

**STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
COMPLIANCE EXAMINATION**

For the Two Years Ended June 30, 2018

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2018

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STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2018

AGENCY OFFICIALS

State Appellate Defender	James E. Chadd (01/01/18 - Current) Michael J. Pelletier (07/01/16 - 12/31/17)
Deputy State Appellate Defender	Kerry J. Bryson (02/01/18 - Current) Vacant (01/01/18 - 01/31/18) James E. Chadd (07/01/16 - 12/31/17)
Deputy State Appellate Defender	Shawn O'Toole (02/01/18 - Current) Vacant (01/01/18 - 01/31/18) David P. Bergschneider (07/01/16 - 12/31/17)
Chief Fiscal Officer/Human Resource Director	Tonya Janecek

The Office's administrative office is located at:

400 W. Monroe, Suite 202
Springfield, Illinois 62705-5240



**OFFICE OF THE STATE APPELLATE DEFENDER
ADMINISTRATIVE OFFICE**

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Springfield, Illinois 62704
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MANAGEMENT ASSERTION LETTER

**JAMES E. CHADD
STATE APPELLATE DEFENDER**

**KERRY J. BRYSON
SHAWN O'TOOLE
DEPUTY STATE APPELLATE DEFENDER**

**LAURA A. WEILER
DIRECTOR OF TRAINING**

March 15, 2019

**Honorable Frank J. Mautino
Auditor General
Iles Park Plaza
740 East Ash Street
Springfield, Illinois 62703**

AGENCY OFFICES:

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203 North LaSalle Street, 24th Floor
Chicago, IL 60601
(312) 814-5472
1stDistrict@osad.state.il.us**

**SECOND JUDICIAL DISTRICT
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2nd Floor
Elgin, IL 60120
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2ndDistrict@osad.state.il.us**

**THIRD JUDICIAL DISTRICT
770 E. Etna Road
Ottawa, IL 61350
(815) 434-5531
3rdDistrict@osad.state.il.us**

**FOURTH JUDICIAL DISTRICT
400 West Monroe Street, 3rd Floor
Springfield, IL 62704
(217) 782-3854
4thDistrict@osad.state.il.us**

**FIFTH JUDICIAL DISTRICT
909 Water Tower Circle
Mt. Vernon, IL 62864
(618) 244-3466
5thDistrict@osad.state.il.us**

**EXPUNGEMENT / SEALING UNIT
PO Box 5240
Springfield, IL 62705-5240
(866) 787-1776
Expungement.@osad.state.il.us**

Auditor General Mautino:

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 State of Illinois, Office of the State Appellate Defender. 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 State of Illinois, Office of the State Appellate Defender's compliance with the following assertions during the two-year period ended June 30, 2018. Based on this evaluation, we assert that during the years ended June 30, 2018, and June 30, 2017, the State of Illinois, Office of the State Appellate Defender has materially complied with the assertions below.

- A. The State of Illinois, Office of the State Appellate Defender has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The State of Illinois, Office of the State Appellate Defender has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The State of Illinois, Office of the State Appellate Defender has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the State of Illinois, Office of the State Appellate Defender 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.

Yours truly,

State of Illinois, Office of the State Appellate Defender

SIGNED ORIGINAL ON FILE

James E. Chadd,
State Appellate Defender

SIGNED ORIGINAL ON FILE

Tonya Janecek,
Chief Fiscal Officer

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2018

COMPLIANCE REPORT

SUMMARY

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and 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, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Current</u> <u>Report</u>	<u>Prior</u> <u>Report</u>
Findings	0	0
Repeated Findings	0	0
Prior Recommendations Implemented or Not Repeated	0	0

EXIT CONFERENCE

The Office waived an exit conference in a correspondence from Tonya Janecek, Chief Fiscal Officer, on March 15, 2019.

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OFFICE OF THE AUDITOR GENERAL
FRANK J. MAUTINO

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

We have examined the State of Illinois, Office of the State Appellate Defender's compliance with the requirements listed below, as more fully described in the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide) as adopted by the Auditor General, during the two years ended June 30, 2018. The management of the State of Illinois, Office of the State Appellate Defender is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois, Office of the State Appellate Defender's compliance based on our examination.

- A. The State of Illinois, Office of the State Appellate Defender has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The State of Illinois, Office of the State Appellate Defender has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The State of Illinois, Office of the State Appellate Defender has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the State of Illinois, Office of the State Appellate Defender 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.

