
Various federal projects	19,751	96,295	266,940
Lapsed balances	80,249	3,705	33,060
Bureau of Meat and Poultry			
Appropriations (net after transfers)	315,000	315,000	315,000
Expenditures			
Various federal projects	24,456	13,423	251,777
Lapsed balances	290,544	301,577	63,223
Bureau of Land and Water Resources			
Appropriations (net after transfers)	200,000	200,000	200,000
Expenditures			
Various federal projects	152,282	79,667	6,037
Lapsed balances	47,718	120,333	193,963
Bureau of Environmental Programs			
Appropriations (net after transfers)	1,500,000	1,975,000	2,400,000
Expenditures			
Various federal projects	390,836	850,284	964,779
Lapsed balances	1,109,164	1,124,716	1,435,221
AGRICULTURE FEDERAL PROJECTS FUND TOTALS			
Appropriations (net after transfers)	\$ 3,665,000	\$ 4,140,000	\$ 4,765,000
Total Expenditures	\$ 1,452,140	\$ 2,093,233	\$ 2,572,709
Lapsed balances	\$ 2,212,860	\$ 2,046,767	\$ 2,192,291

STATE OF ILLINOIS
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**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES BY OBJECT**
For the Fiscal Years Ended June 30, 2015, 2014, and 2013

SCHEDULE 3

	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
 GRAND TOTAL - APPROPRIATED FUNDS			
Appropriations (net after transfers)	\$ 108,604,539	\$ 104,968,100	\$ 98,536,300
Total expenditures	\$ 84,764,499	\$ 88,629,191	\$ 85,054,174
Lapsed balances	\$ 23,840,040	\$ 16,338,909	\$ 13,482,126
 NON-APPROPRIATED FUND TOTALS			
<u>Regulatory Fund - 0291</u>			
Division of Agriculture Industry Regulation			
Operational costs - Grain Code	\$ 29,839	\$ 28,260	\$ 26,172
 <u>Wholesome Meat Fund - 0476</u>			
Bureau of Meat and Poultry Inspection			
Refund to repay USDA per audit	115,200	-	-
 <u>State Cooperative Extension Service Trust Fund - 0602</u>			
Division of Administrative Services			
Transfer to University of Illinois	13,358,051	13,431,768	13,443,900
 <u>Corn Commodity Trust Fund - 0807</u>			
Bureau of Marketing and Promotion			
Corn marketing program	3,535	-	-
 <u>State Fair Promotional Activities Fund - 0835</u>			
Bureau of Buildings and Grounds - Springfield			
Costs of Illinois State Fair	21,781	-	-
 GRAND TOTAL - NON-APPROPRIATED FUNDS			
Total expenditures	\$ 13,528,406	\$ 13,460,028	\$ 13,470,072
 GRAND TOTAL - ALL FUNDS			
Total expenditures	\$ 98,292,905	\$ 102,089,219	\$ 98,524,246
 Note: The comparative schedule of net appropriations, expenditures, and lapsed balances - by object does not include the State Officers' salaries paid by the Office of the Comptroller. For the years ended June 30, 2015, 2014, and 2013, State Officers' salaries were as follows:			
Director	\$ 133,486	\$ 133,273	\$ 133,273

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES BY FUND**

SCHEDULE 4

For the Fiscal Years Ended June 30, 2015, 2014 and 2013

	Fiscal Year		
	2015	2014	2013
	P.A. 98-0675		
	P.A. 98-0679	P.A. 98-0050	P.A. 97-0725
	P.A. 99-0001	P.A. 98-0064	P.A. 97-0727
APPROPRIATED FUNDS			
Appropriations (net after transfers)	\$ 108,604,539	\$ 104,968,100	\$ 98,536,300
Expenditures			
General Revenue Fund - 0001	19,870,667	20,702,545	20,103,529
Illinois Department of Agriculture Laboratory Services Revolving Fund - 0024	503,732	560,217	685,313
Agricultural Premium Fund - 0045	21,146,687	23,193,876	22,182,204
Compassionate Use of Medical Cannabis Fund - 0075	55,220	-	-
Weights and Measures Fund - 0163	5,259,186	5,217,177	4,730,065
Fair and Exposition Fund - 0245	900,000	900,000	900,900
Motor Fuel and Petroleum Standards Fund - 0289	27,000	27,938	33,805
Fertilizer Control Fund - 0290	1,013,168	999,515	102,599
Used Tire Management Fund - 0294	40,000	40,000	40,000
Feed Control Fund - 0369	1,612,916	840,862	1,042,599
Livestock Management Facilities Fund - 0430	30,000	3,361	5,488
Illinois State Fair Fund - 0438	7,335,020	6,663,774	6,289,049
Federal Agricultural Marketing Services Fund - 0439	3,451	3,699	3,037
Agricultural Master Fund - 0440	894,918	562,158	516,531
Wholesome Meat Fund - 0476	6,793,622	6,321,293	6,241,847
Pesticide Control Fund - 0576	6,142,594	5,181,216	5,031,300
Partners for Conservation Fund - 0608	8,813,247	11,553,452	10,987,321
Illinois Racing Quarter Horse Breeders Fund - 0631	4,350	7,050	7,050
Agriculture Pesticide Control Act Fund- 0689	553,025	542,830	367,152
Illinois Standardbred Breeders Fund - 0708	1,031,929	1,273,478	1,258,543
Illinois Thoroughbred Breeders Fund - 0709	1,277,627	1,937,634	1,953,133
Illinois Animal Abuse Fund - 0744	4,000	3,883	-
Agriculture Federal Projects Fund - 0826	1,452,140	2,093,233	2,572,709
Total expenditures - appropriated funds	84,764,499	88,629,191	85,054,174
Total lapsed balances	\$ 23,840,040	\$ 16,338,909	\$ 13,482,126
NON-APPROPRIATED FUNDS			
Expenditures			
Regulatory Fund - 0291	\$ 29,839	\$ 28,260	\$ 26,172
State Cooperative Extension Service Trust Fund - 0602	13,358,051	13,431,768	13,443,900
Wholesome Meat Fund - 0476	115,200	-	-
Corn Commodity Trust Fund - 0807	3,535	-	-
State Fair Promotional Activities Fund - 0835	21,781	-	-
Total expenditures - non-appropriated funds	\$ 13,528,406	\$ 13,460,028	\$ 13,470,072
Total expenditures all funds	\$ 98,292,905	\$ 102,089,219	\$ 98,524,246

STATE OF ILLINOIS
 DEPARTMENT OF AGRICULTURE
**SCHEDULE OF RECEIPTS, DISBURSEMENTS
 AND FUND BALANCE (CASH BASIS) - LOCALLY-HELD FUNDS**
 (Expressed In Thousands)
 For the Year Ended June 30, 2015

Fund Number	Fund Name	Cash Balance July 1, 2014	Receipts	Disbursements	Cash Balance June 30, 2015
1112	Centennial Farm Signs Fund	\$ 29	\$ 11	\$ 13	\$ 27
1113	Illinois Colt Stakes/Championship Purse Fund	764	441	561	644
1114	Agricultural Products Promotional Fund	786	692	565	913
1115	Surety Bond Fund	-	-	-	-
1116	Grain Indemnity Trust Fund	171	170	156	185
1218	Carcass Evaluation Fund	3	145	145	3
1233	Hong Kong Office Fund	1	8	8	1
1234	Ask Illinois First Fund	5	2	1	6
1285	Illinois Agriculture Youth Institute Fund	3	-	-	3
1335	White Experimental Farm Fund	62	34	31	65
1350	State Fair Promotional Activities Fund	71	289	284	76
1351	Zell Farm Fund	367	33	49	351
Total Locally Held Funds		<u>\$ 2,262</u>	<u>\$ 1,825</u>	<u>\$ 1,813</u>	<u>\$ 2,274</u>

The Hong Kong Office Fund # 1233 deposits are maintained outside of the State Treasury at Hong Kong and Shanghai Banking Corporation and are uninsured and uncollateralized.

All other Locally Held Fund monies are held in the Illinois Funds, administered by the Illinois State Treasurer. The Illinois Funds operates as a 2a7 - like pool and, thus, reports all investments at amortized cost rather than fair value. The fair value of the pool is the same as the value of the pool's shares. The Treasurer's investment policies are governed by State statute. In addition, the Treasurer's Office has adopted its own investment practice, which supplements the statutory requirements.

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
**SCHEDULE OF RECEIPTS, DISBURSEMENTS
AND FUND BALANCE (CASH BASIS) - LOCALLY-HELD FUNDS**
(Expressed In Thousands)
For the Year Ended June 30, 2014

Fund Number	Fund Name	Cash Balance July 1, 2013	Receipts	Disbursements	Cash Balance June 30, 2014
1112	Centennial Farm Signs Fund	\$ 13	\$ 17	\$ 1	\$ 29
1113	Illinois Colt Stakes/Championship Purse Fund ^	899	471	606	764
1114	Agricultural Products Promotional Fund	373	764	351	786
1115	Surety Bond Fund	-	80	80	-
1116	Grain Indemnity Trust Fund	125	49	3	171
1218	Carcass Evaluation Fund	5	136	138	3
1233	Hong Kong Office Fund	-	6	5	1
1234	Ask Illinois First Fund	5	1	1	5
1285	Illinois Agriculture Youth Institute Fund	3	-	-	3
1335	White Experimental Farm Fund	62	39	39	62
1350	State Fair Promotional Activities Fund	35	297	261	71
1351	Zell Farm Fund	319	48	-	367
Total Locally Held Funds		<u>\$ 1,839</u>	<u>\$ 1,908</u>	<u>\$ 1,485</u>	<u>\$ 2,262</u>

^ Increased from June 30, 2013 reported balance because the Department corrected an omitted disbursement found in previous examination.

The Hong Kong Office Fund # 1233 deposits are maintained outside of the State Treasury at Hong Kong and Shanghai Banking Corporation and are uninsured and uncollateralized.

All other Locally Held Fund monies are held in the Illinois Funds, administered by the Illinois State Treasurer. The Illinois Funds operates as a 2a7 - like pool and, thus, reports all investments at amortized cost rather than fair value. The fair value of the pool is the same as the value of the pool's shares. The Treasurer's investment policies are governed by State statute. In addition, the Treasurer's Office has adopted its own investment practice, which supplements the statutory requirements.

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
SCHEDULE OF CHANGES IN STATE PROPERTY
For the Years Ended June 30, 2014 and 2015

	<u>Equipment</u>	<u>Buildings</u>	<u>Land</u>	<u>Construction in Progress</u>	<u>Total</u>
Balance at July 1, 2013	\$ 20,927,194	\$ 143,956,396	\$ 39,077,439	\$ 1,765,343	\$ 205,726,372
Additions	612,702	40,101	93,935	-	746,738
Deletions	2,404,518	4,615	-	-	2,409,133
Net Transfers	<u>(481,620)</u>	<u>(1,050)</u>	<u>-</u>	<u>3,198,642</u>	<u>2,715,972</u>
Balance at June 30, 2014	<u>\$ 18,653,758</u>	<u>\$ 143,990,832</u>	<u>\$ 39,171,374</u>	<u>\$ 4,963,985</u>	<u>\$ 206,779,949</u>
Balance at July 1, 2014	\$ 18,653,758	\$ 143,990,832	\$ 39,171,374	\$ 4,963,985	\$ 206,779,949
Additions	787,466	150,356	8,842	-	946,664
Deletions	294,918	18,114	-	-	313,032
Net Transfers	<u>(265,062)</u>	<u>-</u>	<u>-</u>	<u>2,848,558</u>	<u>2,583,496</u>
Balance at June 30, 2015	<u>\$ 18,881,244</u>	<u>\$ 144,123,074</u>	<u>\$ 39,180,216</u>	<u>\$ 7,812,543</u>	<u>\$ 209,997,077</u>

Note: Due to issues noted in finding 2015-003, this schedule does not agree to the Agency Report of State Property (C-15) submitted to the Office of the Comptroller.

