

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL**

COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2016

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

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2016**

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**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2016**

AGENCY OFFICIALS

Attorney General	The Honorable Lisa Madigan
Chief of Staff/Chief Legal Counsel	Ms. Ann Spillane
Chief Deputy Attorney General	Mr. Brent Stratton
Deputy Chief of Staff, Administration	Ms. Melissa Mahoney
Chief Fiscal Officer	Mr. David Boots
Deputy Chief Fiscal Officer/Director of Accounting	Mr. Josiah Small
Chief Internal Auditor	Mr. Jay Wagner
Inspector General	Ms. Diane Saltoun

Executive offices are located at:

500 South Second Street
Springfield, Illinois 62706

100 West Randolph
Chicago, IL 60601



OFFICE OF THE ATTORNEY GENERAL
STATE OF ILLINOIS

Lisa Madigan
ATTORNEY GENERAL

January 25, 2017

West & Company, LLC
Certified Public Accountants
919 E. Harris Avenue
Greenville, IL 62246

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 State of Illinois, Office of the Attorney General. 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 Attorney General's compliance with the following assertions during the two-year period ended June 30, 2016. Based on this evaluation, we assert that during the years ended June 30, 2015 and June 30, 2016, the State of Illinois, Office of the Attorney General has materially complied with the assertions below.

- A. The State of Illinois, Office of the Attorney General 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 Attorney General 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 Attorney General 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 Attorney General are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.

- E. Money or negotiable securities or similar assets handled by the State of Illinois, Office of the Attorney General on behalf of the State or held in trust by the State of Illinois, Office of the Attorney General have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours truly,

State of Illinois, Office of the Attorney General

SIGNED ORIGINAL ON FILE

Honorable Lisa Madigan, Attorney General

SIGNED ORIGINAL ON FILE

Ann Spillane, Chief of Staff/Chief Legal Counsel

SIGNED ORIGINAL ON FILE

David Boots, Chief Fiscal Officer

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2016**

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, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Current Report</u>	<u>Prior Report</u>
Findings	0	0
Repeated findings	0	0
Prior recommendations implemented or not repeated	0	1

EXIT CONFERENCE

The results of this examination were discussed with the Office personnel in an exit conference on December 22, 2016. Participating were:

Office of the Attorney General
Ms. Ann Spillane, Chief of Staff/Chief Legal Counsel
Ms. Melissa Mahoney, Deputy Chief of Staff, Administration
Mr. Jay Wagner, Chief Internal Auditor
Ms. Lynn Patton, Public Access and Opinions Division Chief

Office of the Auditor General
Ms. Lisa Warden, Audit Manager

West & Company, LLC – Special Assistant Auditors
Ms. Janice Romack, Partner
Mr. Michael Lawler, Manager

MEMBERS

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**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, Office of the Attorney General'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, 2016. The management of the State of Illinois, Office of the Attorney General is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois, Office of the Attorney General's compliance based on our examination.

- A. The State of Illinois, Office of the Attorney General 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 Attorney General 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 Attorney General 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 Attorney General are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the State of Illinois, Office of the Attorney General on behalf of the State or held in trust by the State of Illinois, Office of the Attorney General 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 State of Illinois, Office of the Attorney General's compliance with those requirements listed in the first paragraph of this report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the State of Illinois, Office of the Attorney General's compliance with specified requirements.

In our opinion, the State of Illinois, Office of the Attorney General complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the two years ended June 30, 2016.

Internal Control

Management of the State of Illinois, Office of the Attorney General 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 Attorney General'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 Attorney General's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Office of the Attorney General'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 to your office.

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, 2016 and June 30, 2015 in Schedules 1 through 11 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, 2016 and June 30, 2015 accompanying supplementary information in Schedules 1 through 11. However, we do not express an opinion on the accompanying supplementary information.

We have not applied procedures to the June 30, 2014 accompanying supplementary information in Schedules 3, 6 through 8, and 10 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 the State of Illinois, Office of the Attorney General management and is not intended to be and should not be used by anyone other than these specified parties.

SIGNED ORIGINAL ON FILE

Greenville, Illinois
January 25, 2017

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2016**

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
 - Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
 - Comparative Schedule of Receipts, Disbursements and Fund Balance
(Cash Basis) – Locally Held Funds
 - 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 Significant Variations in Expenditures
 - Analysis of Significant Variations in Receipts
 - Analysis of Significant Lapse Period Spending
 - Analysis of Significant Account Balances
 - Analysis of Accounts Receivable

- Analysis of Operations (Not Examined):
 - Agency Functions and Planning Program (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 2016 Invoices (Not Examined)
 - Average Number of Employees (Not Examined)
 - Memorandums of Understanding (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, 2016 and June 30, 2015 accompanying supplementary information in Schedules 1 through 11. 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
OFFICE OF THE ATTORNEY GENERAL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Expenditure Authority for Fiscal Year 2016

For the Fourteen Months Ended August 31, 2016

Public Act 99-0409, Public Act 99-0491, and Court-Ordered Expenditures FISCAL YEAR 2016	Expenditure Authority (Net After Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<u>APPROPRIATED FUNDS</u>					
<u>GENERAL REVENUE FUND - 001</u>					
General support and operations					
Operational expenses		\$ 30,804,764	\$ 25,309	\$ 30,830,073	
<u>ILLINOIS GAMING LAW ENFORCEMENT FUND - 085</u>					
Lump sum, operations	\$ 1,000,000	995,523	-	995,523	\$ 4,477
<u>DOMESTIC VIOLENCE FUND - 499</u>					
Awards and grants	500,000	365,798	120,012	485,810	14,190
<u>ATTORNEY GENERAL TOBACCO FUND - 533</u>					
Lump sums and other purposes	3,500,000	3,312,332	12,671	3,325,003	174,997
<u>ATTORNEY GENERAL COURT ORDERED AND VOLUNTARY COMPLIANCE PAYMENTS PROJECT FUND - 542</u>					
Lump sums and other purposes	11,200,000	10,480,026	64,102	10,544,128	655,872

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Expenditure Authority for Fiscal Year 2016**