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 (the Audit Guide). Those standards, the Act, and the Audit Guide require that we plan and perform the examination to obtain reasonable assurance about whether the State of Illinois, Office of the State Appellate Defender complied, in all material respects, with the specified requirements listed above. An examination involves performing procedures to obtain evidence about whether the State of Illinois, Office of the State Appellate Defender complied with the specified requirements listed above. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error.

We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the State of Illinois, Office of the State Appellate Defender's compliance with specified requirements.

In our opinion, the State of Illinois, Office of the State Appellate Defender complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the two years ended June 30, 2018.

The purpose of this report on compliance is solely to describe the scope of our testing and the results of that testing in accordance with the requirements of the Audit Guide issued by the Illinois Office of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Internal Control

Management of the State of Illinois, Office of the State Appellate Defender is responsible for establishing and maintaining effective internal control over compliance with the requirements listed in the first paragraph of this report. In planning and performing our examination, we considered the State of Illinois, Office of the State Appellate Defender'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 State of Illinois, Office of the State Appellate Defender's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Office of the State Appellate Defender'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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Audit Guide, issued by the Illinois Office of the Auditor General. Accordingly, this report is not suitable for any other purpose.

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, 2018, and June 30, 2017, in Schedules 1 through 5 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, 2018, and June 30, 2017, accompanying supplementary information in Schedules 1 through 5. However, we do not express an opinion on the accompanying supplementary information.

We have not applied procedures to the June 30, 2016, accompanying supplementary information in Schedules 3 through 5 and in the Analysis of Operations Section and, accordingly, we do not express an opinion or provide any assurance on it.

SIGNED ORIGINAL ON FILE

JANE CLARK, CPA
Director of Financial and Compliance Audits

Springfield, Illinois
March 15, 2019

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2018

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 2018

- Schedule of Appropriations, Expenditures, and Lapsed Balances – Fiscal Year 2017

- Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances

- Schedule of Changes in State Property

- Comparative Schedule of Cash Receipts and Reconciliation of Cash Receipts to Deposits Remitted to the State Comptroller

- Analysis of Operations (Not Examined):

- Agency Functions and Planning Program (Not Examined)

- Analysis of Significant Variations in Expenditures (Not Examined)

- Analysis of Significant Variations in Receipts (Not Examined)

- Analysis of Significant Lapse Period Spending (Not Examined)

- Budget Impasse Disclosures (Not Examined)

- Alternative Financing in Lieu of Appropriations and Programs to Address Untimely Payments to Vendors (Not Examined)

- Interest Costs on Fiscal Year 2017 Invoices (Not Examined)

- Average Number of Employees (Not Examined)

- Service Efforts and Accomplishments (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, 2018, and June 30, 2017, accompanying supplementary information in Schedules 1 through 5. 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.

Schedule 1

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Appropriations for Fiscal Year 2018

For the Fifteen Months Ended September 30, 2018

Public Act 100-0021 FISCAL YEAR 2018	Appropriations (Net of Transfers)	Expenditures Through June 30	Approximate Lapse Period Expenditures July 1 to September 30	Approximate Expenditures 15 Months Ended September 30	Balances Lapsed
APPROPRIATED FUNDS					
GENERAL REVENUE FUND - 001					
Personal Services	\$ 16,031,900	\$ 15,757,784	\$ 37,413	\$ 15,795,197	\$ 236,703
State Contributions to Social Security	1,148,000	1,139,276	2,862	1,142,138	5,862
Contractual Services	2,545,400	2,334,513	132,642	2,467,155	78,245
Travel	35,000	25,601	2,208	27,809	7,191
Commodities	30,000	18,118	2,020	20,138	9,862
Printing	28,000	15,207	230	15,437	12,563
Equipment	28,000	24,662	542	25,204	2,796
Electronic Data Processing	1,047,000	782,758	205,177	987,935	59,065
Telecommunications	85,000	39,486	19,294	58,780	26,220
Expungement Program	125,000	109,329	1,077	110,406	14,594
Public Defender Training Program	63,000	60,845	18	60,863	2,137
State Matching Portion: Expenses Related to Federally-Assisted Programs to Provide Public Defenders in Rural Counties	60,000	7,780	178	7,958	52,042
Subtotal - Fund 001	\$ 21,226,300	\$ 20,315,359	\$ 403,661	\$ 20,719,020	\$ 507,280
STATE APPELLATE DEFENDER FEDERAL TRUST FUND - 117					
Federal Portion: Expenses Related to Federally-Assisted Programs to Provide Public Defenders in Rural Counties	\$ 200,000	\$ 85,117	\$ 32,091	\$ 117,208	\$ 82,792
Subtotal - Fund 117	\$ 200,000	\$ 85,117	\$ 32,091	\$ 117,208	\$ 82,792
TOTAL - ALL APPROPRIATED FUNDS	\$ 21,426,300	\$ 20,400,476	\$ 435,752	\$ 20,836,228	\$ 590,072