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
COMPARATIVE SCHEDULE OF CASH RECEIPTS
For the Years Ended June 30, 2015, 2014, and 2013

SCHEDULE 8

	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>General Revenue Fund - 0001</u>			
Agriculture Industry Regulation	\$ 628,855	\$ 537,796	\$ 817,781
Meat Poultry Livestock	174,130	153,907	159,163
Pesticide Products	966,430	893,450	930,300
Miscellaneous	52,966	3,914	2,408
Total Receipts per Department Records Fund - 0001	<u>1,822,381</u>	<u>1,589,067</u>	<u>1,909,652</u>
<u>Illinois Department of Agriculture Laboratory Services Revolving Fund - 0024</u>			
Laboratory Fees	<u>544,521</u>	<u>489,898</u>	<u>739,232</u>
<u>Agricultural Premium Fund - 0045</u>			
Combined DuQuoin State Fair	<u>1,630,214</u>	<u>1,817,903</u>	<u>1,907,506</u>
<u>Compassionate Use of Medical Cannabis Fund - 0075</u>			
Medicinal Plants	<u>7,622,200</u>	<u>-</u>	<u>-</u>
<u>Weights and Measures Fund - 0163</u>			
Weights and measures interest	62,153	19,140	9,322
Weights and measures inspections	4,933,761	4,391,361	4,360,174
Total Receipts per Department Records Fund - 0163	<u>4,995,914</u>	<u>4,410,501</u>	<u>4,369,496</u>
<u>Motor Fuel and Petroleum Standards Fund - 0289</u>			
Fines, penalties or violations	<u>28,875</u>	<u>39,063</u>	<u>48,565</u>
<u>Fertilizer Control Fund - 0290</u>			
Fertilizer Inspection Fund	<u>1,564,967</u>	<u>1,583,239</u>	<u>1,491,756</u>
<u>Regulatory Fund - 0291</u>			
Grain warehousing license fees	<u>86,110</u>	<u>91,050</u>	<u>113,004</u>
<u>Feed Control Fund - 0369</u>			
Feed Fund Manufacturer	<u>2,145,023</u>	<u>2,145,576</u>	<u>2,054,843</u>
<u>Livestock Management Facilities Fund - 0430</u>			
Livestock Management Fund	<u>40,420</u>	<u>29,950</u>	<u>35,620</u>
<u>Illinois State Fair Fund - 0438</u>			
Combined Illinois State Fair	<u>6,542,242</u>	<u>7,413,006</u>	<u>7,477,698</u>
<u>Federal Agricultural Marketing Services Fund - 0439</u>			
U.S. Department of Agriculture	<u>3,700</u>	<u>-</u>	<u>7,400</u>
<u>Agricultural Master Fund - 0440</u>			
Federal Government	65	362	2,582
Private Organization or Individual Donation	961,259	868,658	893,140
Total Receipts per Department Records Fund - 0440	<u>961,324</u>	<u>869,020</u>	<u>895,722</u>
<u>Wholesome Meat Fund - 0476</u>			
U.S. Department of Agriculture	<u>8,325,145</u>	<u>5,303,656</u>	<u>5,792,662</u>
<u>Pesticide Control Fund - 0576</u>			
Pesticide Products	<u>6,171,962</u>	<u>5,659,127</u>	<u>5,865,853</u>

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
COMPARATIVE SCHEDULE OF CASH RECEIPTS
For the Years Ended June 30, 2015, 2014, and 2013

SCHEDULE 8

	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>State Cooperative Extension Service Trust Fund - 0602</u>			
Transfer from General Revenue Fund and Partners for Conservation Fund	\$ 3,443,900	\$ 3,443,900	\$ 3,443,900
Agricultural Premium Fund	10,000,000	10,000,000	10,000,000
Total Receipts per Department Records Fund - 0602	<u>13,443,900</u>	<u>13,443,900</u>	<u>13,443,900</u>
<u>Illinois Racing Quarter Horse Breeders Fund - 0631</u>			
Quarter horse breeders late filing fee	<u>50</u>	<u>50</u>	<u>50</u>
<u>Watershed Park Fund - 0651</u>			
Watershed Park private donation	<u>-</u>	<u>20</u>	<u>-</u>
<u>Agriculture Pesticide Control Act Fund - 0689</u>			
Environmental Protection	<u>722,334</u>	<u>590,526</u>	<u>338,358</u>
<u>Illinois Standardbred Breeders Fund - 0708</u>			
Standardbred late filing fee	<u>500</u>	<u>600</u>	<u>1,950</u>
<u>Illinois Thoroughbred Breeders Fund - 0709</u>			
Thoroughbred late filing fee	<u>3,050</u>	<u>5,900</u>	<u>3,250</u>
<u>Illinois Agrifirst Program Fund - 0754</u>			
AgriFirst Grant Repayment	<u>480</u>	<u>-</u>	<u>320</u>
<u>Agriculture Federal Projects Fund - 0826</u>			
Agriculture Federal Projects	<u>1,631,710</u>	<u>1,654,097</u>	<u>2,064,179</u>
<u>State Fair Promotional Activities Fund - 0835</u>			
Promotion Money for Illinois	<u>-</u>	<u>-</u>	<u>4,419</u>
Total all funds	<u>\$ 58,287,022</u>	<u>\$ 47,136,149</u>	<u>\$ 48,565,435</u>

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE

SCHEDULE 9

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER

For the Year Ended June 30, 2015

Fund	Receipts per Department Records	Deposits in Transit		Receipts per Comptroller's Records
		Plus Beginning of Year	Less End of Year	
General Revenue Fund - 0001	\$ 1,822,381	\$ 26,690	\$ 28,763	\$ 1,820,308
Illinois Department of Agriculture Laboratory Services Revolving Fund - 0024	544,521	12,203	14,786	541,938
Agricultural Premium Fund - 0045	1,630,214	176,783	97,411	1,709,586
Compassionate Use of Medical Cannabis Fund - 0075	7,622,200	-	-	7,622,200
Weights and Measures Fund - 0163	4,995,914	112,447	77,186	5,031,175
Motor Fuel and Petroleum Standards Fund - 0289	28,875	-	850	28,025
Fertilizer Control Fund - 0290	1,564,967	864	634	1,565,197
Regulatory Fund - 0291	86,110	350	200	86,260
Feed Control Fund - 0369	2,145,023	1,310	588	2,145,745
Livestock Management Facilities Fund - 0430	40,420	280	250	40,450
Illinois State Fair Fund - 0438	6,542,242	445,762	389,393	6,598,611
Federal Agricultural Marketing Services Fund - 0439	3,700	-	-	3,700
Agricultural Master Fund - 0440	961,324	3,253	7,370	957,207
Wholesome Meat Fund - 0476	8,325,145	-	-	8,325,145
Pesticide Control Fund - 0576	6,171,962	19,305	21,700	6,169,567
State Cooperative Extension Service Trust Fund - 0602	13,443,900	-	-	13,443,900
Illinois Racing Quarter Horse Breeder Fund - 0631	50	-	-	50
Agriculture Pesticide Control Act Fund - 0689	722,334	-	-	722,334
Illinois Standardbred Breeders Fund - 0708	500	-	150	350
Illinois Thoroughbred Breeders Fund - 0709	3,050	-	-	3,050
Illinois Agrifirst Program Fund - 0754	480	-	-	480
Agriculture Federal Projects Fund - 0826	1,631,710	12,000	-	1,643,710
Total All Funds	<u>\$ 58,287,022</u>	<u>\$ 811,247</u>	<u>\$ 639,281</u>	<u>\$ 58,458,988</u>

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE

SCHEDULE 10

RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER

For the Year Ended June 30, 2014

Fund	Receipts per Department Records	Deposits in Transit		Receipts per Comptroller's Records
		Plus Beginning of Year	Less End of Year	
General Revenue Fund - 0001	\$ 1,589,067	\$ 57,967	\$ 26,690	\$ 1,620,344
Illinois Department of Agriculture Laboratory Services Revolving Fund - 0024	489,898	38,569	12,203	516,264
Agricultural Premium Fund - 0045	1,817,903	171,577	176,783	1,812,697
Weights and Measures Fund - 0163	4,410,501	168,737	112,447	4,466,791
Motor Fuel and Petroleum Standards Fund - 0289	39,063	3,600	-	42,663
Fertilizer Control Fund - 0290	1,583,239	5,566	864	1,587,941
Regulatory Fund - 0291	91,050	1,900	350	92,600
Feed Control Fund - 0369	2,145,576	7,160	1,310	2,151,426
Livestock Management Facilities Fund - 0430	29,950	780	280	30,450
Illinois State Fair Fund - 0438	7,413,006	327,172	445,762	7,294,416
Federal Agricultural Marketing Services Fund - 0439	-	3,700	-	3,700
Agricultural Master Fund - 0440	869,020	11,868	3,254	877,634
Wholesome Meat Fund - 0476	5,303,656	-	-	5,303,656
Pesticide Control Fund - 0576	5,659,127	53,125	19,305	5,692,947
State Cooperative Extension Service Trust Fund - 0602	13,443,900	-	-	13,443,900
Illinois Racing Quarter Horse Breeders Fund - 0631	50	-	-	50
Watershed Park Fund - 0651	20	-	-	20
Agriculture Pesticide Control Act Fund - 0689	590,526	-	-	590,526
Illinois Standardbred Breeders Fund - 0708	600	-	-	600
Illinois Thoroughbred Breeders Fund - 0709	5,900	50	-	5,950
Illinois Agrifirst Program Fund - 0754	-	80	-	80
Agriculture Federal Projects Fund - 0826	1,654,097	539	12,000	1,642,636
Total All Funds	<u>\$ 47,136,149</u>	<u>\$ 852,390</u>	<u>\$ 811,248</u>	<u>\$ 47,177,291</u>

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2015

Schedule 11

The Illinois Department of Agriculture's (Department) explanations for significant fluctuations in expenditures greater than \$100,000 and 20% of total expenditures in that category as presented in the Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances by Object are detailed below.

During fiscal year 2013, the General Assembly appropriated non-personal services expenses as other operations lump sums, rather than as individual line items as in fiscal year 2014 and fiscal year 2015. The explanations that follow are for the fluctuations that, for the most part, were not due to the change in the way the funds were appropriated.

General Revenue Fund – 0001

Division of Administrative Services

Contractual service expenditures decreased from fiscal year 2014 to fiscal year 2015 because, in fiscal year 2015, the 2% transfer limit increased to 4% and a transfer was allowed on almost any type of appropriation code. In fiscal year 2015, the contractual line within the General Revenue Fund was transferred significantly to other bureaus to meet their operating needs.

Bureau of Agriculture Industry Regulations

Personal service expenditures decreased from fiscal year 2013 to fiscal year 2014 within this bureau due to an increase of its use of Fertilizer Research funds, which is described later within this Schedule.

Bureau of Animal Industries

Operations of Centralia Animal Disease Laboratory decreased from fiscal year 2013 to fiscal year 2014 due to a one-time lump sum used in closing the facility in fiscal year 2013.

Bureau of Building and Grounds – Springfield

Personal service expenditures, as well as the State contributions to social security, increased from fiscal year 2013 to fiscal year 2014 to better match the Building and Grounds needs.

Bureau of Buildings and Grounds – DuQuoin

Personal service expenditures increased from fiscal year 2013 to fiscal year 2014 to better match the needs of the Building and Grounds Bureau of DuQuoin.

Agricultural Premium Fund – 0045

Division of Administrative Services

Food Safety Modernization Initiative decreased from fiscal year 2013 to fiscal year 2014. The Department closed the Centralia laboratory in September 2012. This appropriation was used to

make improvements to the Galesburg laboratory to shift operations from Centralia to that location.

Bureau of Marketing and Promotion

Viticulturist and enologist expenditures increased from fiscal year 2013 to fiscal year 2014 due to not having an appropriation in fiscal year 2013.

Bureau of Buildings & Grounds – DuQuoin

Activities at the DuQuoin State Fairgrounds increased from fiscal year 2014 to fiscal year 2015. Primarily due to being without management, this Bureau lapsed appropriations in fiscal year 2014 that could have been spent to maintain and improve the fairgrounds. In fiscal year 2015, an effort was made to purchase equipment and do repairs that were vital to the facilities.