For the Fourteen Months Ended August 31, 2016

Public Act 99-0409, Public Act 99-0491, and Court-Ordered Expenditures FISCAL YEAR 2016	Expenditure Authority (Net After Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<u>APPROPRIATED FUNDS (Continued)</u>					
<u>ILLINOIS CHARITY BUREAU FUND - 549</u>					
Lump sums and other purposes	\$ 1,900,000	\$ 1,828,596	\$ 3,034	\$ 1,831,630	\$ 68,370
<u>ATTORNEY GENERAL WHISTLEBLOWER REWARD AND PROTECTION FUND - 600</u>					
Lump sums and other purposes	7,000,000	6,771,697	106,486	6,878,183	121,817
<u>CHILD SUPPORT ADMINISTRATIVE FUND - 757</u>					
Lump sum, operations	240,000	-	-	-	240,000
<u>STATE PROJECTS AND COURT ORDERED DISTRIBUTION FUND - 801</u>					
Awards and grants, lump sums and other purposes	11,300,000	8,201,806	721,945	8,923,751	2,376,249

STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Expenditure Authority for Fiscal Year 2016

For the Fourteen Months Ended August 31, 2016

Public Act 99-0409, Public Act 99-0491, and Court-Ordered Expenditures FISCAL YEAR 2016	Expenditure Authority (Net After Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<u>APPROPRIATED FUNDS (Continued)</u>					
<u>VIOLENT CRIME VICTIMS ASSISTANCE</u>					
<u>FUND - 929</u>					
Violent crime victims assistance					
Personal services	\$ 1,029,300	\$ 1,025,380	\$ 40	\$ 1,025,420	\$ 3,880
State employees retirement system	468,100	467,861	18	467,879	221
Social security	78,800	74,367	3	74,370	4,430
Group insurance	437,000	385,392	-	385,392	51,608
Crime victims services division	150,000	9,699	8,686	18,385	131,615
Automated victim notification	800,000	758,631	-	758,631	41,369
Awards and grants system	6,000,000	5,639,538	106,503	5,746,041	253,959
Subtotal fund - 929	<u>8,963,200</u>	<u>8,360,868</u>	<u>115,250</u>	<u>8,476,118</u>	<u>487,082</u>
<u>ATTORNEY GENERAL SEX OFFENDER AWARENESS, TRAINING, AND EDUCATION FUND - 958</u>					
Lump sum, operations	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>

STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Expenditure Authority for Fiscal Year 2016

For the Fourteen Months Ended August 31, 2016

Public Act 99-0409, Public Act 99-0491, and Court-Ordered Expenditures FISCAL YEAR 2016	Expenditure Authority (Net After Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<u>APPROPRIATED FUNDS (Continued)</u>					
<u>ATTORNEY GENERAL FEDERAL GRANT</u>					
<u>FUND - 988</u>					
Lump sums and other purposes	\$ 1,000,000	\$ 601,111	\$ 35,727	\$ 636,838	\$ 363,162
SUBTOTAL - APPROPRIATED FUNDS		<u>\$ 71,722,521</u>	<u>\$ 1,204,536</u>	<u>\$ 72,927,057</u>	
<u>NON-APPROPRIATED FUNDS</u>					
<u>STATE WHISTLEBLOWER REWARD AND</u>					
<u>PROTECTION FUND - 703</u>					
Payment of 1/6 to Attorney General & State Police		\$ 6,464,828	\$ -	\$ 6,464,828	
Awards to <i>qui tam</i> plaintiffs		<u>3,565,669</u>	<u>-</u>	<u>3,565,669</u>	
Subtotal fund - 703		<u>10,030,497</u>	<u>-</u>	<u>10,030,497</u>	
TOTAL - ALL NON-APPROPRIATED FUNDS		<u>\$ 10,030,497</u>	<u>\$ -</u>	<u>\$ 10,030,497</u>	

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Expenditure Authority for Fiscal Year 2016**

For the Fourteen Months Ended August 31, 2016

Public Act 99-0409, Public Act 99-0491, and Court-Ordered Expenditures FISCAL YEAR 2016	Expenditure Authority (Net After Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
GRAND TOTAL - ALL FUNDS		<u>\$ 81,753,018</u>	<u>\$ 1,204,536</u>	<u>\$ 82,957,554</u>	

- Note 1: Expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the State Comptroller records as of September 30, 2016, 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 St. Clair County in *AFSCME Council 31 v. Munger* (15 CH 475) ordered the State Comptroller, in the absence of enacted annual appropriations, to “draw and issue warrants accomplishing payment of wages [for all State employees] at their normal rates of pay.” As the Office never received enacted personal services appropriations for fund 001, the Office was able to submit vouchers to pay its employees in full without a maximum expenditure limit for personal service costs during Fiscal Year 2016.
- Note 4: During Fiscal Year 2016, the Office operated without enacted appropriations until Public Act 99-0409 and Public Act 99-0491 were signed into law on August 20, 2015, and December 7, 2015, respectively. During the impasse, the Circuit Court of St. Clair County in *AFSCME Council 31 v. Munger* (15 CH 475) ordered the State Comptroller, in the absence of enacted annual appropriations, to “draw and issue warrants accomplishing payment of wages [for all State employees] at their normal rates of pay.” As such, the Office's court-ordered payroll payments were merged into the enacted appropriation for funds 085, 533, 542, 549, 600, 801, 929, and 988. Further, the Office incurred non-payroll obligations, which the Office was unable to pay until the passage of Public Act 99-0409 and Public Act 99-0491.
- Note 5: Public Act 99-524 authorizes 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 48 includes information from Office management about the number of invoices and the total dollar amount of invoices held by the Office to be submitted against its Fiscal Year 2017 appropriation.

STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2015

For the Fourteen Months Ended August 31, 2015

Public Act 98-0679 FISCAL YEAR 2015	Appropriations (Net After Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<u>APPROPRIATED FUNDS</u>					
<u>GENERAL REVENUE FUND - 001</u>					
General support and operations					
Operational expenses	\$ 30,843,200	\$ 30,815,549	\$ 24,209	\$ 30,839,758	\$ 3,442
Disbursement to the IL Equal Justice Foundation	<u>1,400,000</u>	<u>1,400,000</u>	<u>-</u>	<u>1,400,000</u>	<u>-</u>
Subtotal fund - 001	<u>32,243,200</u>	<u>32,215,549</u>	<u>24,209</u>	<u>32,239,758</u>	<u>3,442</u>
<u>ILLINOIS GAMING LAW ENFORCEMENT FUND - 085</u>					
Lump sum, operations	<u>1,000,000</u>	<u>999,296</u>	<u>-</u>	<u>999,296</u>	<u>704</u>
<u>DOMESTIC VIOLENCE FUND - 499</u>					
Awards and grants	<u>500,000</u>	<u>477,725</u>	<u>-</u>	<u>477,725</u>	<u>22,275</u>
<u>ATTORNEY GENERAL TOBACCO FUND - 533</u>					
Lump sums and other purposes	<u>3,500,000</u>	<u>3,435,651</u>	<u>43,908</u>	<u>3,479,559</u>	<u>20,441</u>