Note 1: Appropriations, expenditures, and lapsed balances were obtained from the State Comptroller's records as of September 30, 2018, and have been reconciled to Office records.

Note 2: Expenditure amounts are vouchers approved for payment by the Office and submitted to the State Comptroller for payment to the vendor.

Note 3: Approximate Lapse Period expenditures do not include interest payments approved for payment by the Office and submitted to the State Comptroller after September 30, 2018.

Note 4: Notwithstanding anything within Public Act 100-0021 to the contrary, Public Act 100-0021 authorized the Office to pay for all costs incurred prior to July 1, 2018, using either its Fiscal Year 2017 or Fiscal Year 2018 appropriations for non-payroll expenditures. The Analysis of Operations section of this report at page 21 includes information from Office management about the number of invoices and the total dollar amount of invoices from Fiscal Year 2016 and Fiscal Year 2017 held by the Office submitted against either its Fiscal Year 2017 or Fiscal Year 2018 appropriation.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF APPROPRIATIONS EXPENDITURES, AND LAPSED BALANCES
Expenditure Authority for Fiscal Year 2017

For the Fifteen Months Ended September 30, 2017

Public Act 99-0524 & Court-Ordered Expenditures FISCAL YEAR 2017	Expenditure Authority (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to September 30	Expenditures 15 Months Ended September 30	Balances Lapsed
Personal Services	\$ 15,092,700	\$ 15,049,778	\$ 42,752	\$ 15,092,530	\$ 170
State Contributions to Social Security	1,087,200	1,082,860	3,271	1,086,131	1,069
Contractual Services	2,135,000	2,083,439	37,937	2,121,376	13,624
Travel	30,000	22,324	1,834	24,158	5,842
Commodities	43,000	19,614	900	20,514	22,486
Printing	44,000	21,199	3,294	24,493	19,507
Equipment	30,000	14,572	2,240	16,812	13,188
Electronic Data Processing	825,000	680,584	142,293	822,877	2,123
Telecommunications	126,500	67,218	7,366	74,584	51,916
Expungement Program	171,100	111,322	515	111,837	59,263
Public Defender Training Program	63,000	61,542	20	61,562	1,438
State Matching Portion: Expenses Related to Federally-Assisted Programs to Work on Systemic Sentencing Issues Appeals Cases	60,000	1,136	2,730	3,866	56,134
Subtotal - Fund 001	\$ 19,707,500	\$ 19,215,588	\$ 245,152	\$ 19,460,740	\$ 246,760

STATE APPELLATE DEFENDER FEDERAL TRUST FUND - 117

Federal Portion: Expenses Related to Federally-Assisted Programs to Work on Systemic Sentencing Issues Appeals Cases	\$ 225,000	\$ 38,948	\$ 8,189	\$ 47,137	\$ 177,863
Subtotal - Fund 117	\$ 225,000	\$ 38,948	\$ 8,189	\$ 47,137	\$ 177,863
TOTAL - ALL APPROPRIATED FUNDS	\$ 19,932,500	\$ 19,254,536	\$ 253,341	\$ 19,507,877	\$ 424,623

Note 1: Expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the State Comptroller's records as of September 30, 2017, and have been reconciled to Office records.
 Note 2: Expenditure amounts are vouchers approved for payment by the Office and submitted to the State Comptroller for payment to the vendor.
 Note 3: The Circuit Court of Cook County in *People v. Munger* (15 CH 10243) ordered the State Comptroller, in the absence of enacted annual appropriations, to process and pay certified invoice vouchers from the State's judicial branch agencies at the level paid as of June 30, 2015.
 Note 4: Public Act 99-0524 authorized the Office to pay Fiscal Year 2016 costs using its Fiscal Year 2017 appropriations for non-payroll expenditures. The Analysis of Operations section of this report at page 21 includes information from Office management about the number of invoices and the total dollar amount of invoices held by the Office submitted against its Fiscal Year 2017 appropriation.
 Note 5: Notwithstanding anything within Public Act 100-0021 to the contrary, Public Act 100-0021 authorized the Office to pay for all costs incurred prior to July 1, 2018, using either its Fiscal Year 2017 or Fiscal Year 2018 appropriations for non-payroll expenditures. The Analysis of Operations section of this report at page 21 includes information from Office management about the number of invoices and the total dollar amount of invoices from Fiscal Year 2016 and Fiscal Year 2017 held by the Office submitted against either its Fiscal Year 2017 or Fiscal Year 2018 appropriation.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**
For the Fiscal Years Ended June 30,