Activities at the DuQuoin State Fairgrounds decreased from fiscal year 2013 to fiscal year 2014 due to having more repairs and maintenance appropriation in fiscal year 2014. The repairs and maintenance appropriation was utilized prior to the appropriation for activities at the DuQuoin State Fairgrounds, so less was spent on non-fair expenses. In addition, various project expenses at the DuQuoin Fairgrounds increased from fiscal year 2013 to fiscal year 2014 due to having more repairs and maintenance appropriation in fiscal year 2014, causing less non-fair expenses.

Weights and Measures Fund – 0163

Bureau of Weights and Measures

Equipment expenditures decreased from fiscal year 2014 to fiscal year 2015. The bureau operates with large trucks to carry multiple proper inspection equipment, allowing more testing with fewer stops at stores. Fluctuations are due largely to the purchases of these trucks. In fiscal year 2014, the bureau purchased one F450 (\$36,300) truck and one large scale truck (\$182,700). In fiscal year 2015, the bureau purchased three F450 (\$112,000) trucks.

Equipment expenditures increased from fiscal year 2013 to fiscal year 2014 due to the purchase of a large scale truck (\$182,700) and a F450 (\$36,300) truck in fiscal year 2014 and none in fiscal year 2013.

Fertilizer Control Fund – 0290

Division of Agricultural Industry Regulation

Fertilizer Research increased from fiscal year 2013 to fiscal year 2014. An amendment to the Fertilizer Control Act, effective August 2012, completely changed the funding for fertilizer research. The fee paid by the fertilizer industry increased, and the distribution of the revenue changed to include the Fertilizer Fund and Nutrient Research and Education Council (NREC). NREC makes grants for research and the Department uses the portion it receives for operations. In fiscal year 2013, the appropriation was for a grant, which the Department spent only to wrap up prior year agreements due to the change in the law. In fiscal year 2014, the appropriation was for operations, which the Department used to support and improve its operations.

Feed Control Fund – 0369

Division of Agriculture Industry Regulation

Expenditures for feed control increased from fiscal year 2014 to fiscal year 2015. The bureau agreed to reserve \$238,000 of General Revenue Fund on personal services, \$15,000 on equipment, and \$30,000 on operation of automotive equipment due to Public Act 99-001. This led to more expenditures being made from the Feed Control Fund. The personal services decrease of \$238,000 in the General Revenue Fund increased the expenditures covered by the Feed Control Fund by over \$425,000 after considering employee benefits. New equipment to upgrade the laboratory was also purchased from the Feed Control Fund.

Illinois State Fair Fund – 0438

Bureau of Buildings and Grounds – Springfield

Expenditures for activities at the Illinois State Fair increased from fiscal year 2014 to fiscal year 2015 due to more personal services being paid out of the Illinois State Fair Fund rather than other funds supporting the Illinois State Fair.

Agricultural Master Fund – 0440

Bureau of Meat and Poultry Inspection

Inspection of agriculture products increased from fiscal year 2014 to fiscal year 2015. The primary increase was in payroll. Union pay increases and the addition of one employee increased monthly payroll cost by almost 16%. Also, in fiscal year 2014, General Revenue Funds had been available for payroll so less was paid by this fund in the previous year.

Wholesome Meat Fund – 0476

Bureau of Meat and Poultry Inspection

Refund to repay USDA per audit expenditures increased from fiscal year 2014 to fiscal year 2015. The federal audit for federal fiscal years 2009 to 2011 was wrapped up, and the Department owed \$115,200 to the U.S. Department of Agriculture as a result of the audit.

Partners for Conservation Fund – 0608

Bureau of Land and Water Resources

Soil and water conservation district boards and administration expenditures, as well as Conservation 2000 Program expenditures, decreased from fiscal year 2014 to fiscal year 2015. This was caused by a spending freeze on certain grant payments during fiscal year 2015.

Soil and water conservation district boards and administration expenditures increased from fiscal year 2013 to fiscal year 2014. The Department receives a grant for the program and then passes much of the funds on to the soil and water conservation district boards. The size of the grant increased from fiscal year 2013 to fiscal year 2014.

Agriculture Pesticide Control Act Fund – 0689

Bureau of Environmental Programs

Certification of pesticide application expense of pesticide enforcement programs increased from fiscal year 2013 to fiscal year 2014. The Department explained the agreement includes non-core funding areas that can significantly vary from year to year and expenditures may be made for additional funds awarded. Laboratory funding rotates between five states, which may lead to an increase in funding for a given year. As a result of the funding rotation, more funds were available in fiscal year 2014. This allowed the Department to purchase very expensive laboratory instrumentation. The Department may receive an amount from an annual pool of discretionary funds for specific pesticide-related program projects. These factors contributed to the increase in fiscal year 2014 from the previous fiscal year.

Illinois Standardbred Breeders Fund – 0708 and Illinois Thoroughbred Breeders Fund – 0709

Division of County Fairs and Horseracing

Grants and other purposes authorized in Section 31 of the Illinois Horse Racing Act of 1975, except administrative expense, in both funds decreased from fiscal year 2014 to fiscal year 2015. This was caused by a spending freeze on certain grant payments during fiscal year 2015.

Agriculture Federal Projects Fund – 0826

Bureau of Animal Industry

Various federal project expenses decreased from fiscal year 2013 to fiscal year 2014. In fiscal years 2013 and 2014, and again in fiscal year 2015, the Bureau of Animal Industries had too much personal services and not nearly enough other lines. Attempts by the Department to remedy this problem have failed. In fiscal year 2014, special transferability was allowed by statute, and the bureau was able to transfer its personal services out and other lines in to meet its operational needs. In fiscal year 2013, there was no such language, and in fact, because the non-personal service lines were passed as a lump sum, there was less transferability than ever. Therefore, in fiscal year 2013, the bureau lapsed \$540,000 of personal services appropriation and used more of the Agriculture Federal Projects Fund to cover its expenses.

Bureau of Meat and Poultry

The various federal project expenses in this bureau had the same effect as the Bureau of Animal Industry above. Expenditures decreased from fiscal year 2013 to fiscal year 2014 due to a high amount of personal services within the Bureau and not enough of the other lines. The impact of the inability to transfer personal services out and other lines in to meet its operational needs also contributed to the issue.

Bureau of Marketing and Promotion

Various federal project expenditures decreased from fiscal year 2014 to fiscal year 2015. The primary cause of the decrease is timing related to Specialty Crop grants. The Department receives an annual Specialty Crop grant from the United States Department of Agriculture. These grants have durations that last several years. In fiscal year 2014, there were payments of \$151,000 for the three and four year old Specialty Crop grants; in fiscal year 2015, there were only payments of \$32,000. In fiscal year 2014, there were payments of \$271,000 for the two

year old grants and in fiscal year 2015 only \$197,000. Additionally, the amount allocated for federal fiscal year 2014, which is paid beginning in fiscal year 2015, was over \$100,000 less than that allocated for federal fiscal year 2013, which was paid beginning in fiscal year 2014.

Bureau of Environmental Programs

The amount of federal expenditures is directly related to the amount of receipts from the federal government. Various federal project expenditures decreased from fiscal year 2014 to fiscal year 2015 due to decreased receipts. The Emerald Ash Borer (EAB) program spent approximately \$725,000 in fiscal year 2014 and nothing in fiscal year 2015. The program was eliminated due to the impossibility of eliminating the borer.

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2015

Schedule 12

The Illinois Department of Agriculture's (Department) explanations for significant fluctuations in receipts greater than \$100,000 and 20% of total receipts for that category as presented in the Comparative Schedule of Cash Receipts are detailed below.

General Revenue Fund – 0001

Agriculture industry regulation receipts decreased from fiscal year 2013 to fiscal year 2014. The decrease was due to the fact that in fiscal year 2014, the Illinois Fertilizer Act was amended to increase fertilizer inspection tonnage fees and to allow deposit of all fees into the Fertilizer Control Fund rather than a portion going to the General Revenue Fund.

Illinois Department of Agriculture Laboratory Services Revolving Fund – 0024

Laboratory fees receipts decreased from fiscal year 2013 to fiscal year 2014 due to the closing of the Centralia Animal Disease Laboratory on September 30, 2013. Although testing capabilities were set up in the Galesburg Animal Disease Laboratory to take over testing from Centralia, most users of the Centralia Animal Disease Laboratory began sending their testing to commercial laboratories after the closure of the Centralia facility.

Compassionate Use of Medical Cannabis Fund – 0075

Medicinal plant receipts increased in fiscal year 2015 because the medicinal plants program began on January 1, 2014, and began collecting revenues in fiscal year 2015.

Wholesome Meat Fund – 0476

The U.S. Department of Agriculture receipts increased from fiscal year 2014 to fiscal year 2015. The difference between the fiscal years is due entirely to timing of receipts from the federal government and is impacted by the difference between the State and federal fiscal years ends (June 30 and September 30, respectively). Most of the federal fiscal year 2013 receipts were collected in State fiscal year 2013, leaving less to be collected in State fiscal year 2014. In State fiscal year 2014, less federal fiscal year 2014 receipts were collected, leaving more for State fiscal year 2015. A substantial portion of federal fiscal year 2015 was collected in State fiscal year 2015. The awards did not changed substantially from year to year.

Agriculture Pesticide Control Act Fund – 0689

Environmental protection receipts increased from fiscal year 2014 to fiscal year 2015. The year end accounts receivable decreased from \$196,000 at June 30, 2014 to \$39,000 at June 30, 2015. The decrease in the accrual of receipts at fiscal year ended June 30, 2015 resulted in more cash deposits during fiscal year 2014.

Environmental protection receipts decreased from fiscal year 2013 to fiscal year 2014. The year end accounts receivable decreased from \$225,000 in fiscal year 2013 to \$196,000 in fiscal year 2014. The change in receipts is a function of timing of payments from the federal government. The increase in the accrual of receipts at fiscal year ended June 30, 2014 resulted in fewer cash deposits during fiscal year 2014.

Agriculture Federal Projects Fund – 0826

Agriculture federal projects receipts decreased from fiscal year 2013 to fiscal year 2014. Federal funding increases and decreases as needs change. The primary decrease was in funding for the Emerald Ash Borer. As the U.S. Department of Agriculture has realized that this pest cannot be stopped, it has discontinued funding detection of it.

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2015

Schedule 13

The Illinois Department of Agriculture's (Department) explanations for significant lapse period spending as presented in the Schedule of Appropriations, Expenditures and Lapsed Balances for fiscal years 2014 and 2015 are detailed below. For purposes of this analysis, significant lapse period spending is defined as \$50,000 and 15% of annual expenditures, resulting in 2 funds with significant lapse period spending in fiscal year 2014 and none in fiscal year 2015. We have included the Department provided explanations for each significant lapse period expenditure below.

Illinois Department of Agriculture Laboratory Services Revolving Fund – 0024

The significant lapse period spending in fiscal year 2014 was due to the timing of lease payments for the Galesburg Laboratory Lease. The cash flow in this is very tight. The Department paid two of the monthly laboratory facility purchase payments during the lapse period and other laboratory costs as cash flow allowed.

Illinois Thoroughbred Breeders Fund – 0709

The significant lapse period spending in fiscal year 2014 was due to the timing of horse races. Payments are processed as races are run and paperwork is received. Several races were run late in the fiscal year, resulting in payments being made during the lapse period.