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2015**

For the Fourteen Months Ended August 31, 2015

Public Act 98-0679	Appropriations (Net After Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<u>FISCAL YEAR 2015</u>					
<u>APPROPRIATED FUNDS (Continued)</u>					
<u>ATTORNEY GENERAL COURT ORDERED AND VOLUNTARY COMPLIANCE PAYMENTS PROJECT FUND - 542</u>					
Lump sums and other purposes	<u>\$ 10,200,000</u>	<u>\$ 9,248,917</u>	<u>\$ 214,059</u>	<u>\$ 9,462,976</u>	<u>\$ 737,024</u>
<u>ILLINOIS CHARITY BUREAU FUND - 549</u>					
Lump sums and other purposes	<u>1,900,000</u>	<u>1,892,873</u>	<u>1,535</u>	<u>1,894,408</u>	<u>5,592</u>
<u>ATTORNEY GENERAL WHISTLEBLOWER REWARD AND PROTECTION FUND - 600</u>					
Lump sums and other purposes	<u>7,000,000</u>	<u>6,824,375</u>	<u>88,436</u>	<u>6,912,811</u>	<u>87,189</u>
<u>CHILD SUPPORT ADMINISTRATIVE FUND - 757</u>					
Lump sum, operations	<u>240,000</u>	<u>213,711</u>	<u>193</u>	<u>213,904</u>	<u>26,096</u>
<u>STATE PROJECTS AND COURT ORDERED DISTRIBUTION FUND - 801</u>					
Awards and grants, lump sums and other purposes	<u>11,300,000</u>	<u>10,465,140</u>	<u>542,307</u>	<u>11,007,447</u>	<u>292,553</u>

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2015**

For the Fourteen Months Ended August 31, 2015

Public Act 98-0679 FISCAL YEAR 2015	Appropriations (Net After Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<u>APPROPRIATED FUNDS (Continued)</u>					
<u>VIOLENT CRIME VICTIMS ASSISTANCE</u>					
<u>FUND - 929</u>					
Violent crime victims assistance					
Personal services	\$ 1,029,300	\$ 1,025,623	\$ 325	\$ 1,025,948	\$ 3,352
State employees retirement system	435,800	434,527	138	434,665	1,135
Social security	78,800	74,285	25	74,310	4,490
Group insurance	460,000	332,016	-	332,016	127,984
Crime victims services division	150,000	13,123	2,569	15,692	134,308
Automated victim notification	800,000	579,757	114,537	694,294	105,706
Awards and grants system	6,000,000	5,086,059	35,043	5,121,102	878,898
Subtotal fund - 929	<u>8,953,900</u>	<u>7,545,390</u>	<u>152,637</u>	<u>7,698,027</u>	<u>1,255,873</u>
<u>ATTORNEY GENERAL SEX OFFENDER AWARENESS, TRAINING, AND EDUCATION FUND - 958</u>					
Lump sum, operations	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2015**

For the Fourteen Months Ended August 31, 2015

Public Act 98-0679 FISCAL YEAR 2015	Appropriations (Net After Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<u>APPROPRIATED FUNDS (Continued)</u>					
<u>ATTORNEY GENERAL FEDERAL GRANT</u>					
<u>FUND - 988</u>					
Lump sums and other purposes	\$ 2,000,000	\$ 728,110	\$ 90,135	\$ 818,245	\$ 1,181,755
TOTAL - ALL APPROPRIATED FUNDS	<u>\$ 78,887,100</u>	<u>\$ 74,046,737</u>	<u>\$ 1,157,419</u>	<u>\$ 75,204,156</u>	<u>\$ 3,682,944</u>
<u>NON-APPROPRIATED FUNDS</u>					
<u>STATE WHISTLEBLOWER REWARD AND</u>					
<u>PROTECTION FUND - 703</u>					
Payment of 1/6 to Attorney General & State Police		\$ 3,285,893	\$ -	\$ 3,285,893	
Awards to <i>qui tam</i> plaintiffs		406,327	-	406,327	
TOTAL - ALL NON-APPROPRIATED FUNDS		<u>\$ 3,692,220</u>	<u>\$ -</u>	<u>\$ 3,692,220</u>	

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2015**

For the Fourteen Months Ended August 31, 2015

Public Act 98-0679 FISCAL YEAR 2015	Appropriations (Net After Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
GRAND TOTAL - ALL FUNDS		<u>\$ 77,738,957</u>	<u>\$ 1,157,419</u>	<u>\$ 78,896,376</u>	

Note 1: Appropriations, expenditures, and lapsed balances were obtained from the State Comptroller records as of September 30, 2015, 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.

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES
For the Fiscal Years Ended June 30, 2016, 2015, and 2014**

	FISCAL YEAR		
	2016	2015	2014
	P.A. 99-0409, P.A. 99-0491, and Court-Ordered Expenditures	P.A. 98-0679	P.A. 98-0064
<u>GENERAL REVENUE FUND - 001</u>			
Expenditure Authority (net after transfers)		\$ 32,243,200	\$ 32,243,200
Expenditures			
Operational expenses	\$ 30,830,073	30,839,758	30,843,200
Disbursement to the IL Equal Justice Foundation	-	1,400,000	1,400,000
Total expenditures	<u>\$ 30,830,073</u>	<u>32,239,758</u>	<u>32,243,200</u>
Lapsed balances fund - 001		<u>\$ 3,442</u>	<u>\$ -</u>
<u>ILLINOIS GAMING LAW ENFORCEMENT FUND - 085</u>			
Expenditure Authority (net after transfers)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Lump sum, operations	<u>995,523</u>	<u>999,296</u>	<u>979,218</u>
Lapsed balances fund - 085	<u>\$ 4,477</u>	<u>\$ 704</u>	<u>\$ 20,782</u>
<u>ASBESTOS ABATEMENT FUND - 224</u>			
Expenditure Authority (net after transfers)	\$ -	\$ -	\$ 1,700,000
Lump sum, operations	<u>-</u>	<u>-</u>	<u>1,419,643</u>
Lapsed balances fund - 224	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 280,357</u>

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES
For the Fiscal Years Ended June 30, 2016, 2015, and 2014**