	Fiscal Year		
	2018	2017	2016
	Public Act 100-0021	Public Act 99-0524 & Court-Ordered Expenditures	Public Act 99-0524 & Court-Ordered Expenditures
APPROPRIATED FUNDS			
General Revenue Fund - 001			
Appropriations (Net of Transfers)	\$ 21,226,300	\$ 19,707,500	\$ 19,696,400
Expenditures			
General Operations:			
Personal Services	\$ 15,795,197	\$ 15,092,530	\$ 14,455,650
State Contributions to Social Security	1,142,138	1,086,131	1,040,827
Contractual Services	2,467,155	2,121,376	2,084,947
Travel	27,809	24,158	29,607
Commodities	20,138	20,514	28,035
Printing	15,437	24,493	25,060
Equipment	25,204	16,812	103,515
Electronic Data Processing	987,935	822,877	868,994
Telecommunications	58,780	74,584	142,227
Expungement Program	110,406	111,837	127,320
Public Defender Training Program	60,863	61,562	59,813
State Matching Portion: Expenses Related to Federally-Assisted Programs to Work on Systemic Sentencing Issues Appeals Cases	-	3,866	51,801
State Matching Portion: Expenses Related to Federally-Assisted Programs to Provide Public Defenders in Rural Counties	7,958	-	-
Total Expenditures - Fund 001	<u>\$ 20,719,020</u>	<u>\$ 19,460,740</u>	<u>\$ 19,017,796</u>
Lapsed Balances	<u>\$ 507,280</u>	<u>\$ 246,760</u>	<u>\$ 678,604</u>
State Appellate Defender Federal Trust Fund - 117			
Appropriations (Net of Transfers)	\$ 200,000	\$ 225,000	\$ 200,000
Expenditures			
Federal Portion: Expenses Related to Federally-Assisted Programs to Work on Systemic Sentencing Issues Appeals Cases	\$ -	\$ 47,137	\$ 175,327
Federal Portion: Expenses Related to Federally-Assisted Programs to Provide Public Defenders in Rural Counties	117,208	-	-
Lapsed Balances	<u>\$ 82,792</u>	<u>\$ 177,863</u>	<u>\$ 24,673</u>
TOTAL - ALL APPROPRIATED FUNDS			
Appropriations (Net of Transfers)	<u>\$ 21,426,300</u>	<u>\$ 19,932,500</u>	<u>\$ 19,896,400</u>
Total Expenditures	<u>\$ 20,836,228</u>	<u>\$ 19,507,877</u>	<u>\$ 19,193,123</u>
Lapsed Balances	<u>\$ 590,072</u>	<u>\$ 424,623</u>	<u>\$ 703,277</u>

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES, AND LAPSED BALANCES**
For the Fiscal Years Ended June 30,

- Note 1: Expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the State Comptroller's records as of September 30, 2018, and September 30, 2017, and have been reconciled to Office records.
- Note 2: Expenditure amounts are vouchers approved for payment by the Office and submitted to the State Comptroller for payment to the vendor.
- Note 3: Approximate Lapse Period expenditures do not include interest payments approved for payment by the Office and submitted to the State Comptroller after September 30, 2018.
- Note 4: The Circuit Court of Cook County in *People v. Munger* (15 CH 10243) ordered the State Comptroller, in the absence of enacted annual appropriations, to process and pay certified invoice vouchers from the State's judicial branch agencies at the level paid as of June 30, 2015.
- Note 5: Public Act 99-0524 authorized the Office to pay Fiscal Year 2016 costs using its Fiscal Year 2017 appropriations for non-payroll expenditures. The Analysis of Operations section of this report at page 21 includes information from Office management about the number of invoices and the total dollar amount of invoices held by the Office submitted against its Fiscal Year 2017 appropriation.
- Note 6: Notwithstanding anything within Public Act 100-0021 to the contrary, Public Act 100-0021 authorized the Office to pay for all costs incurred prior to July 1, 2018, using either its Fiscal Year 2017 or Fiscal Year 2018 appropriations for non-payroll expenditures. The Analysis of Operations section of this report at page 21 includes information from Office management about the number of invoices and the total dollar amount of invoices from Fiscal Year 2016 and Fiscal Year 2017 held by the Office submitted against either its Fiscal Year 2017 or Fiscal Year 2018 appropriation.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SCHEDULE OF CHANGES IN STATE PROPERTY
For the Two Years Ended June 30, 2018