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
ANALYSIS OF ACCOUNTS RECEIVABLE
June 30, 2015

Schedule 14

The Department utilizes the Attorney General, a private collection agency, and the Comptroller's Offset System to collect receivables. An aging schedule of the Department's accounts receivable at June 30, 2015 is presented below:

Fund	Current	1-30 Days	31 to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
General Revenue Fund - 0001	\$ -	\$ -	\$ -	\$ 3	\$ 4	\$ 99	\$ 106
Illinois Department of Agriculture Laboratory Services Revolving Fund - 0024	30	8	-	1	2	17	58
Agricultural Premium Fund - 0045	-	-	-	-	1	21	22
Weights and Measures Fund - 0163	408	56	53	51	101	241	910
Motor Fuel and Petroleum Standards Fund - 0289	-	-	-	-	-	10	10
Illinois State Fair Fund - 0438	7	9	12	20	18	86	152
Wholesome Meat Fund - 0476	2,389	-	-	-	-	-	2,389
Pesticide Control Fund - 0576	(2)	-	-	1	3	16	18
Agriculture Pesticide Control Act Fund - 0689	132	-	-	-	-	-	132
Agriculture Federal Projects Act - 0826	475	-	50	-	-	-	525
Agricultural Products Promotional Fund - 1114	-	-	-	-	-	1	1
Total	\$ 3,439	\$ 73	\$ 115	\$ 76	\$ 129	\$ 491	\$ 4,323
Less: allowance for uncollectible accounts							(24)
Net accounts receivable							<u>\$ 4,299</u>

The amounts reported above include Due from Federal Government and Other Receivables.

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
ANALYSIS OF ACCOUNTS RECEIVABLE
June 30, 2014

Schedule 15

The Department utilizes the Attorney General, a private collection agency, and the Comptroller's Offset System to collect receivables. An aging schedule of the Department's accounts receivable at June 30, 2014 is presented below:

Fund	Current	1-30 Days	31 to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
General Revenue Fund - 0001	\$ -	\$ 3	\$ 1	\$ 2	\$ 3	\$ 92	\$ 101
Illinois Department of Agriculture Laboratory Services Revolving Fund - 0024	12	2	1	-	2	15	32
Agricultural Premium Fund - 0045	-	-	-	-	-	26	26
Weights and Measures Fund - 0163	327	51	33	46	91	229	777
Motor Fuel and Petroleum Standards Fund - 0289	-	-	-	-	2	7	9
Illinois State Fair Fund - 0438	67	14	8	11	71	74	245
Wholesome Meat Fund - 0476	1,785	1,902	149	-	-	-	3,836
Pesticide Control Fund - 0576	25	-	-	3	2	13	43
Agriculture Pesticide Control Act Fund - 0689	196	-	-	-	-	-	196
Agriculture Federal Projects Act - 0826	246	193	45	-	-	-	484
Agricultural Products Promotional Fund - 1114	-	-	-	-	-	1	1
Total	<u>2,658</u>	<u>2,165</u>	<u>237</u>	<u>62</u>	<u>171</u>	<u>457</u>	5,750
Less: allowance for uncollectible accounts							<u>(25)</u>
Net accounts receivable							<u>\$ 5,725</u>

The amounts reported above include Due from Federal Government and Other Receivables.

NOTE: This does not agree to the Quarterly Summary of Accounts Receivable - Accounts Receivable Activity (C-97) and Quarterly Summary of Accounts Receivable - Aging of Total Gross Receivables (C-98) because of issues noted in 2015-008.

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
AGENCY FUNCTIONS AND PLANNING PROGRAM
For the Two Years Ended June 30, 2015
(Not Examined)

The Illinois Department of Agriculture (Department) is administered from offices located on the Illinois State Fairgrounds in Springfield, Illinois. Raymond Poe is the Acting Director. The mailing address is:

Illinois Department of Agriculture
P.O. Box 19281
Springfield, Illinois 62794-9281

Mission Statement

The Illinois Department of Agriculture will be an advocate for Illinois' agricultural industry and provide the necessary regulatory functions to benefit consumers, agricultural industry, and our natural resources. The agency will strive to promote agri-business in Illinois and throughout the world.

Vision Statement

The Department's vision is to promote and regulate agriculture in a manner which encourages farming and agribusiness while protecting Illinois' consumers and our natural resources.

Agency Functions

The Department is organized into 4 divisions and the Executive Office:

1. Food Safety and Animal Protection
2. Natural Resources
3. Agriculture Industry Regulation
4. Administrative Services

The Executive Office consists of the following:

1. Legal
2. Legislative
3. Bureau of Budget and Fiscal Services
4. Bureau of Human Resources
5. Bureau of the State Fairs
6. Bureau of Marketing, Promotion and Grants
7. Bureau of County Fairs and Horse Racing
8. Bureau of Medicinal Plants
9. Audit
10. Chief Policy Advisor
11. Agriculture Business Development
12. Federal Liaison
13. Procurement
14. Administration

15. Bureau of Business Services
16. Bureau of Building and Grounds

The Division of Food Safety and Animal Protection consists of the following:

1. Bureau of Meat and Poultry Inspection
2. Bureau of Animal Health and Welfare
3. Galesburg Animal Disease Lab

The Division of Natural Resources consists of the following:

1. Bureau of Land and Water Resources
2. Bureau of Environmental Programs

The Division of Agriculture Industry Regulation consists of the following:

1. Bureau of Agricultural Productions Inspection
2. Bureau of Weights and Measures
3. Bureau of Warehouses

The Division of Administrative Services consists of the following:

1. Bureau of Computer Services
2. Bureau of Administrative Support Services

The Department continues to reorganize its structure to meet the needs of the agriculture industry and to meet statutory requirements.

Agency Planning Program

The Department's primary functions are regulatory. As such, the Department's long and short term goals are in meeting its mandates and are tracked by performance measures and quantitative outcomes that are monitored consistently by bureaus to make sure the Department is meeting its mission.

Major objectives/priorities include protecting individuals from mislabeled, contaminated, or diseased agricultural commodities; preserving the State's natural resources while at the same time protecting productive agricultural land; monitoring the safety of the food supply; and performing inspections to safeguard consumers. Additionally, the Department promotes the agricultural industry by providing domestic and international marketing assistance to both established and new Illinois food and agribusiness companies.

In fiscal year 2014 and fiscal year 2015, the FCIAA checklists were performed by the Department and no significant weaknesses were noted. In fiscal year 2015, surveys regarding internal controls were sent to bureau management for review and completion. The set of Department objectives and priorities are developed by the Executive Office along with input from the bureaus and is reviewed annually.

Quarterly and annual performance measures will be submitted to the Budgeting for Results (BFR) system through the Office of Management and Budget (OMB). The management of each Bureau is responsible for the accuracy of their reported information.

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
AVERAGE NUMBER OF EMPLOYEES
For the Years Ended June 30, 2015, 2014, and 2013
(Not Examined)

The following table, prepared from Department records, presents the average number of employees for the fiscal years ended June 30, 2015, 2014, and 2013.

<u>Division</u>	Fiscal Year		
	2015	2014	2013
Administrative Services	47	48	48
Fair and Non-fair	15	18	17
Food Safety and Animal Protection	134	134	133
Natural Resources	65	64	62
Agriculture Industry Regulation	76	76	72
Total average full-time employees	<u>337</u>	<u>340</u>	<u>332</u>

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
MEMORANDUMS OF UNDERSTANDING
For Two Years Ended June 30, 2015
Not Examined

Parties Involved Other Than The Illinois Department of Agriculture	Dates Involved	Memorandum Requirements Description
University of Illinois at Urbana-Champaign	10/22/13 - 6/30/14	The Department shall deposit into the State Cooperative Extension Service Trust Fund, all funds appropriated to the Department as matching funds and for the purpose of general support to the University of Illinois (U of I) Extension Programs as provided in the Act (20 ILCS 205/205-415). The Department agrees to make quarterly payments to total \$10,984,870.00 to the U of I in State fiscal year 2014.
University of Illinois at Urbana-Champaign	10/22/13-6/30/14	The Department shall deposit into the State Cooperative Extension Service Trust Fund, all funds appropriated to the Department as matching funds and for the purpose of general support to the University of Illinois Extension Programs and Operations in Cook County (20 ILCS 205/205-415). Agreement cost \$2,446,895.
Illinois Beef Association	11/20/14-until voting completed through end of March 2015	The Department will assist with the referendum process to determine if a majority of the beef producers voting in such referendum support a voluntary 50 cent Beef Checkoff.
United States Department of Agriculture - Animal and Plant Health Inspection Service Plant Protection and Quarantine (USDA-APHIS-PPQ)	10/24/14-10/23/19	Cooperation in protection/quarantine programs to mutually protect Illinois plant health.
USDA Forest Service	8/24/14-8/23/24	A mutually agreeable framework for cooperatively addressing the short and long term effects of non-native plants across jurisdictional boundaries within the 11 southern counties of Alexander, Gallatin, Hardin, Jackson, Johnson, Massac, Pope, Pulaski, Saline, Williamson and Union in Illinois and the greater southern Illinois area.
Illinois Corn Growers Association (ICGA)	9/8/14-9/7/15	The MOU establishes the terms and conditions under which ICGA may utilize the Bureau of Weights and Measures (W & M) motor fuel samples for additional testing and utilize W & M testing results for statistical studies.
USDA-APHIS-PPQ	10/29/14-10/28/19 or until the value of each vehicle is below \$5,000	The MOU provides for the continued use of vehicles purchased with federal funds. These vehicles will be used to accomplish ongoing program objectives of the Emerald Ash Borer program where there is involvement of both PPQ and Department's Bureau of Environmental Programs. Ownership of the property will remain with APHIS until each item's market value falls below \$5,000.
USDA-APHIS-PPQ	1/23/15-until terminated or replaced	The Deputy Administrator of USDA-APHIS-PPQ has deemed it necessary to replace the previously signed memorandum (#10-8217-0132-MU, signed in January 2010) with an updated version. The memorandum outlines the roles and responsibilities of the parties in the inspection and monitoring of post entry quarantine (PEQ) sites and the monitoring and enforcement of importer compliance with post entry quarantine PEQ requirements.

Department of Agriculture

(Appropriated Spending in Thousands)

<u>Reporting Programs</u>	<u>FY 2014</u>		<u>FY 2015</u>	
	<u>Expenditures</u>	<u>Headcount</u>	<u>Expenditures</u>	<u>Headcount</u>
Fairs and Horseracing	\$ 27,733.7	18.5	\$ 27,602.8	20.0
Meat Inspection	\$ 10,549.2	107.6	\$ 10,987.8	110.0
Environmental Programs	\$ 8,029.8	58.7	\$ 8,612.3	57.8
Land and Water Resources	\$ 9,366.9	13.0	\$ 6,653.0	11.1
Weights and Measures	\$ 5,749.3	43.5	\$ 5,726.7	43.4
Agriculture Products Inspection	\$ 2,887.3	23.9	\$ 3,358.9	22.2
Marketing	\$ 4,294.1	22.3	\$ 3,195.3	12.2
Animal Disease Laboratory	\$ 2,767.6	20.7	\$ 2,735.0	18.9
Warehouses	\$ 1,638.4	17.4	\$ 1,561.8	16.7
Egg Inspection	\$ 794.3	6.5	\$ 1,004.9	6.7
Animal Welfare	\$ 476.0	7.6	\$ 626.5	6.7
Animal Health	\$ 855.6	6.5	\$ 626.1	6.7
<u>Non-Reporting Programs</u>				
Interfund Transfers and Pass-Throughs	\$ 13,443.9	N/A	\$ 11,905.5	N/A
Compassionate Use of Medical Cannabis Pilot Program	\$ 91.0	2.4	\$ 167.9	1.1
Agency Totals	\$ 88,677.1	348.6	\$ 84,764.5	333.5

While mainly a regulatory agency, the Illinois Department of Agriculture (IDOA) strives to also be a consumer friendly entity in the state of Illinois. The goal of the Department is to serve as an advocate for the state's agriculture industry and to provide the necessary regulatory functions to benefit farmers, consumers, and agricultural industries. The Department also works to promote agri-businesses in Illinois and to provide opportunities for business owners to expand their ventures around the world. The men and women at IDOA also work tirelessly to protect our state's vital natural resources. Major tasks include monitoring the safety of our food supply and protecting consumers from mislabeled, contaminated, or diseased agricultural products; preserving the state's natural resources while at the same time protecting productive agricultural land; performing various inspections to safeguard consumers; protecting the health and welfare of livestock and companion animals; overseeing the state and county fairs to ensure each event is promoting agriculture and introducing youth to the state's number one industry; regulating the construction and requirements of livestock production facilities; ensuring the financial stability of grain dealers and warehouses; regulating seed, feed, and

fertilizer products; regulating the use of pesticides; inspecting and certifying plant nurseries to control pests and diseases; encouraging the breeding and racing of Illinois horses; managing livestock waste; and registering and regulating the state's 22 medical marijuana cultivation centers to ensure security and protocols are followed in accordance with state law.