	FISCAL YEAR		
	2016	2015	2014
	P.A. 99-0409, P.A. 99-0491, and Court-Ordered Expenditures	P.A. 98-0679	P.A. 98-0064
<u>DOMESTIC VIOLENCE FUND - 499</u>			
Expenditure Authority (net after transfers)	\$ 500,000	\$ 500,000	\$ 500,000
Awards and grants	<u>485,810</u>	<u>477,725</u>	<u>477,725</u>
Lapsed balances fund - 449	<u>\$ 14,190</u>	<u>\$ 22,275</u>	<u>\$ 22,275</u>
<u>ATTORNEY GENERAL TOBACCO FUND - 533</u>			
Expenditure Authority (net after transfers)	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000
Lump sums and other purposes	<u>3,325,003</u>	<u>3,479,559</u>	<u>3,350,940</u>
Lapsed balances fund - 533	<u>\$ 174,997</u>	<u>\$ 20,441</u>	<u>\$ 149,060</u>
<u>ATTORNEY GENERAL COURT ORDERED AND VOLUNTARY COMPLIANCE PAYMENTS PROJECT FUND - 542</u>			
Expenditure Authority (net after transfers)	\$ 11,200,000	\$ 10,200,000	\$ 8,750,000
Lump sums and other purposes	<u>10,544,128</u>	<u>9,462,976</u>	<u>7,891,266</u>
Lapsed balances fund - 542	<u>\$ 655,872</u>	<u>\$ 737,024</u>	<u>\$ 858,734</u>

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES
For the Fiscal Years Ended June 30, 2016, 2015, and 2014**

	FISCAL YEAR		
	2016	2015	2014
	P.A. 99-0409, P.A. 99-0491, and Court-Ordered Expenditures	P.A. 98-0679	P.A. 98-0064
<u>ILLINOIS CHARITY BUREAU FUND - 549</u>			
Expenditure Authority (net after transfers)	\$ 1,900,000	\$ 1,900,000	\$ 1,900,000
Lump sums and other purposes	<u>1,831,630</u>	<u>1,894,408</u>	<u>1,887,478</u>
Lapsed balances fund - 549	<u>\$ 68,370</u>	<u>\$ 5,592</u>	<u>\$ 12,522</u>
<u>ATTORNEY GENERAL WHISTLEBLOWER REWARD AND PROTECTION FUND - 600</u>			
Expenditure Authority (net after transfers)	\$ 7,000,000	\$ 7,000,000	\$ 7,700,000
Lump sums and other purposes	<u>6,878,183</u>	<u>6,912,811</u>	<u>7,426,483</u>
Lapsed balances fund - 600	<u>\$ 121,817</u>	<u>\$ 87,189</u>	<u>\$ 273,517</u>
<u>CHILD SUPPORT ADMINISTRATIVE FUND - 757</u>			
Expenditure Authority (net after transfers)	\$ 240,000	\$ 240,000	\$ 240,000
Lump sums and other purposes	<u>-</u>	<u>213,904</u>	<u>216,757</u>
Lapsed balances fund - 757	<u>\$ 240,000</u>	<u>\$ 26,096</u>	<u>\$ 23,243</u>
<u>STATE PROJECTS AND COURT ORDERED DISTRIBUTION FUND - 801</u>			
Expenditure Authority (net after transfers)	\$ 11,300,000	\$ 11,300,000	\$ 9,350,000
Awards and grants, lump sums and other purposes	<u>8,923,751</u>	<u>11,007,447</u>	<u>6,433,024</u>
Lapsed balances fund - 801	<u>\$ 2,376,249</u>	<u>\$ 292,553</u>	<u>\$ 2,916,976</u>

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES
For the Fiscal Years Ended June 30, 2016, 2015, and 2014**

	FISCAL YEAR		
	2016	2015	2014
	P.A. 99-0409, P.A. 99-0491, and Court-Ordered Expenditures	P.A. 98-0679	P.A. 98-0064
<u>VIOLENT CRIME VICTIMS ASSISTANCE FUND - 929</u>			
Expenditure Authority (net after transfers)	\$ 8,963,200	\$ 8,953,900	\$ 8,955,300
Expenditures			
Personal services	1,025,420	1,025,948	1,028,069
State employees retirement system	467,879	434,665	414,610
Social security	74,370	74,310	75,077
Group insurance	385,392	332,016	327,591
Crime victims services division	18,385	15,692	43,590
Automated victim notification	758,631	694,294	673,081
Awards and grants	5,746,041	5,121,102	4,722,341
Total expenditures	8,476,118	7,698,027	7,284,359
Lapsed balances fund - 929	\$ 487,082	\$ 1,255,873	\$ 1,670,941
<u>ATTORNEY GENERAL SEX OFFENDER AWARENESS, TRAINING, AND EDUCATION FUND - 958</u>			
Expenditure Authority (net after transfers)	\$ 50,000	\$ 50,000	\$ 50,000
Lump sum, operations	-	-	-
Lapsed balances fund - 958	\$ 50,000	\$ 50,000	\$ 50,000
<u>ATTORNEY GENERAL FEDERAL GRANT FUND - 988</u>			
Expenditure Authority (net after transfers)	\$ 1,000,000	\$ 2,000,000	\$ 3,000,000
Lump sums and other purposes	636,838	818,245	2,038,444
Lapsed balances fund - 988	\$ 363,162	\$ 1,181,755	\$ 961,556

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES
For the Fiscal Years Ended June 30, 2016, 2015, and 2014**

	FISCAL YEAR		
	2016	2015	2014
	P.A. 99-0409, P.A. 99-0491, and Court-Ordered Expenditures	P.A. 98-0679	P.A. 98-0064
<u>TOTAL - ALL APPROPRIATED FUNDS</u>			
Expenditure Authority (net after transfers)		\$ 78,887,100	\$ 78,888,500
Total appropriated expenditures	<u>\$ 72,927,057</u>	<u>75,204,156</u>	<u>71,648,537</u>
Lapsed balances appropriated funds		<u>\$ 3,682,944</u>	<u>\$ 7,239,963</u>
NON-APPROPRIATED FUNDS			
<u>STATE WHISTLEBLOWER REWARD AND PROTECTION FUND - 703</u>			
Expenditures			
Payment of 1/6 to Attorney General & State Police	\$ 6,464,828	\$ 3,285,893	\$ 20,444,898
Awards to <i>qui tam</i> plaintiffs	<u>3,565,669</u>	<u>406,327</u>	<u>3,307,168</u>
Total expenditures fund - 703	<u>10,030,497</u>	<u>3,692,220</u>	<u>23,752,066</u>
<u>STATE PROJECTS AND COURT ORDERED DISTRIBUTION FUND - 801</u>			
Awards and grants	<u>-</u>	<u>-</u>	<u>563,841</u>
<u>TOTAL - ALL NON-APPROPRIATED FUNDS</u>			
Total Expenditures	<u>\$ 10,030,497</u>	<u>\$ 3,692,220</u>	<u>\$ 24,315,907</u>

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES
For the Fiscal Years Ended June 30, 2016, 2015, and 2014**

	FISCAL YEAR		
	2016	2015	2014
P.A. 99-0409, P.A. 99-0491, and Court-Ordered Expenditures		P.A. 98-0679	P.A. 98-0064
<u>GRAND TOTAL - ALL FUNDS</u>			
Total Expenditures	\$ 82,957,554	\$ 78,896,376	\$ 95,964,444
Attorney General's salary	\$ 156,541	\$ 156,541	\$ 156,541

Note 1: For Fiscal Year 2016 and Fiscal Year 2015, expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the State Comptroller records as of September 30, 2016, and have been reconciled to Office records. For Fiscal Year 2014, all appropriations, expenditure and lapsed balances were obtained from Office records and have been reconciled to the records of the Office of the State Comptroller.