Balance at July 1, 2016	\$ 2,246,901
Additions	197,714
Deletions	(16,709)
Net Transfers	<u>(184,431)</u>
Balance at June 30, 2017	<u><u>\$ 2,243,475</u></u>
Balance at July 1, 2017	\$ 2,243,475
Additions	91,453
Deletions	(47,722)
Net Transfers	<u>(36,442)</u>
Balance at June 30, 2018	<u><u>\$ 2,250,764</u></u>

Note: The above schedule has been derived from Office records, which have been reconciled to property reports submitted to the Office of the State Comptroller.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
**COMPARATIVE SCHEDULE OF CASH RECEIPTS AND RECONCILIATION OF
CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER**

For the Fiscal Year Ended June 30,

General Revenue Fund - Fund 001	<u>2018</u>	<u>2017</u>	<u>2016</u>
Miscellaneous Receipts	\$ 933	\$ 350	\$ 254
Prior Year Refunds	84	796	7,000
Total Cash Receipts per Office Records	<u>1,017</u>	<u>1,146</u>	<u>7,254</u>
Add: Deposits in Transit, Beginning of Year	-	-	-
Less: Deposits in Transit, End of Year	-	-	-
Total Cash Receipts per State Comptroller's Records	<u><u>\$ 1,017</u></u>	<u><u>\$ 1,146</u></u>	<u><u>\$ 7,254</u></u>
State Appellate Defender Federal Trust Fund - Fund 117			
U.S. Department of Justice - Illinois Criminal			
Justice Information Authority	\$ 59,405	\$ 68,408	\$ 156,661
Total Cash Receipts per Office Records	<u>59,405</u>	<u>68,408</u>	<u>156,661</u>
Add: Deposits in Transit, Beginning of Year	-	-	-
Less: Deposits in Transit, End of Year	-	-	-
Total Cash Receipts per State Comptroller's Records	<u><u>\$ 59,405</u></u>	<u><u>\$ 68,408</u></u>	<u><u>\$ 156,661</u></u>
Death Penalty Abolition Fund - Fund 539			
Miscellaneous Receipts	\$ -	\$ -	\$ -
Prior Year Refunds	23	-	-
Total Cash Receipts per Office Records	<u>23</u>	<u>-</u>	<u>-</u>
Add: Deposits in Transit, Beginning of Year	-	-	-
Less: Deposits in Transit, End of Year	-	-	-
Total Cash Receipts per State Comptroller's Records	<u><u>\$ 23</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
Grand Total - All Funds			
Total Cash Receipts per Office Records	\$ 60,445	\$ 69,554	\$ 163,915
Add: Deposits in Transit, Beginning of Year	-	-	-
Less: Deposits in Transit, End of Year	-	-	-
Total Cash Receipts per State Comptroller's Records - All Funds	<u><u>\$ 60,445</u></u>	<u><u>\$ 69,554</u></u>	<u><u>\$ 163,915</u></u>

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
AGENCY FUNCTIONS AND PLANNING PROGRAM
For the Two Years Ended June 30, 2018
(NOT EXAMINED)

FUNCTIONS

The Office of the State Appellate Defender (Office) was created on August 18, 1972, through the State Appellate Defender Act (725 ILCS 105/10). The primary function of the Office is to represent indigent persons on appeal in criminal and delinquent minor proceedings when appointed by the Illinois Supreme Court, the Appellate Court, or the Circuit Court.

Effective January 1, 2018, Mr. James E. Chadd became the State Appellate Defender and was appointed by the Illinois Supreme Court to serve his first four-year term, expiring January 1, 2022. Mr. Michael J. Pelletier served as the State Appellate Defender prior to his retirement on December 31, 2017.