As of October 2015, the Department employs more than 300 people. The Department of Agriculture is comprised of 4 divisions: Administrative Services, Ag Industry Regulation, Food Safety and Animal Protection, and Natural Resources. Within those divisions the Department houses 18 Bureaus: Agriculture Product Inspections, Galesburg Disease Lab, Animal Health and Welfare, Budget and Fiscal Services, Buildings and Grounds, Business Services, Computer Services, County Fairs and Horseracing, Environmental Programs, Human Resources, State Fairs, Land and Water Resources, Marketing Promotions and Grants, Meat and Poultry Inspections, Medicinal Plants, Support Services, Warehouses, and Weights and Measures.

Program expenditures and headcount numbers contain an apportioned amount for the Department's administrative headcount and costs which directly support program activities. The Interfund Transfers and Pass-Through components relate to those entities outside the Department that receive funding through the Department's budget.

Management at the Department of Agriculture continues to improve the agency's operating efficiency by further streamlining regulations and by working to make more information available electronically. In addition to the Department's website, IDOA staff regularly updates two social media sites, Facebook and Twitter, as a way of keeping consumers and stakeholders informed.

Agriculture Products Inspection

Mission Statement: Protect growers, livestock owners and the environment by inspecting feed, seed and fertilizer products.

Program Goals:

Objectives:

- 1 Provide timely and accurate laboratory results.
 - ^a Complete single ingredient lab analysis and multiple ingredient analysis in a timely fashion.
- 2 Provide comprehensive, consistent and clear requirements, policies and procedures.
- 3 Ensure that feed, seed and fertilizer products available in Illinois are safe and of high quality.
 - ^a Reduce instances of non-compliant products used
 - ^b Maintain and enhance new lab capabilities.
- 4 Maintain a regulatory compliant feed, seed and fertilizer products processing and users industry.
 - ^a Increase percent of sites rated compliant.

Funds: General Revenue Fund, Fertilizer Control Fund, Feed Control Fund, Agriculture Federal Projects Fund **Statutory Authority:** 505 ILCS 30/1

	<u>Fiscal Year 2013 Actual</u>	<u>Fiscal Year 2014 Actual</u>	<u>Fiscal Year 2015 Target /Projected</u>	<u>Fiscal Year 2015 Actual</u>	<u>Fiscal Year 2016 Target /Projected</u>
Input Indicators					
● Total expenditures - all sources (in thousands)	\$ 2,701.1	\$ 2,887.3	\$ 4,664.4	\$ 3,358.9	0
● Total expenditures - state appropriated funds (in thousands)	\$ 2,701.1	\$ 2,887.3	\$ 4,664.4	\$ 3,358.9	0
● Average monthly full-time equivalents	21.2	23.9	21.8	22.2	0
Output Indicators					
● Number of inspections	5,840	6,061	6,000	5,974	6,000
● Number of enforcement actions	520.0	569.0	850.0	700.0	850.0
Outcome Indicators					
● Percent of feed, seed, and fertilizer facilities and products found compliant with regulations	91.1%	97%	85%	90%	85%
● Number of days to complete feed-multiple ingredient laboratory analysis (a,b)	9.9	15.0	7.0	16.9	12.0
● Number of days to complete fertilizer-single ingredient laboratory analysis (a,b)	5.6	13.0	5.5	28.2	13.0
● Number of days to complete fertilizer-multiple ingredient laboratory analysis (a,b)	6.3	12.0	5.0	28.0	12.0
● Number of days to complete seed (depends on type) laboratory analysis	15.8	10.0	16.0	11.6	12.0
Efficiency/Cost-Effectiveness					
● Cost per inspection (in dollars)	\$ 125.43	\$ 125.16	\$ 130.00	\$ 117.48	\$ 130.00

Footnotes

a The days were longer than last year and much longer than the historical trend. The current staff (chemists) are in the second year working in this lab. This past year the Perchloric Acid hoods used for digesting samples had to be replaced. The ventilation hoods were purchased the end of the previous year, but installation took over six months due to ventilation requirements related to exhaust tubes in the building. When the hoods were inoperable, samples were held in excess of 60-90 days and then ended in the records. The protein/nitrogen analyzer broke down due to exceeding its service life which further delayed sample analysis. The instruments will be replaced. Due to delays in the procurement process, the new equipment is on site awaiting installation. This extended the days to reported turnaround.

b The projected days for 2016 have been extended due to the lab seeking ISO 17025:2005 accreditation through a cooperative grant from FDA. It is anticipated this will add to days as the Q/A procedures are implemented. The new instruments are still waiting to be installed.

Animal Disease Laboratory

Mission Statement: Detect and identify foreign and domestic animal diseases, by conducting laboratory tests for livestock producers, consumers, pet owners, IDOA Bureaus, state and local jurisdictions and others.

Program Goals:

Objectives:

- 1 Provide timely, accurate and high quality results using quality assurance/quality control methods.
- 2 Provide comprehensive, consistent and clear requirements, policies and procedures.
- 3 Provide professional, consistent, and fair inspections that follow the Department's policies and procedures.
- 4 Mitigate human and animal health and environmental hazards: a. Provide meat testing b. Provide rabies testing c. Provide diagnostic and regulatory testing for animal diseases.
 - a Provide meat testing.
 - b Provide rabies testing.
 - c Provide diagnostic testing for animal diseases and for other purposes.

Funds: General Revenue Fund, Illinois Department of Agriculture Laboratory Services Revolving Fund, Agriculture Federal Projects Fund **Statutory Authority:** 510 ILCS 10/0.01 et. seq.

	<u>Fiscal Year 2013 Actual</u>	<u>Fiscal Year 2014 Actual</u>	<u>Fiscal Year 2015 Target /Projected</u>	<u>Fiscal Year 2015 Actual</u>	<u>Fiscal Year 2016 Target /Projected</u>
<u>Input Indicators</u>					
● Total expenditures - all sources (in thousands)	\$ 2,983.7	\$ 2,767.6	\$ 3,134.1	\$ 2,735.0	0
● Total expenditures - state appropriated funds (in thousands)	\$ 2,983.7	\$ 2,767.6	\$ 3,134.1	\$ 2,735.0	0
● Average monthly full-time equivalents	14.9	20.7	19.6	18.9	0
<u>Output Indicators</u>					
● Total tests performed (a)	92,749	77,112	70,800	76,111	60,000
● Meat samples tested (b)	2,947	2,149	2,200	2,040	4,500
● Rabies samples tested (b,c)	637.0	635.0	600.0	439.0	400.0
● Number of check tests participated	100.0	111.0	115.0	108.0	100.0
● Number of lab meetings held per year	28.0	11.0	12.0	8.0	10.0
● Number of quality assurance/quality control exercises	75.0	93.0	100.0	95.0	100.0
● Number of staff meeting personnel qualifications	19.0	18.0	19.0	16.0	16.0
● Number of staff receiving continuing education per year (d)	5.0	7.0	7.0	5.0	1.0
<u>Efficiency/Cost-Effectiveness</u>					
● Average cost per test (in dollars)	N/A	\$ 42.51	\$ 59.09	\$ 62.02	\$ 64.04
● Number of tests per lab worker	4,881	4,284	3,726	3,245	2,985

Footnotes

- a The total tests performed have decreased due to the declining number of livestock producers and large animal veterinarians. Pricing changes and regulatory oversight have also affected submissions. This year we will lose about 16,000 tests because pseudorabies testing of swine is no longer required for fairs and exhibitions.
- b The Bureau has no control over the number. It depends on how many are submitted for testing by clients and the general public.
- c Part of the reduction in rabies sample testing was an increase in fees for rabies testing to cover increased commodity costs. The fee increased from \$15 to \$25. The State Public Health Department laboratory does this testing for free and some submitters may have sent submissions to the IDPH laboratory. We have to cover commodity costs.

d Lack of a budget will prevent most continuing education except federally sponsored training.

Animal Health

Mission Statement: Reduce and eradicate animal diseases that are a threat to animals raised for the purpose of livestock/poultry production. Facilitate trade by ensuring that livestock producers, veterinarians, livestock dealers, auction market operators and others identify and prevent livestock diseases.

Program Goals:

Objectives:

- 1 Provide comprehensive, consistent and clear information about requirements, policies and procedures.
 - ^a Survey customers to assess satisfaction with policies and procedures and improve performance.
- 2 Provide professional, consistent, and fair inspections that follow the Department's policies and procedures.
 - ^a Survey customers to assess satisfaction with policies and procedures and improve performance.
- 3 Provide timely issuance of permits and licenses.
 - ^a Issue licenses quickly after receipt of application.
 - ^b Provide assistance to those who did not initially qualify.
- 4 Attain and/or maintain a class-free (no livestock herds containing disease) status for all regulatory diseases.
 - ^a Decrease incidence of regulated diseases.

Funds: General Revenue Fund, Agriculture Federal Projects Fund, Surety Bond Fund

Statutory Authority: 20 ILCS 5/6.01

	<u>Fiscal Year 2013 Actual</u>	<u>Fiscal Year 2014 Actual</u>	<u>Fiscal Year 2015 Target /Projected</u>	<u>Fiscal Year 2015 Actual</u>	<u>Fiscal Year 2016 Target /Projected</u>
<u>Input Indicators</u>					
● Total expenditures - all sources (in thousands)	\$ 745.9	\$ 855.6	\$ 987.7	\$ 626.1	0
● Total expenditures - state appropriated funds (in thousands)	\$ 745.9	\$ 855.6	\$ 987.7	\$ 626.1	0
● Average monthly full-time equivalents	6.3	6.5	7.6	6.7	0
<u>Output Indicators</u>					
● Number of inspections performed on livestock dealers, branch locations, and auction markets (a)	119.0	51.0	60.0	83.0	60.0
● Number of animals tested by field veterinarians for all diseases (b)	21.0	75.0	50.0	35.0	40.0
● Number of enforcement actions taken due to errors on health certificates	407.0	363.0	300.0	413.0	370.0
● Number of licenses issued to livestock dealers, branch locations, and auction markets	411.0	379.0	325.0	234.0	220.0
● Number of livestock permits issued for entry into Illinois	22,910	22,314	22,000	19,188	20,000
● Number of herds/flocks quarantined or restricted due to positive or suspect test results (c)	30.0	14.0	15.0	15.0	15.0
● Number of renewals of poultry testers trained (d)	31.0	0	0	0	0
● Number of new traceable premises accounts established	240.0	271.0	150.0	391.0	300.0
<u>Outcome Indicators</u>					
● Number of horses testing positive for Equine Infectious Anemia	0	0	0	1.0	0
● Number of veterinarians trained in bioterrorism (e)	52.0	46.0	10.0	0	10.0
● Number of reviews and exercises of emergency disease response plans (f)	18.0	2.0	5.0	0	1.0
● Number of new National Poultry Improvement Program (NPIP) flocks enrolled	12.0	4.0	5.0	14.0	10.0

● Number of poultry testers trained (g)	23.0	2.0	5.0	3.0	5.0
<u>Efficiency/Cost-Effectiveness</u>					
● Number of inspections performed	170.0	140.0	150.0	133.0	140.0
● Cost per inspection (in dollars)	\$ 1,576.00	\$ 1,650.00	\$ 1,650.00	\$ 1,841.00	\$ 1,800.00

Footnotes

- a The number of inspections decreased due to the reduction of field investigators and a shift to animal wellness duties.
- b The number of animals tested is dependent upon the regulatory disease condition reported. The ideal target is "0", which indicates a low rate of disease suspicion.
- c The number of herds/flocks quarantined or restricted is dependent upon the regulatory disease condition reported.
- d The number of renewals of poultry testers trained is now based on a staggered schedule.
- e In previous years training was provided in conjunction with the State Veterinarian Conference. However, there was no funding available in fiscal year 2015 for this training.
- f Number of reviews and exercises of emergency disease response plans decreased due to reduction in personnel.
- g Number of poultry testers trained will vary due to the fact that it is dependent upon a desired participation and a voluntary program.