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: During Fiscal Year 2016, the Circuit Court of St. Clair County in *AFSCME Council 31 v. Munger* (15 CH 475) ordered the State Comptroller, in the absence of enacted annual appropriations, to “draw and issue warrants accomplishing payment of wages [for all State employees] at their normal rates of pay.” As the Office never received enacted personal services appropriations for fund 001 for Fiscal Year 2016, the Office was able to submit vouchers to pay its employees in full without a maximum expenditure limit for personal service costs during Fiscal Year 2016.

Note 4: During Fiscal Year 2016, the Office operated without enacted appropriations until Public Act 99-0409 and Public Act 99-0491 were signed into law on August 20, 2015, and December 7, 2015, respectively. During the impasse, the Circuit Court of St. Clair County in *AFSCME Council 31 v. Munger* (15 CH 475) ordered the State Comptroller, in the absence of enacted annual appropriations, to “draw and issue warrants accomplishing payment of wages [for all State employees] at their normal rates of pay.” As such, the Office's court-ordered payroll payments were merged into the enacted appropriation for funds 085, 533, 542, 549, 600, 801, 929, and 988. Further, the Office incurred non-payroll obligations, which the Office was unable to pay until the passage of Public Act 99-0409 and Public Act 99-0491.

Note 5: Public Act 99-524 authorizes 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 48 includes information from Office management about the number of invoices and the total dollar amount of invoices held by the Office to be submitted against its Fiscal Year 2017 appropriation.

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPARATIVE SCHEDULE OF RECEIPTS, DISBURSEMENTS AND
FUND BALANCES (CASH BASIS) – LOCALLY HELD FUNDS
For the Fiscal Years Ended June 30,**

	Petty Cash Fund		Special Advance Funds		Consumer Trust Fund	Total
	Chicago	Springfield	Chicago	Springfield		
Cash balance as of July 1, 2014	\$ 788	\$ 630	\$ 7,835	\$ 14,753	\$ 500,382	\$ 524,388
Cash receipts	2,711	5,873	9,178	16,499	1,144,628	1,178,889
Cash disbursements	<u>2,917</u>	<u>5,885</u>	<u>10,250</u>	<u>14,779</u>	<u>349,772</u>	<u>383,603</u>
Cash balance as of June 30, 2015	582	618	6,763	16,473	1,295,238	1,319,674
Cash receipts	3,590	2,820	15,651	12,008	472,222	506,291
Cash disbursements	<u>3,695</u>	<u>2,506</u>	<u>15,832</u>	<u>12,120</u>	<u>162,662</u>	<u>196,815</u>
Cash balance as of June 30, 2016	<u><u>\$ 477</u></u>	<u><u>\$ 932</u></u>	<u><u>\$ 6,582</u></u>	<u><u>\$ 16,361</u></u>	<u><u>\$ 1,604,798</u></u>	<u><u>\$ 1,629,150</u></u>

STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
SCHEDULE OF CHANGES IN STATE PROPERTY
For the Two Years Ended June 30, 2016
(expressed in thousands)

	<u>Land and Land Improvements</u>	<u>Buildings and Building Improvements</u>	<u>Equipment</u>	<u>Total</u>	
Balance at July 1, 2014	\$ 102,715	\$ 6,931,365	\$ 11,150,414	\$ 18,184,494	
Additions	-	-	807,898	807,898	
Deletions	-	-	(786)	(786)	
Net transfers	-	114,959	(658,263)	(543,304)	
Balance at June 30, 2015	<u>\$ 102,715</u>	<u>\$ 7,046,324</u>	<u>\$ 11,299,263</u>	<u>\$ 18,448,302</u>	
Balance at July 1, 2015	\$ 102,715	\$ 7,046,324	\$ 11,299,263	\$ 18,448,302	
Additions	-	-	342,004	342,004	
Deletions	-	-	(829)	(829)	
Net transfers	-	156	(315,930)	(315,774)	
Balance at June 30, 2016	<u>\$ 102,715</u>	<u>\$ 7,046,480</u>	<u>\$ 11,324,508</u>	<u>\$ 18,473,703</u>	
<u>PROPERTY BY LOCATION</u>	<u>Springfield</u>	<u>Regional Offices</u>	<u>Chicago</u>	<u>Carbondale</u>	<u>Total</u>
Balance at June 30, 2015	<u>\$ 10,869,800</u>	<u>\$ 916,615</u>	<u>\$ 6,504,526</u>	<u>\$ 157,361</u>	<u>\$ 18,448,302</u>
Balance at June 30, 2016	<u>\$ 10,645,770</u>	<u>\$ 924,599</u>	<u>\$ 6,744,888</u>	<u>\$ 158,446</u>	<u>\$ 18,473,703</u>

STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND RECONCILIATION OF
CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Fiscal Years Ended June 30,

	FISCAL YEAR		
	2016	2015	2014
<u>GENERAL REVENUE FUND - 001</u>			
Penalties	\$ 37,037	\$ 19,645	\$ 42,396
Franchise fees	329,875	321,475	305,250
Recoveries - violent crime victims	125,343	96,500	114,196
Proceeds from court settlements	2,006,717	124,377,015	59,805,727
Miscellaneous receipts	7,182	9,762	7,048
Jury duty, phone calls	1,040	1,126	430
	<u>2,507,194</u>	<u>124,825,523</u>	<u>60,275,047</u>
Total cash receipts per Agency	2,507,194	124,825,523	60,275,047
Less - In transit at End of Year	7,250	15,042	12,661
Plus - In transit at Beginning of Year	15,042	12,661	12,987
	<u>15,042</u>	<u>12,661</u>	<u>12,987</u>
Total cash receipts per State Comptroller's records fund - 001	<u>\$ 2,514,986</u>	<u>\$ 124,823,142</u>	<u>\$ 60,275,373</u>
<u>ASBESTOS ABATEMENT FUND - 224</u>			
Miscellaneous receipts	\$ -	\$ -	\$ -
	<u>-</u>	<u>-</u>	<u>-</u>
Total cash receipts per Agency	-	-	-
Less - In transit at End of Year	-	-	-
Plus - In transit at Beginning of Year	-	-	52
	<u>-</u>	<u>-</u>	<u>52</u>
Total cash receipts per State Comptroller's records fund - 224	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52</u>
<u>DOMESTIC VIOLENCE FUND - 499</u>			
Miscellaneous receipts	\$ -	\$ -	\$ 1,084
	<u>-</u>	<u>-</u>	<u>1,084</u>
Total cash receipts per Agency	-	-	1,084
Less - In transit at End of Year	-	-	-
Plus - In transit at Beginning of Year	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total cash receipts per State Comptroller's records fund - 499	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,084</u>