The Office is comprised of the following district offices:

Administrative Office
State Appellate Defender
James E. Chadd

400 W. Monroe
Suite 202
Springfield, Illinois

Third District Office
Deputy Defender
Peter A. Carusona

770 E. Etna Road
Ottawa, Illinois

First District Office
Deputy Defender
Patricia Mysza

203 N. LaSalle
24th Floor
Chicago, Illinois

Fourth District Office
Deputy Defender
Jacqueline L. Bullard

400 W. Monroe
Suite 303
Springfield, Illinois

Second District Office
Deputy Defender
Thomas A. Lilien

One Douglas Avenue
Second Floor
Elgin, Illinois

Fifth District Office
Deputy Defender
Ellen J. Curry

909 Water Tower Circle
Mt. Vernon, Illinois

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
AGENCY FUNCTIONS AND PLANNING PROGRAM
For the Two Years Ended June 30, 2018
(NOT EXAMINED)

PLANNING PROGRAM

The Office's formal planning program is limited because its activities throughout the year are contingent upon the number of appeals cases to which they are appointed. The Office's mission is to provide each client appointed by the Courts with high quality legal services and maintain a staff that is dedicated to its clients' interests and improvement of the criminal justice system.

The Office conducts much of its planning in conjunction with the budget process. Deputy Defenders from each division participate in planning and executing their office's budget. The Chief Fiscal Officer prepares and monitors the agency-wide budget using this information. The State Appellate Defender advises on and approves the budget. The State Appellate Defender holds frequent meetings with the Deputy Defenders to assess the budget, monitor caseload progress, and to ensure that each division is operating effectively. The Office has documented policies and procedures to ensure attorneys are achieving minimum standards of quality and productivity.

The Office monitors the caseloads handled by the courts and maintains statistical records of all cases handled by each district office, both as a historical record and as a guideline for future expected activity.

BOARD OF COMMISSIONERS

The Office has a Board of Commissioners that meets semi-annually. The Board approves the Office's operational budget and the number of employees. The Board also advises and recommends policies for the operation of the Office. The members of the Board as of June 30, 2018, were:

Thomas M. Breen, Chairman
Judge James L. Brusatte
Honorable R. Peter Grometer
Kim D. Campbell
Honorable James K. Donovan
Rebecca Janowitz
Honorable Abishi C. Cunningham Jr.
Justice Thomas E. Hoffman
J. William Lucco

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2018
(NOT EXAMINED)

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2018 AND 2017

General Revenue Fund - 001

Electronic Data Processing

The increase was due to the Office purchasing second monitors and replacing older computers with newer computers in order to upgrade to Windows 10 during Fiscal Year 2018.

Telecommunications

The decrease was due to the Office reducing phone costs in Fiscal Year 2018 by converting its remaining locations to Voice over Internet Protocol (VoIP) and replacing several infrequently used desk phones with cordless phones.

State Appellate Defender Federal Trust Fund - 117

Federal Portion: Expenses Related to Federally-Assisted Programs to Work on Systemic Sentencing Issues Appeals Cases

The decrease was due to the systemic sentencing grant ending during Fiscal Year 2017 on September 15, 2016.

Federal Portion: Expenses Related to Federally-Assisted Programs to Provide Public Defenders in Rural Counties

The increase was due to the rural defense grant beginning in Fiscal Year 2018. No related expenditures occurred during Fiscal Year 2017.

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2017 AND 2016

General Revenue Fund - 001

Equipment

The decrease was due to the Office purchasing eight copiers in Fiscal Year 2016, which were not purchased during Fiscal Year 2017.

Telecommunications

The decrease was due to the Office reducing phone costs in Fiscal Year 2017 by converting to Voice over Internet Protocol (VoIP) at the majority of the Office's locations and replacing several infrequently used desk phones with cordless phones.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2018
(NOT EXAMINED)

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2017 AND 2016 (continued)

General Revenue Fund - 001 (continued)

State Matching Portion: Expenses Related to Federally-Assisted Programs to Work on Systemic Sentencing Issues Appeals Cases

The decrease was due to the systemic sentencing grant ending during Fiscal Year 2017 on September 15, 2016.

State Appellate Defender Federal Trust Fund - 117

Federal Portion: Expenses Related to Federally-Assisted Programs to Work on Systemic Sentencing Issues Appeals Cases

The decrease was due to the systemic sentencing grant ending during Fiscal Year 2017 on September 15, 2016.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2018
(NOT EXAMINED)

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2018 AND 2017

No significant variations in receipts between Fiscal Year 2018 and Fiscal Year 2017 were noted.