Animal Welfare

Mission Statement: Promote the humane care and control of animals by ensuring that pet and livestock owners, pet breeders and pet dealers identify, correct and prevent inhumane conditions and treatment.

Program Goals:

Objectives:

- 1 Provide comprehensive, consistent and clear requirements, policies and procedures.
 - ^a Survey customers to assess satisfaction with policies and procedures and improve performance.
- 2 Provide timely issuance of operating licenses.
 - ^a Reduce the average time to issue operating licenses.
- 3 Provide timely response to complaints about inhumane care of animals.
 - ^a Respond quickly to all humane care complaints.
- 4 Provide professional, consistent, and fair inspections that follow the Department's policies and procedures.
 - ^a Survey customers to assess satisfaction with inspection policies and procedures.

Funds: General Revenue Fund

Statutory Authority: 225 ILCS 605/1

	<u>Fiscal Year 2013 Actual</u>	<u>Fiscal Year 2014 Actual</u>	<u>Fiscal Year 2015 Target /Projected</u>	<u>Fiscal Year 2015 Actual</u>	<u>Fiscal Year 2016 Target /Projected</u>
<u>Input Indicators</u>					
● Total expenditures - all sources (in thousands)	\$ 407.8	\$ 476.0	\$ 570.4	\$ 626.5	0
● Total expenditures - state appropriated funds (in thousands)	\$ 407.8	\$ 476.0	\$ 570.4	\$ 626.5	0
● Average monthly full-time equivalents	6.3	7.6	9.8	6.7	0
<u>Output Indicators</u>					
● Number of Animal Welfare inspections	724.0	1,064	900.0	900.0	900.0
● Number of formal complaint and hearing notices issued for violations of the Animal Welfare Act (a,b)	73.0	17.0	20.0	29.0	30.0
● Amount of monies collected from fines issued under the Animal Welfare Act (in dollars)	\$ 11,913.00	\$ 16,257.00	\$ 15,000.00	\$ 20,530.00	\$ 15,000.00
● Total number of complaints received and tracked in the docket system (c)	829.0	893.0	850.0	721.0	700.0
● Number of Animal Welfare complaints (c)	336.0	371.0	350.0	272.0	300.0
● Number of Animal Welfare, Rendering Brand, and Horsemeat licenses issued (d)	1,596	1,592	1,550	2,220	2,000
● Number of volunteer humane investigators trained and approved	108.0	119.0	100.0	122.0	100.0
● Number of humane care complaints (c)	445.0	454.0	400.0	403.0	400.0
● Number of investigations by humane investigators (c)	4,519	2,928	2,500	889.0	900.0
● Number of cases referred to the States Attorney's office for prosecution	2.0	0	3.0	1.0	1.0
● Number of impoundments issued under the Humane Care for Animals Act because of unwillingness or inability to care for animals	3.0	7.0	3.0	3.0	3.0
● Number of notices of violations issued which include humane care, dead animal disposal, and animals running at large	121.0	118.0	110.0	100.0	110.0
	0	0	2.0	1.0	2.0

● Number of approved humane investigators failing the requirements of the Humane Care for Animals Act					
● Number of foster permits issued	2,296	2,558	2,500	2,676	2,600
● Number of truck permits issued	556.0	555.0	540.0	588.0	580.0
<u>Efficiency/Cost-Effectiveness</u>					
● Cost per inspection (in dollars)	\$ 466.00	\$ 303.00	\$ 303.00	\$ 303.00	N/A

Footnotes

- a Complaint and hearing notices are dependent upon non-compliance by licensees.
- b Hearings must now be requested by respondents.
- c This number is dependent upon the varied amount of complaints received by the public.
- d Number is dependent upon applications received.

Egg Inspection

Mission Statement: Protect public health and ensure confidence in Illinois shell eggs and egg products by inspecting locations that distribute and handle eggs and egg products.

Program Goals:

Objectives:

- 1 Provide safe and high quality eggs and egg products in Illinois by ensuring regulatory compliance with the Illinois Egg & Egg Products Act.
 - ^a Provide comprehensive, consistent and clear requirements, policies and procedures.
 - ^b Provide professional, consistent and fair inspections that follow the Department's policies and procedures.

Funds: Agricultural Master Fund

Statutory Authority: ILCS, Ch. 410, Par615/1 et seq

	<u>Fiscal Year 2013 Actual</u>	<u>Fiscal Year 2014 Actual</u>	<u>Fiscal Year 2015 Target /Projected</u>	<u>Fiscal Year 2015 Actual</u>	<u>Fiscal Year 2016 Target /Projected</u>
<u>Input Indicators</u>					
● Total expenditures - all sources (in thousands)	\$ 736.1	\$ 794.3	\$ 1,086.3	\$ 1,004.9	0
● Total expenditures - state appropriated funds (in thousands)	\$ 736.1	\$ 794.3	\$ 1,086.3	\$ 1,004.9	0
● Average monthly full-time equivalents	6.4	6.5	6.5	6.7	0
<u>Output Indicators</u>					
● Number of enforcement actions taken (warning letters and hearings)	495.0	365.0	400.0	348.0	375.0
● Number of licensed in-state egg suppliers	850.0	900.0	915.0	925.0	935.0
● Number of licensed out of state egg suppliers	285.0	315.0	325.0	328.0	335.0
● Total number of USDA requested services (a)	0	0	0	0	0
● Number of State Certificates of Inspection issued	103.0	458.0	450.0	559.0	500.0
<u>Outcome Indicators</u>					
● Number of egg inspections	3,142	2,700	3,000	2,803	3,000
● Number of dozen eggs taken off sale (b)	101,006	55,000	75,000	103,348	75,000
<u>Efficiency/Cost-Effectiveness</u>					
● Number of inspections performed per inspector (c)	628.0	540.0	625.0	560.0	600.0

Footnotes

- a At the request of USDA Poultry and Egg Grading Services. In fiscal year 2015 our services were not called upon
- b Number of eggs taken off sale varies each year depending on results of inspections.
- c Number of inspections per inspector is decreased slightly due to egg inspectors conducting USDA COOL inspections.

Environmental Programs

Mission Statement: Protect the public and the State's natural resources by licensing, registering, permitting and inspecting various agribusinesses and producers.

Program Goals:

Objectives:

- 1 Provide comprehensive, consistent and clear requirements, policies and procedures.
- 2 Provide professional, consistent, and fair inspections that follow the Department's policies and procedures.
- 3 Provide timely and accurate processing of pesticide licenses.
- 4 Provide compliance assistance through enhanced training programs, facility site visits, compliance materials distribution and compliance discussions with licensees
- 5 Improve environmental health.

Funds: General Revenue Fund, Used Tire Management Fund, Livestock Management Facilities Fund, Pesticide Control Fund, Agriculture Pesticide Control Act Fund, Agriculture Federal Projects Fund **Statutory Authority:** 415 ILCS 60/1 et seq.

	<u>Fiscal Year 2013 Actual</u>	<u>Fiscal Year 2014 Actual</u>	<u>Fiscal Year 2015 Target /Projected</u>	<u>Fiscal Year 2015 Actual</u>	<u>Fiscal Year 2016 Target /Projected</u>
<u>Input Indicators</u>					
● Total expenditures - all sources (in thousands)	\$ 7,727.1	\$ 8,029.8	\$ 11,884.7	\$ 8,612.3	0
● Total expenditures - state appropriated funds (in thousands)	\$ 7,727.1	\$ 8,029.8	\$ 11,884.7	\$ 8,612.3	0
● Average monthly full-time equivalents	51.0	58.7	55.6	57.8	0
<u>Output Indicators</u>					
● Pesticide applicators licensed	37,311	37,510	37,000	37,468	37,000
● Pesticide products registered	14,196	14,432	14,500	14,972	14,500
● Pesticide misuse investigations conducted	103.0	111.0	110.0	130.0	110.0
● Acres of nursery inspected (a)	24,263	26,589	27,000	24,475	27,000
● Nursery dealers licensed	3,181	3,405	3,500	3,204	3,500
● Number of nursery inspections	660.0	700.0	700.0	648.0	700.0
● Livestock notices of intent to construct	121.0	123.0	120.0	150.0	130.0
● Waste management plans certified	31.0	23.0	25.0	24.0	25.0
● Livestock managers certified (b)	266.0	176.0	300.0	467.0	400.0
● Phytosanitary certificates issued	4,728	4,493	4,500	4,146	4,500
<u>Outcome Indicators</u>					
● Average response of agribusinesses and producers who listed the satisfaction of compliance assistance received as (1) not at all satisfied to (7) extremely satisfied	N/A	6.0	6.0	6.1	6.0
● Average response of agribusinesses and producers who agreed with the statement that inspectors are responsive, consistent, courteous, and prepared based on the scale of (1) strongly disagree to (7) strongly agree	N/A	6.0	6.0	6.5	6.2
● Average response of agribusinesses and producers who rated requirements and policies as (1) extremely unfair to (7) completely fair	N/A	5.3	5.3	5.6	5.4
	0%	0%	0%	0%	0%

● Percentage of enforcement actions overturned by the courts					
● Percentage of lawncare and agrichemical sites subject to enforcement action	0.3%	0.9%	1%	1.2%	1%
<u>Efficiency/Cost-Effectiveness</u>					
● Number of inspections per inspector	324.8	295.0	300.0	331.8	325.0
● Average cost per inspection (in dollars)	\$ 861.79	\$ 971.62	\$ 1,000.00	\$ 938.65	\$ 950.00
● Field inspection time per inspection (in hours)	1.2	1.3	1.3	1.1	1.2

Footnotes

a Non-coincidence of fiscal year with growing season may result in fiscal year to year variations in acres inspected.

b Livestock managers are certified once every three years and there are not an equal amount certified each year. The 2015 Actual figure is comparable to the 2012 Actual figure.

Fairs and Horseracing

Mission Statement: Provide opportunities for agricultural awareness through family-oriented fairs, capitalize on the staging of special events that utilize fairground facilities, and support the Illinois horse breeding industry.