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND RECONCILIATION OF
CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Fiscal Years Ended June 30,**

	FISCAL YEAR		
	2016	2015	2014
<u>ATTORNEY GENERAL TOBACCO FUND - 533</u>			
Miscellaneous receipts, jury duty, phone calls	\$ 75	\$ 21,687	\$ 928
Tobacco settlement master agreement A	3,000,000	4,000,000	3,000,000
Total cash receipts per Agency	3,000,075	4,021,687	3,000,928
Less - In transit at End of Year	-	-	-
Plus - In transit at Beginning of Year	-	-	-
Total cash receipts per State Comptroller's records fund - 533	<u>\$ 3,000,075</u>	<u>\$ 4,021,687</u>	<u>\$ 3,000,928</u>
<u>ATTORNEY GENERAL COURT ORDERED AND VOLUNTARY COMPLIANCE PAYMENTS PROJECT - FUND 542</u>			
Miscellaneous receipts, jury duty, phone calls	\$ 1,624	\$ 10,343	\$ 4,302
Damages awarded the State pursuant to civil suits	4,956,521	9,962,845	3,300,630
Total cash receipts per Agency	4,958,145	9,973,188	3,304,932
Less - In transit at End of Year	-	-	3,672
Plus - In transit at Beginning of Year	-	3,672	24,500
Total cash receipts per State Comptroller's records fund - 542	<u>\$ 4,958,145</u>	<u>\$ 9,976,860</u>	<u>\$ 3,325,760</u>
<u>ILLINOIS CHARITY BUREAU FUND - 549</u>			
Miscellaneous receipts, jury duty, phone calls	\$ 21	\$ 81	\$ 35
Penalties	-	787	-
Licenses, fees or registration	1,538,985	1,632,015	1,559,310
Total cash receipts per Agency	1,539,006	1,632,883	1,559,345
Less - In transit at End of Year	20,816	40,045	46,989
Plus - In transit at Beginning of Year	40,045	46,989	43,685
Total cash receipts per State Comptroller's records fund - 549	<u>\$ 1,558,235</u>	<u>\$ 1,639,827</u>	<u>\$ 1,556,041</u>

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND RECONCILIATION OF
CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Fiscal Years Ended June 30,**

	FISCAL YEAR		
	2016	2015	2014
<u>ATTORNEY GENERAL WHISTLEBLOWER REWARD</u>			
<u>PROTECTION FUND - 600</u>			
Miscellaneous receipts, jury duty, phone calls	\$ 8,650	\$ 37,870	\$ 14,752
Whistleblower awards	3,232,414	1,642,946	10,222,449
Total cash receipts per Agency	3,241,064	1,680,816	10,237,201
Less - In transit at End of Year	-	2,200	200
Plus - In transit at Beginning of Year	2,200	200	14
Total cash receipts per State Comptroller's records fund - 600	<u>\$ 3,243,264</u>	<u>\$ 1,678,816</u>	<u>\$ 10,237,015</u>
<u>STATE WHISTLEBLOWER REWARD AND PROTECTION</u>			
<u>FUND - 703</u>			
Awards	<u>\$ 24,295,178</u>	<u>\$ 9,913,401</u>	<u>\$ 53,236,926</u>
Total cash receipts per Agency	24,295,178	9,913,401	53,236,926
Less - In transit at End of Year	260,395	59,672	17,587
Plus - In transit at Beginning of Year	59,672	17,587	2,317,079
Total cash receipts per State Comptroller's records fund - 703	<u>\$ 24,094,455</u>	<u>\$ 9,871,316</u>	<u>\$ 55,536,418</u>
<u>TOBACCO SETTLEMENT RECOVERY FUND - 733</u>			
Court settlement forfeiture/New York attorney general	<u>\$ 235,586</u>	<u>\$ -</u>	<u>\$ -</u>
Total cash receipts per Agency	235,586	-	-
Less - In transit at End of Year	-	-	-
Plus - In transit at Beginning of Year	-	-	-
Total cash receipts per State Comptroller's records fund - 733	<u>\$ 235,586</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND RECONCILIATION OF
CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Fiscal Years Ended June 30,

	FISCAL YEAR		
	2016	2015	2014
<u>STATE PROJECT AND COURT ORDERED DISTRIBUTION</u>			
<u>FUND - 801</u>			
Miscellaneous receipts, jury duty, phone calls	\$ 85,925	\$ 67,521	\$ 14,452
Court and antitrust distribution	1,205,355	13,394,261	2,099,488
Court distribution/consumer education	-	1	-
Court distributions/charitable trust	21,000	24,500	22,500
Court distributions/environment	13,892	-	-
Grants from EPA Trust Fund Commission	-	500,000	500,000
Traffic/crime conviction surcharge	297,196	204,280	74,517
	<u>1,623,368</u>	<u>14,190,563</u>	<u>2,710,957</u>
Total cash receipts per Agency	1,623,368	14,190,563	2,710,957
Less - In transit at End of Year	14	62	8
Plus - In transit at Beginning of Year	62	8	-
	<u>1,623,416</u>	<u>14,190,509</u>	<u>2,710,949</u>
Total cash receipts per State Comptroller's records fund - 801	<u>\$ 1,623,416</u>	<u>\$ 14,190,509</u>	<u>\$ 2,710,949</u>
<u>VIOLENT CRIME VICTIMS ASSISTANCE FUND - 929</u>			
Miscellaneous receipts, jury duty, phone calls	\$ 19,402	\$ 10,792	\$ 18,444
Forfeited and seized property	40,537	-	-
Restitutions	41,781	32,167	38,066
	<u>101,720</u>	<u>42,959</u>	<u>56,510</u>
Total cash receipts per Agency	101,720	42,959	56,510
Less - In transit at End of Year	-	394	486
Plus - In transit at Beginning of Year	394	486	1,433
	<u>102,114</u>	<u>43,051</u>	<u>57,457</u>
Total cash receipts per State Comptroller's records fund - 929	<u>\$ 102,114</u>	<u>\$ 43,051</u>	<u>\$ 57,457</u>