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2017 AND 2016

General Revenue Fund - 001

Prior Year Refunds

The decrease was due to a vendor refund received in Fiscal Year 2016 after completion of the real estate tax reconciliation for Fiscal Year 2011.

State Appellate Defender Federal Trust Fund - 117

U.S. Department of Justice – Illinois Criminal Justice Information Authority (ICJIA)

The decrease was due to a decrease in grants requested and collected from ICJIA in Fiscal Year 2017 as a result of having employees on payroll during Fiscal Year 2016 to provide the ICJIA services, but only hiring experts as necessary during Fiscal Year 2017.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2018
(NOT EXAMINED)

FISCAL YEAR 2018

General Revenue Fund - 001

Electronic Data Processing

The Office purchased new computers late in the fiscal year to replace older models due to an upgrade to Windows 10. The related invoices were not received and processed until the Lapse Period.

Telecommunications

The Office purchased and installed Voice over Internet Protocol (VoIP) phones for its Elgin office. The related invoices for the conversion to VoIP and year-end telecommunication invoices from the Department of Central Management Services were not received and processed until the Lapse Period.

State Appellate Defender Federal Trust Fund - 117

Federal Portion: Expenses Related to Federally-Assisted Programs to Provide Public Defenders in Rural Counties

The Office had significant requests for experts during the end of the fiscal year. Invoices for experts were received and processed during the Lapse Period. The timing of requests for experts varies from year to year, depending on need.

FISCAL YEAR 2017

General Revenue Fund - 001

State Matching Portion: Expenses Related to Federally-Assisted Programs to Work on Systemic Sentencing Issues Appeals Cases

The Office had significant requests for experts during the end of the fiscal year. Invoices for experts were received and processed during the Lapse Period. The timing of requests for experts varies from year to year, depending on need.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
BUDGET IMPASSE DISCLOSURES
For the Two Years Ended June 30, 2018
(NOT EXAMINED)

Payment of Prior Year Costs in Future Fiscal Years

Article 74 of Public Act 99-0524 authorized the Office to pay Fiscal Year 2016 costs using the Office’s Fiscal Year 2017 appropriations for non-payroll expenditures. In addition, Article 998 of Public Act 100-0021 authorized the Office to pay its unpaid Fiscal Year 2016 and Fiscal Year 2017 costs using either the Office’s Fiscal Year 2017 or Fiscal Year 2018 appropriations for non-payroll expenditures. The following chart shows the Office’s payments of its prior period costs using future appropriations:

FISCAL YEAR 2016 INVOICES

Fund #	Fund Name	Paid From Fiscal Year 2017 Appropriations		Paid From Fiscal Year 2018 Appropriations	
		Number	Dollar Value	Number	Dollar Value
001	General Revenue Fund	0	\$ -	0	\$ -
117	State Appellate Defender Federal Trust Fund	0	\$ -	0	\$ -
		0	\$ -	0	\$ -

FISCAL YEAR 2017 INVOICES

Fund #	Fund Name	Paid From Fiscal Year 2017 Appropriations		Paid From Fiscal Year 2018 Appropriations	
		Number	Dollar Value	Number	Dollar Value
001	General Revenue Fund	2,005	\$ 2,885,991	1	\$ 6,631
117	State Appellate Defender Federal Trust Fund	11	\$ 11,704	0	\$ -
		2,016	\$ 2,897,695	1	\$ 6,631

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
**ALTERNATIVE FINANCING IN LIEU OF APPROPRIATIONS AND
PROGRAMS TO ADDRESS UNTIMELY PAYMENTS TO VENDORS**
For the Two Years Ended June 30, 2018
(NOT EXAMINED)

Transactions Involving the Illinois Finance Authority

The Office and its vendors did not participate in alternative financing in lieu of enacted appropriations involving the Illinois Finance Authority during Fiscal Year 2017.

Transactions Involving the Vendor Payment Program and Vendor Support Initiative Program

Vendor Payment Program (VPP)

In 2011, the State of Illinois (State) created the voluntary VPP in response to delays in payments for goods and services provided by the State’s vendors arising from the State’s cash flow deficit. The Department of Central Management Services (CMS) approved third party financing entities to act as “qualified purchasers” of accounts receivable from “participating vendors” who had submitted invoices which had not been paid by the State.