Program Goals:

Objectives:

- 1 Provide a safe, entertaining and educational experience at a reasonable price.
 - ^aSurvey attendees to improve the value and performance of the fair
 - ^bEnhance the educational focus of the fair.
- 2 Provide a good business opportunity for concessionaires.
 - ^aMaintain the percentage of returning concessionaires at both fairs at 90% or better.
- 3 Provide an appealing event for exhibitors and contestants that enhances agriculture industry awareness and strengthens local tourism industry sales.
 - ^aSurvey exhibitors to improve the value and performance of the fair
 - ^bSurvey contestants to improve the value and performance of the fair
 - ^cSurvey attendees.
 - ^dImprove tourism industry sales.
- 4 Maximize use of the fairground facilities.
 - ^aIncrease and diversify non-fair usage.
 - ^bProvide and promote events that have economic benefits and impact to the community and Illinois.
- 5 Provide swift and courteous service to all horse racing participants.
 - ^aRegister horses quickly after receipt of application.
 - ^bPerform mare, foal, and stallion identifications in a timely manner.
 - ^cProvide requested information in an efficient and courteous manner.
 - ^dMake administrative decisions benefiting all facets of the horse racing industry.
- 6 Schedule racing events to enhance and support Illinois' horse breeding and racing programs.
 - ^aIn cooperation with Illinois' pari-mutuel racetracks, schedule approximately 320 thoroughbred races per fiscal year.
 - ^bSchedule approximately 325 harness racing events for Illinois-breds to be contested at 32 or more county fairs each fiscal year.
 - ^cSchedule approximately 51 Illinois-bred events to be raced at the Illinois and DuQuoin State Fairs.
 - ^dIn cooperation with Illinois' pari-mutuel racetracks, schedule approximately 130 stakes and 151 overnight events restricted to Illinois-bred harness races each year.
 - ^eSchedule an adequate number of races at the county fair and state fair levels to serve and support Illinois' new quarter horse breeding and racing program.
- 7 Supplement horse racing purses and provide county fair funding.
 - ^aProvide funding for Illinois-bred standardbred, thoroughbred, and quarter horse races.
 - ^bProvide stable financial support for each county fair per fiscal year.
- 8 Provide facilities that are clean, safe, accessible, affordable and available when needed.
 - ^aSurvey customers to gauge and improve customer satisfaction

Funds: General Revenue Fund, Agricultural Premium Fund, Fair and Exposition Fund, Illinois State Fair Fund, Illinois Racing Quarter horse Breeders Fund, Illinois Standardbred Breeders Fund, Illinois Thoroughbred Breeders Fund, State Fair Promotional Activities Fund

Statutory Authority:
20 ILCS 210/1

	<u>Fiscal Year 2013 Actual</u>	<u>Fiscal Year 2014 Actual</u>	<u>Fiscal Year 2015 Target /Projected</u>	<u>Fiscal Year 2015 Actual</u>	<u>Fiscal Year 2016 Target /Projected</u>
<u>Input Indicators</u>					
● Total expenditures - all sources (in thousands)	\$ 26,585.2	\$ 27,733.7	\$ 29,771.3	\$ 27,624.6	0
● Total expenditures - state appropriated funds (in thousands)	\$ 26,585.2	\$ 27,733.7	\$ 29,771.3	\$ 27,602.8	0
● Average monthly full-time equivalents	18.0	18.5	22.9	20.0	0
<u>Output Indicators</u>					
● Number of Illinois State Fair concession and exhibit contracts	467.0	454.0	480.0	429.0	N/A
● Number of DuQuoin State Fair concession contracts	198.0	90.0	82.0	176.0	N/A

● Number of Illinois State Fair attendees (a)	961,063	847,690	950,000	411,547	N/A
● Number of DuQuoin State Fair attendees	258,000	350,000	N/A	315,808	N/A
● Illinois State Fair revenue generated (in thousands)	\$ 6,435.7	\$ 5,700.0	\$ 5,900.0	\$ 6,034.8	N/A
● DuQuoin State Fair revenue generated (in thousands)	\$ 1,176.0	\$ 1,230.9	N/A	\$ 1,284.5	N/A
● Number of registered thoroughbreds conceived and/or foaled in Illinois	1,271	1,155	1,000	991.0	900.0
● Number of registered standardbreds conceived and foaled in Illinois	1,422	1,454	1,400	1,239	1,200
● Number of registered quarter horses conceived and foaled in Illinois	97.0	89.0	60.0	45.0	40.0
● Number of thoroughbred stakes races and restricted races	336.0	N/A	320.0	352.0	320.0
● Number of standardbred stakes races and restricted races	928.0	N/A	700.0	676.0	0
● Number of quarter horse stake races and restricted races	6.0	6.0	7.0	0	0
● Total purses paid (in millions)	\$ 27.0	\$ 28.0	\$ 24.0	\$ 25.0	0
Outcome Indicators					
● Percent of return concessionaires at the Illinois State Fair	95%	N/A	N/A	95%	N/A
● State support as percentage of total purses paid to Illinois registered thoroughbreds, standardbreds, and quarter horses at horse races	12%	N/A	N/A	11%	N/A
● State support for county fair awards and premiums as a percentage of total county fair awards and premiums paid	32.8%	N/A	N/A	33.3%	N/A
Efficiency/Cost-Effectiveness					
● Number of inspections per employee (Bureau of County Fairs and Horse Racing)	698.0	675.0	620.0	569.0	N/A
● Number of horses enrolled and registered per employee (Bureau of County Fairs and Horse Racing)	2,790	2,698	2,450	2,275	N/A

Footnotes

a Fiscal year 2015 administration calculated the Illinois State Fair attendance based on National Trade Show formulas.

Land and Water Resources

Mission Statement: Promote the conservation and protection of Illinois' soil and water resources by providing financial and technical assistance to the 97 county soil and water conservation districts to work with rural and urban customers. Provide outreach to the public at large on natural resource conservation.

Program Goals:

Objectives:

- 1 Provide timely and relevant technical and financial assistance to Soil and Water Conservation Districts.
 - a Increase number of projects approved
 - b Increase total amount of money expended per year
- 2 Provide timely assistance upon receipt of request.
- 3 Provide comprehensive, consistent and clear requirements, policies and procedures.
- 4 Mitigate soil loss.
 - a Increase acres of conservation tillage applied statewide.
 - b Increase percent of cropland meeting tolerable ("T") soil loss levels.

Funds: General Revenue Fund, Agricultural Premium Fund, Capital Development Fund, Partners for Conservation Fund, Partners for Conservation Projects Fund, Watershed Park Fund, Agriculture Federal Projects Fund, White Experimental Farms Fund, Zell Farm

Statutory Authority: 70 ILCS 405/1 et. seq.

	<u>Fiscal Year 2013 Actual</u>	<u>Fiscal Year 2014 Actual</u>	<u>Fiscal Year 2015 Target /Projected</u>	<u>Fiscal Year 2015 Actual</u>	<u>Fiscal Year 2016 Target /Projected</u>
<u>Input Indicators</u>					
● Total expenditures - all sources (in thousands)	\$ 8,713.6	\$ 9,366.9	\$ 12,384.3	\$ 6,653.0	0
● Total expenditures - state appropriated funds (in thousands)	\$ 8,713.6	\$ 9,366.9	\$ 12,384.3	\$ 6,653.0	0
● Average monthly full-time equivalents	14.9	13.0	13.1	11.1	0
<u>Output Indicators</u>					
● Sustainable agriculture grants requested (a)	5.0	21.0	24.0	22.0	N/A
● Sustainable agriculture grants approved (a)	0	7.0	7.0	0	N/A
● Conservation practices program projects approved (a)	244.0	317.0	275.0	0	N/A
● Streambank stabilization restoration program projects approved (a)	21.0	18.0	18.0	0	N/A
● Number of participants in workshops and courses (a)	741.0	726.0	780.0	789.0	N/A
<u>Outcome Indicators</u>					
● Percent of landowners and agricultural producers requesting financial assistance (sustainable ag. grants), whose project was approved, assisted and completed (a)	0%	23.8%	25%	0%	N/A
● State source cost share for conservation practices (in thousands) (a)	\$ 642.0	\$ 803.0	\$ 800.0	0	N/A
● Dollars available per acre for conservation practices (in dollars) (a)	\$0.03	\$0.04	\$0.04	N/A	N/A
● Average annual soil erosion rate (tons per acre per year)	4.1	4.3	4.3	N/A	N/A
● Acres of farmland in conservation tillage	8,815,000	9,030,000	8,900,000	8,600,000	N/A
● Percentage of farmland in conservation tillage (a)	41%	42%	41%	40%	N/A
● Cropland meeting tolerable soil loss levels (b)	17,824,000	17,824,000	17,000,000	17,245,000	N/A
● Percentage of acres meeting tolerable soil loss levels (b)	83%	83%	84%	80.4%	N/A
	0	0	0	0	N/A

● Acres with approved nutrient management plans (c)

Efficiency/Cost-Effectiveness

● Average cost per acre to attain compliance with "T" (in dollars) (d)

\$ 65.30

\$ 72.47

\$ 75.00

\$ 61.75

N/A

Footnotes

a Due to reduced funding, there are fewer grants awarded for various practices, projects, and training and workshops.

b Illinois agriculture continues to move toward larger operations that utilize larger equipment to maximize efficiency. Large scale operators are less likely to leave a high degree of crop residue on the soil surface, which leads to higher soil erosion. No funding for conservation practices in fiscal year 2015.

c Landowners are more likely to sign up for a federal nutrient management program than for the state's program due to higher payments under the federal program. No funding available in fiscal year 2015.

d The cost lowered in fiscal year 2015 because due to limited funds fewer structural practices were proposed.

Marketing

Mission Statement: To expand Illinois agricultural exports by providing domestic and international marketing assistance to both established and newly created Illinois food and agribusiness companies. The Bureau facilitates reverse trade missions for foreign livestock and grain buyers; sponsors domestic and international trade activities to spur sales of Illinois products; and partners with local food advocates in an effort to increase the production and distribution of Illinois grown foods.

Program Goals:

Objectives:

- 1 Provide opportunities to expand domestic and international markets identified through tours, trade shows and missions
 - a Facilitate more buyer/seller introductions per year.
 - b Increase the dollar value of sales resulting from marketing efforts.
- 2 Provide marketing opportunities for alternative and specialty crops.
 - a Increase the number of projects regarding alternative and specialty crops.
- 3 Provide relevant information and advice on foreign market penetration.
- 4 Facilitate access to federal assistance programs.
 - a Facilitate company access to federal programs.
- 5 Expand Illinois' agricultural sector.
 - a Improve agricultural export sales.

Funds: General Revenue Fund, Agricultural Premium Fund, Federal Agricultural Marketing Services Fund, Illinois AgriFIRST Program Fund, Agriculture Federal Projects Fund

Statutory Authority: 20 ILCS 205/40.7

	<u>Fiscal Year 2013 Actual</u>	<u>Fiscal Year 2014 Actual</u>	<u>Fiscal Year 2015 Target /Projected</u>	<u>Fiscal Year 2015 Actual</u>	<u>Fiscal Year 2016 Target /Projected</u>
<u>Input Indicators</u>					
● Total expenditures - all sources (in thousands)	\$ 3,917.5	\$ 4,294.1	\$ 4,821.2	\$ 3,198.8	0
● Total expenditures - state appropriated funds (in thousands)	\$ 3,917.5	\$ 4,294.1	\$ 4,821.2	\$ 3,195.3	0
● Average monthly full-time equivalents	31.9	22.3	25.1	12.2	0
<u>Output Indicators</u>					
● Number of custom reports and inquiries	1,289	1,639	1,400	1,776	N/A
● Number of IDOA's own trade shows/missions developed (a)	24.0	24.0	20.0	15.0	N/A
● Number of cooperator sponsored activities	48.0	49.0	40.0	41.0	N/A
● Number of projects regarding alternative and specialty crops (b)	8.0	20.0	10.0	23.0	N/A
● Number of informational, educational, and outreach events (c)	54.0	93.0	60.0	83.0	N/A
<u>Outcome Indicators</u>					
● Number of trade leads generated from IDOA marketing activities (d)	1,138	453.0	400.0	21.0	N/A
● Number of buyer/seller introductions arranged by IDOA staff	9,030	9,836	8,000	6,832	N/A
● Number of participants in IDOA sponsored trade shows (e)	242.0	362.0	300.0	419.0	N/A
● Number of participants in IDOA sponsored missions (f)	110.0	1,033	100.0	88.0	N/A
● Number of participants in cooperator activities (b)	381.0	282.0	250.0	445.0	N/A
● Number of participants in alternative/specialty crop activities (g)	176.0	529.0	300.0	546.0	N/A
● Number of participants at informational, educational, and outreach events (c)	63,967	82,130	60,000	97,823	N/A

Efficiency/Cost-Effectiveness

● Annual return on investment (h)	101%	114%	100%	215%	N/A
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Footnotes

- a Decreased in numbers due to certain activities being bi-annual.
- b The number is higher as a result of more marketing events.
- c The outreach educational events and participants increased due to previous management utilizing Buy Illinois Challenge to promote Illinois Products.
- d Trade leads have significantly decreased because the USDA Foreign Ag Service & Food Export Association of the Midwest previously sent a high volume of leads to the states to send to our companies. Each entity now has its own trade lead system in place wherein the leads are disseminated to registered companies. Thus our agency no longer receives them.
- e The number of participants in trade shows varies due to the global economic situation as well as the needs of the food and agriculture industry.
- f The fiscal year 2014 number increased due to a one time event at the Farm Progress Show. However, the fiscal year 2015 decrease is due to certain activities being made bi-annual.
- g USDA allowed states to increase the number of projects.
- h The annual ROI is impacted by global market conditions. Also, it may take two to three years from initial marketing activity for sales to develop.