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND RECONCILIATION OF
CASH RECEIPTS TO DEPOSITS REMITTED TO THE STATE COMPTROLLER
For the Fiscal Years Ended June 30,**

	FISCAL YEAR		
	2016	2015	2014
<u>ATTORNEY GENERAL SEX OFFENDER AWARENESS</u>			
<u>TRAINING AND EDUCATION FUND - 958</u>			
Sex offender registration fees	\$ 107,788	\$ 110,774	\$ 92,542
Total cash receipts per Agency	107,788	110,774	92,542
Less - In transit at End of Year	330	780	360
Plus - In transit at Beginning of Year	780	360	441
Total cash receipts per State Comptroller's records fund - 958	<u>\$ 108,238</u>	<u>\$ 110,354</u>	<u>\$ 92,623</u>
<u>ATTORNEY GENERAL FEDERAL GRANT FUND - 988</u>			
Miscellaneous receipts, jury duty, phone calls	\$ 507	\$ -	\$ 3,343
Department of Justice	452,773	516,965	1,177,457
Department of Treasury	-	5,185	-
Criminal Justice Trust Fund	159,200	115,285	89,744
Health and Human Services	-	-	311,911
Federal pass-through	-	-	12,398
Total cash receipts per Agency	612,480	637,435	1,594,853
Less - In transit at End of Year	-	-	-
Plus - In transit at Beginning of Year	-	-	-
Total cash receipts per State Comptroller's records fund - 988	<u>\$ 612,480</u>	<u>\$ 637,435</u>	<u>\$ 1,594,853</u>
<u>GRAND TOTAL - ALL FUNDS</u>			
Total cash receipts per Agency	\$ 42,221,604	\$ 167,029,229	\$ 136,070,325
Less - In transit at End of Year	288,805	118,195	81,963
Plus - In transit at Beginning of Year	118,195	81,963	2,400,191
Total cash receipts per State Comptroller's records - all funds	<u>\$ 42,050,994</u>	<u>\$ 166,992,997</u>	<u>\$ 138,388,553</u>

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2016**

Significant variances were determined to be changes of at least \$100,000 and more than 20 percent between fiscal years and are explained below.

<u>FUND, ACCOUNT (IF APPLICABLE) AND EXPLANATION</u>	Fiscal Year		
	2016	2015	2014
<u>GENERAL REVENUE FUND - 001</u>			
Disbursement to Illinois Equal Justice Foundation			
The decrease of \$1,400,000 or 100% from Fiscal Year 2015 to Fiscal Year 2016 was due to the budget impasse and no appropriation being issued to the Office of the Attorney General in Fiscal Year 2016 for this purpose. As a result, the Office did not pass through money to the Illinois Equal Justice Foundation (IEJF). In Fiscal Year 2015, \$1.4 million was passed through to the IEJF.	\$ -	\$ 1,400,000	\$1,400,000
<u>ASBESTOS ABATEMENT FUND - 224</u>			
Lump sum, operations	-	-	1,419,643
The decrease of \$1,419,643 or 100% from Fiscal Year 2014 to Fiscal Year 2015 was due to spending the remaining cash balance in the fund in Fiscal Year 2014. The fund contained money from the State's recoveries through litigation against, settlements with and bankruptcy proceedings of asbestos manufacturers. That litigation ended prior to Fiscal Year 2014.			
<u>ATTORNEY GENERAL COURT ORDERED AND VOLUNTARY COMPLIANCE PAYMENTS PROJECT FUND - 542</u>			
Lump sums and other purposes	10,544,128	9,462,976	7,891,266
The increase of \$1,571,710 or 20% from Fiscal Year 2014 to Fiscal Year 2015 was due to an increase in the required retirement rate and average headcount increasing from 76 to 87.			
<u>CHILD SUPPORT ADMINISTRATIVE FUND - 757</u>			
Lump sum, operations	-	213,904	216,757
The decrease of \$213,904 or 100% was due to a Deputy Attorney General position that became vacant and was not funded in Fiscal Year 2016 by an Interagency Agreement with the Department of Healthcare and Family Services (HFS).			

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2016**

<u>FUND, ACCOUNT (IF APPLICABLE) AND EXPLANATION</u>	Fiscal Year		
	2016	2015	2014
<u>STATE PROJECTS AND COURT ORDERED DISTRIBUTION FUND - 801</u>			
Awards and grants, lump sums and other purposes	\$8,923,751	\$11,007,447	\$6,433,024
<p>The increase of \$4,574,423 or 71% in Fiscal Year 2015 was due to the Fund being reliant on proceeds from litigation. Changes in expenditures from this fund reflect changes in receipts into the funds due to timing of litigation and the permissible uses of the funds received. During Fiscal Year 2015, this Fund received larger receipts and therefore funded a larger portion of the Office. Correspondingly, Fiscal Year 2015 showed approximately a \$1.4 million decrease in the Asbestos Abatement Fund 224 and approximately \$0.5 million decrease in the Attorney General Whistleblower Reward and Protection Fund 600.</p>			
<u>ATTORNEY GENERAL FEDERAL GRANT FUND - 988</u>			
Lump sums and other purposes	636,838	818,245	2,038,444
<p>The decrease of \$181,407 or 22% in Fiscal Year 2016 was due to reduced spending for the federal asset forfeiture-investigations, the Statewide Automated Victim Information and Notification (SAVIN) grant, and the federal asset forfeiture-criminal grants as the programs all showed reduced spending as the programs were ending during Fiscal Year 2015.</p> <p>The decrease of \$1,220,199 or 60% in Fiscal Year 2015 was due to SAVIN and National Foreclosure Mitigation Counseling grant programs ending on December 31, 2014.</p>			
<u>STATE WHISTLEBLOWER REWARD AND PROTECTION FUND - 703</u>			
Payment of 1/6 to Attorney General & State Police	6,464,828	3,285,893	20,444,898
<p>These expenditures are amounts paid into the Attorney General Whistleblower Fund (600) and State Police Whistleblower Fund (705) per 740 ILCS 175/8. The amount of payments is a function of the amount of and timing of receipts from settlements deposited into the State Whistleblower Reward and Protection Fund (703) in each fiscal year.</p>			
Awards to <i>qui tam</i> plaintiffs	3,565,669	406,327	3,307,168
<p>These spending amounts are reflective of the statutory disbursements pursuant to 740 ILCS 175/8 which are based on receipts.</p>			

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2016**

<u>FUND, ACCOUNT (IF APPLICABLE) AND EXPLANATION</u>	<u>Fiscal Year</u>		
	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>STATE PROJECTS AND COURT ORDERED DISTRIBUTION FUND - 801</u>			
Awards and grants	\$ -	\$ -	\$ 563,841

These payments represent cy pres distributions resulting from the resolution of litigation. Cy pres distributions are class action settlements that are distributed to entities that promote the interest of the class rather than to the individual class member. In each case involving cy pres distributions, the orders or settlement documents dictate and restrict the possible use of the funds. The Fiscal Year 2014 payments include the final awards for two settlements.