A participating vendor’s accounts receivable is eligible for the VPP if it is from an invoice unpaid by the State that is (1) not for medical assistance payments (2) where 90 days have passed since the proper bill date, which is (3) entitled to interest under the State Prompt Payment Act (Act) (30 ILCS 540) and (4) free of any liens or encumbrances. Under the terms of an agreement between a qualified purchaser and the participating vendor, the participating vendor receives payment for 90% of the receivable balance. The participating vendor, in turn, assigns its rights to the interest due under the Act to the qualified purchaser. When the State Comptroller ultimately pays the invoice, the participating vendor receives the remaining 10% due (less any offsets).

Notably, while CMS approved the qualified purchasers and provided information to vendors about VPP, neither CMS nor the State are parties to the assignment agreements.

The following chart shows the Office’s VPP transactions for Fiscal Year 2017:

VPP TRANSACTIONS	
	<u>2017</u>
Dollar Value	\$ 65,669
Vendors	6
Invoices	85

During Fiscal Year 2017, none of the Office’s vendors participated in the Vendor Support Initiative Program (VSI).

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
INTEREST COSTS ON FISCAL YEAR 2017 INVOICES
For the Two Years Ended June 30, 2018
(NOT EXAMINED)

Prompt Payment Interest Costs

The Office calculated prompt payment interest due to vendors under the State Prompt Payment Act (Act) (30 ILCS 540) using the vendor’s proper bill date through the date the State Comptroller issued a warrant to the vendor, regardless of when and if an enacted appropriation existed during Fiscal Year 2017. The Act (30 ILCS 540/3-2) and the Illinois Administrative Code (74 Ill. Admin. Code 900.100) require interest to be paid under a daily simple interest rate of .033% (1% over a 30-day period) for every day elapsed following the 90th day after a vendor submits an eligible proper bill to the Office. The following chart shows the Office’s prompt payment interest incurred related to Fiscal Year 2017 invoices, calculated on the accrual basis of accounting, through June 30, 2017, by fund:

PROMPT PAYMENT INTEREST INCURRED

Year Ended June 30, 2017

Fund #	Fund Name	Invoices	Vendors	Dollar Value
001	General Revenue Fund	449	196	\$ 23,513
		<u>449</u>	<u>196</u>	<u>\$ 23,513</u>

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
AVERAGE NUMBER OF EMPLOYEES
For the Two Years Ended June 30, 2018
(NOT EXAMINED)

AVERAGE NUMBER OF EMPLOYEES

The following table, prepared from Office records, presents the average number of employees, by function, for the Fiscal Year Ended June 30,

<u>Division</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Administrative Office	14	14	15
First District Office	120	117	114
Second District Office	24	25	24
Third District Office	22	21	22
Fourth District Office	27	26	25
Fifth District Office	18	16	16
Information Technology Department	4	4	4
Expungement Unit	1	1	1
Total Average Full-Time Employees	<u>230</u>	<u>224</u>	<u>221</u>

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SERVICE EFFORTS AND ACCOMPLISHMENTS
For the Two Years Ended June 30, 2018
(NOT EXAMINED)

Caseload Activity

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Cases Pending at Beginning of Year	6,115	6,283	5,969
<u>Plus Cases:</u>			
Appointed	2,449	2,531	2,755
Re-opened	0	0	14
<u>Less Cases:</u>			
Closed	<u>(2,602)</u>	<u>(2,699)</u>	<u>(2,455)</u>
Cases Pending at Year-End	<u>5,962</u>	<u>6,115</u>	<u>6,283</u>
Average Cost per Case Closed*	<u>\$7,806</u>	<u>\$7,190</u>	<u>\$7,698</u>

*Average Cost per Case Closed is calculated as total non-capitalized expenditures divided by the number of cases closed during the fiscal year.

STATE OF ILLINOIS
OFFICE OF THE STATE APPELLATE DEFENDER
SERVICE EFFORTS AND ACCOMPLISHMENTS
For the Two Years Ended June 30, 2018
(NOT EXAMINED)

Briefs Filed

The following presents the number and type of briefs filed by the Office of the State Appellate Defender:

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Number of Original Briefs	1,467	1,370	1,403
Number of <i>Anders</i> Briefs	143	128	113
Motions to Withdraw/Dismiss Filed	461	445	486
Summary Motions Filed	<u>178</u>	<u>203</u>	<u>169</u>
Total	<u><u>2,249</u></u>	<u><u>2,146</u></u>	<u><u>2,171</u></u>