Meat Inspection

Mission Statement: Protect public health and ensure consumer confidence in Illinois meat products by inspecting meat and poultry slaughter and processing operations.

Program Goals:

Objectives:

- 1 Provide safe and high quality meat products in Illinois by ensuring a regulatory compliant meat and poultry slaughter and processing industry.
 - a Reduce the percentage of actionable findings.
 - b Increase the percent of sites rated compliant.
- 2 Provide comprehensive, consistent and clear requirements, policies and procedures.
- 3 Provide professional, consistent, and fair inspections that follow the Department's policies and procedures.
- 4 Provide a dispute resolution and appeals process that is efficient, consistent and fair.

Funds: General Revenue Fund, Wholesome Meat Fund

Statutory Authority: 225 ILCS 650 et. seq.

	<u>Fiscal Year 2013 Actual</u>	<u>Fiscal Year 2014 Actual</u>	<u>Fiscal Year 2015 Target /Projected</u>	<u>Fiscal Year 2015 Actual</u>	<u>Fiscal Year 2016 Target /Projected</u>
<u>Input Indicators</u>					
● Total expenditures - all sources (in thousands)	\$ 10,638.6	\$ 10,549.2	\$ 13,175.7	\$ 10,987.8	0
● Total expenditures - state appropriated funds (in thousands)	\$ 10,638.6	\$ 10,549.2	\$ 13,175.7	\$ 10,987.8	0
● Average monthly full-time equivalents	106.2	107.6	111.1	110.0	0
<u>Output Indicators</u>					
● Number of enforcement actions taken (warning letters and hearings)	122.0	134.0	120.0	18.0	N/A
● Livestock inspected (head)	879,040	703,089	850,000	805,043	N/A
● Livestock inspected (millions of pounds)	97.7	46.7	100.0	65.4	N/A
● Number of inspected plants/brokers	1,017	999.0	950.0	995.0	N/A
● Number of planned/random compliance reviews	5,768	8,098	5,800	3,361	N/A
● Number of tasks/procedures performed	178,866	110,036	N/A	54,402	N/A
● Number of official plant reviews	N/A	N/A	60.0	72.0	N/A
● Number of articles submitted to industry newsletters	0	0	1.0	2.0	3.0
<u>Outcome Indicators</u>					
● Diseased carcasses or parts retained/identified submitted for testing	N/A	100%	100%	100%	N/A
● Slaughtering and handling of livestock is in compliance with Humane Methods.	N/A	100%	100%	100%	N/A
● Prevent unsanitary conditions and ensure that product is not adulterated.	N/A	75%	80%	74%	N/A
● Identify food safety hazards and take preventive measures.	N/A	64%	70%	72%	N/A
<u>Efficiency/Cost-Effectiveness</u>					
● Average cost per livestock inspected (head) (in dollars)	\$ 11.40	\$ 16.80	\$ 16.50	\$ 16.40	N/A

● Number of tasks/procedures performed per inspector (a)	19,186	N/A	N/A	11,110	N/A
● Average total cost of inspections per plant during the fiscal year (in dollars)	\$ 10,610.00	\$ 11,522.00	\$ 11,764.00	\$ 12,118.00	N/A

Footnotes

a Number of inspections, reviews, findings, and enforcements decreased due to decrease in personnel. There are only four field officers remaining versus six. In addition, during fiscal year 2015 there was one existing vacancy in the compliance unit and the other compliance officer has been on deployment in Afghanistan with the National Guard.

Warehouses

Mission Statement: License and examine the operations of grain dealers and grain warehouses; manage the Illinois Grain Insurance Fund and administer the Grain Code, Specialty Farm Product Buyers Act, and the Agricultural Act in order to protect the financial interest and property of grain producers and residents of Illinois.

Program Goals:

Objectives:

- 1 Issue licenses in a timely manner for correct applications.
 - ^a Issue licenses to all qualified applicants and provide necessary assistance to those who initially fail to meet specific requirements.
 - ^b Review all applications and issue licenses in a timely manner.
- 2 Provide comprehensive, consistent and clear requirements, policies and procedures.
 - ^a Survey customers to assess satisfaction with policies and procedures.
- 3 Provide professional, consistent, efficient and fair implementation of requirements and examination of policies and procedures.
 - ^a Survey customers to assess satisfaction with procedures at the conclusion of every examination.
 - ^b Reduce number of serious complaints about the examination service.
- 4 Provide dispute resolution and appeals process that is efficient, consistent and fair.
 - ^a Survey customers to assess and improve the dispute resolution process.
- 5 Ensure Illinois farmers and other citizens are protected from failures.
 - ^a Protect all farmers doing business with licensed grain elevator operations.
 - ^b Minimize Illinois Grain Insurance Fund payouts.

Funds: General Revenue Fund, Regulatory Fund, Grain Indemnity Trust Fund, Illinois Grain Insurance Fund **Statutory Authority:** 240 ILCS 40/1-1

	<u>Fiscal Year 2013 Actual</u>	<u>Fiscal Year 2014 Actual</u>	<u>Fiscal Year 2015 Target /Projected</u>	<u>Fiscal Year 2015 Actual</u>	<u>Fiscal Year 2016 Target /Projected</u>
<u>Input Indicators</u>					
● Total expenditures - all sources (in thousands)	\$ 1,618.2	\$ 1,666.6	\$ 1,749.8	\$ 1,591.7	0
● Total expenditures - state appropriated funds (in thousands)	\$ 1,618.2	\$ 1,638.4	\$ 1,721.8	\$ 1,561.8	0
● Average monthly full-time equivalents	18.1	17.4	20.7	16.7	0
<u>Output Indicators</u>					
● Number of grain examinations	800.0	823.0	835.0	756.0	N/A
● Number of grain licenses issued	1,343	1,365	1,333	1,365	N/A
● Number of grain dealer/warehouse formal enforcement actions	16.0	15.0	15.0	7.0	N/A
● Amount of Illinois Grain Insurance Fund balance paid for elevator failures	0%	0%	0%	0%	N/A
<u>Outcome Indicators</u>					
● Average response of customers surveyed who rate inspection procedures as (1) not at all consistent to (5) extremely consistent	N/A	N/A	4.0	4.5	N/A
● Percent of grain dealers and warehouse sites rated compliant (not requiring a formal hearing)	94.8%	95.9%	95.8%	97%	N/A
<u>External Benchmarks</u>					
● Percent of grain dealers and warehouse sites rated compliant in Missouri	91%	95.3%	95.3%	95.3%	N/A
● Percent of grain dealers and warehouse sites rated compliant in Indiana	96%	95%	95%	95%	N/A

Efficiency/Cost-Effectiveness

● Cost per examination/licensing activity (in dollars)	\$ 659.00	\$ 752.00	\$ 751.00	\$ 750.45	N/A
● Grain examinations per examiner	57.1	63.3	60.0	63.0	N/A
● Average time in hours to complete field examinations	22.2	22.4	22.7	10.2	N/A

External Benchmarks

● Average time in hours to complete examination in Missouri	N/A	20.1	20.1	17.6	N/A
● Grain examinations per examiner in Missouri	N/A	11.0	11.0	11.0	N/A
● Average time in hours to complete examination in Indiana	13.1	59.0	59.0	60.0	N/A
● Grain examinations per examiner in Indiana	69.0	43.0	43.0	51.0	N/A

Weights and Measures

Mission Statement: Ensure fair and equitable trade practices by the business community with Illinois consumers, by inspecting and testing all measuring devices used in commercial transactions. Evaluate the quality of gasoline, diesel fuel, kerosene, propane and other petroleum products offered for sale.

Program Goals:

Objectives:

- 1 Provide timely and accurate inspections.
 - a Complete inspections in a timely manner.
- 2 Assure that an appropriate and certified device is being used.
 - a Inspect at least 100% of all known devices each year.
 - b Reduce instances of inappropriate activity/device use.
- 3 Provide comprehensive, consistent, and fair inspections that follow the Department's policies and procedures.
 - a Survey customers to assess satisfaction with inspection policies and procedures.
- 4 Ensure public confidence in system integrity.
 - a Survey customers to improve integrity of commercial measurement.
 - b Reduce the number of complaints about accuracy.
- 5 Provide for the accuracy of measuring devices.
 - a Increase the overall percent of devices that measure accurately.

Funds: Weights and Measures Fund, Motor Fuel and Petroleum Standards Fund, Agriculture Federal Projects Fund **Statutory Authority:** 225 ILCS 470/1 et. seq.

	<u>Fiscal Year 2013 Actual</u>	<u>Fiscal Year 2014 Actual</u>	<u>Fiscal Year 2015 Target /Projected</u>	<u>Fiscal Year 2015 Actual</u>	<u>Fiscal Year 2016 Target /Projected</u>
<u>Input Indicators</u>					
● Total expenditures - all sources (in thousands)	\$ 5,216.6	\$ 5,749.3	\$ 9,032.1	\$ 5,726.7	0
● Total expenditures - state appropriated funds (in thousands)	\$ 5,216.6	\$ 5,749.3	\$ 9,032.1	\$ 5,726.7	0
● Average monthly full-time equivalents	39.3	43.5	45.8	43.4	0
<u>Output Indicators</u>					
● Devices inspected	112,358	131,811	132,000	113,582	N/A
● Enforcement actions	7,643	8,642	7,920	7,697	N/A
● Service person licenses issued	1,266	1,229	1,250	1,032	N/A
<u>Outcome Indicators</u>					
● Average time (in minutes) to complete inspections	23.0	21.4	22.0	29.0	N/A
● Percent of instances where inappropriate device is used	6.8%	7%	7%	6.8%	N/A
● Average response of customers surveyed who rate requirements, policies, and procedures as (1) extremely restrictive to (7) not at all restrictive	N/A	4.6	4.5	4.7	N/A
● Average response of customers surveyed who rate inspection procedures as (1) not at all efficient to (7) extremely efficient	N/A	5.8	5.5	5.9	N/A
● Percent of devices that measure accurately	93.2%	93%	94%	92.6%	N/A
● Number of citizen complaints about accuracy of commercial weighing and measuring devices	406.0	311.0	350.0	286.0	N/A
<u>External Benchmarks</u>					
	97%	98%	N/A	N/A	N/A

● Percent of devices that measure accurately in Missouri
 ● Percent of devices that measure accurately in Michigan

N/A N/A N/A N/A N/A

Efficiency/Cost-Effectiveness

● Cost per inspection (in dollars)

\$ 32.28 \$ 39.58 N/A \$ 41.58 N/A

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
SCHEDULE OF INDIRECT COST REIMBURSEMENTS
For the Two Years Ended June 30, 2015
(Not Examined)

As allowed under State statutes, the State of Illinois, Department of Agriculture (Department) deposited its indirect cost reimbursements into the funds in which the federal grant revenue was also deposited into rather than the funds from which the indirect costs were expended. The federal indirect cost rates applied were as follows:

<u>*Federal Program</u>	<u>Indirect Cost Rate %</u>	
	<u>Fiscal Year 2015</u>	<u>Fiscal Year 2014</u>
Coop meat and poultry inspection	34.80%	32.41%
Consolidated pesticide enforcement	34.80%	32.41%
Combined agriculture pest survey	34.80%	32.41%
Gypsy moth regulatory action	34.80%	32.41%
Thousand canker disease	34.80%	32.41%
Honey bee survey	34.80%	32.41%
Illinois ruminant feed ban support project	34.80%	32.41%
National honey bee survey	34.80%	32.41%

The “Base” against which above listed rates were applied to calculate indirect costs included direct salaries and wages, excluding fringe benefits.

The funds used by the Department to account for federal programs involving indirect costs were:

- Wholesome Meat Fund – 0476
- Agriculture Pesticide Control Act Fund – 0689
- Agriculture Federal Projects Fund - 0826

* The Federal Program titles reported are not the formal Catalog of Federal Domestic Assistance Program titles. The Federal Program title is the title of the federal agreement.