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2016**

Significant variances were determined to be changes of at least \$100,000 and more than 20 percent between fiscal years for the General Revenue, Special Revenue, Fiduciary Funds.

<u>FUND, ACCOUNT (IF APPLICABLE) AND EXPLANATION</u>	<u>Fiscal Year</u>		
	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>GENERAL REVENUE FUND - 001</u>			
Proceeds from court settlements	\$ 2,006,717	\$124,377,015	\$59,805,727
<p>Proceeds from court settlements vary from year to year based on the number and size of cases settled. In Fiscal Year 2016, the largest case settled for approximately \$2.0 million. In Fiscal Year 2015, the top seven largest cases settled for approximately \$124.0 million. In Fiscal Year 2014, the top five largest cases settled for approximately \$59.7 million.</p>			
<u>ATTORNEY GENERAL TOBACCO FUND - 533</u>			
Tobacco Settlement	3,000,000	4,000,000	3,000,000
<p>The increase of \$1,000,000 from Fiscal Year 2014 to Fiscal Year 2015 and decrease of \$1,000,000 from Fiscal Year 2015 to Fiscal Year 2016 was due to timing of transfers that occurred between funds 1403 and 533.</p>			
<u>ATTORNEY GENERAL COURT ORDERED AND VOLUNTARY COMPLIANCE PAYMENTS PROJECT FUND - 542</u>			
Damages awarded the State pursuant to civil suits	4,956,521	9,962,845	3,300,630
<p>Damages awarded the State pursuant to civil suits vary from year to year based on the number and size of cases settled. For Fiscal Year 2016, approximately \$4.6 million was received from the top eight largest cases settled. In Fiscal Year 2015, approximately \$9.6 million was received from the top ten largest cases settled. In Fiscal Year 2014, approximately \$3.1 million was received from the top four largest cases settled.</p>			
<u>ATTORNEY GENERAL WHISTLEBLOWER REWARD AND PROTECTION FUND - 600</u>			
Whistleblower awards	3,232,414	1,642,946	10,222,449
<p>These receipts are a result of settlement payments paid into the 703 fund pursuant to the False Claims Act. The Office of the Attorney General is entitled to one-sixth of the monies deposited into the 703 fund, subject to timing of distributions to fund 600.</p>			

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2016**

<u>FUND, ACCOUNT (IF APPLICABLE) AND EXPLANATION</u>	Fiscal Year		
	2016	2015	2014
<u>STATE WHISTLEBLOWER REWARD AND PROTECTION FUND - 703</u>			
Awards	\$24,295,178	\$ 9,913,401	\$53,236,926
<p>Whistleblower rewards vary from year to year based on the number and size of cases settled. For Fiscal Year 2016, approximately \$23.4 million was received from the top fourteen largest cases settled. For Fiscal Year 2015, approximately \$8.5 million was received from the top seventeen largest cases settled. For Fiscal Year 2014, approximately \$51.8 million was received from the top fifteen largest cases settled.</p>			
<u>TOBACCO SETTLEMENT RECOVERY FUND - 733</u>			
Court Settlement Forfeiture/New York attorney general	235,586	-	-
<p>The \$235,586 proceeds were received from a tobacco settlement against tobacco product manufactures which went into Fund 733 (Tobacco Settlement Recovery Fund) in Fiscal Year 2016 due to the timing of the underlying litigation. Monies in the Fund 733 are expended pursuant to the General Assembly appropriation per statutory origin of the Fund.</p>			
<u>STATE PROJECT AND COURT ORDERED DISTRIBUTION FUND - 801</u>			
Court and antitrust distribution	1,205,355	13,394,261	2,099,488
<p>The court and antitrust distributions vary between fiscal years based on the number and size of the cases settled. During Fiscal Year 2016, one settled case resulted in approximately \$1.2 million. During Fiscal Year 2015, seven settled cases resulted in approximately \$13.4 million. During Fiscal Year 2014, the one settled case resulted in approximately \$2.0 million.</p>			
Grants from EPA Trust Fund Commission	-	500,000	500,000
<p>The large decrease from Fiscal Year 2015 to Fiscal Year 2016 is due to the Environmental Protection Agency Trust Fund Commission (Commission) not receiving an appropriation until the end of June of Fiscal Year 2016 for this grant. This resulted in a delay of receiving the \$500,000 from the Commission until Fiscal Year 2017.</p>			

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2016**

<u>FUND, ACCOUNT (IF APPLICABLE) AND EXPLANATION</u>	Fiscal Year		
	2016	2015	2014
Traffic/crime conviction surcharge	297,196	204,280	74,517

The fluctuation each fiscal year is due to timing differences in the receipt of grant funds. Receipts come from the Law Enforcement Trainings Standards Board pursuant to an interagency agreement.

ATTORNEY GENERAL FEDERAL GRANT FUND - 988

Department of Justice	\$ 452,773	\$ 516,965	\$ 1,177,457
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The large decrease from Fiscal Year 2014 to Fiscal Year 2015 is due to the ending of the Statewide Automated Victim Information and Notification (SAVIN) grant in early Fiscal Year 2015 and the ending of Internet Crimes Against Children Stimulus grant in Fiscal Year 2014.

Health and Human Services	-	-	311,911
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The large decline from Fiscal Year 2014 to Fiscal Year 2015 is due to the Medicaid Fraud grant ending in Fiscal Year 2014.

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2016**

Significant variances were determined to be changes of more than 20 percent and at least \$20,000 of the total expenditures were made during lapse period.

<u>Expenditure Item</u>	<u>Fund</u>	<u>Total Expenditures</u>	<u>Lapse Period Expenditures</u>	<u>Percent</u>	<u>Explanation of Significant Lapse Period Expenditures</u>
<u>Fiscal Year 2016</u>					
Awards and grants	499	\$ 485,810	\$ 120,012	25%	The significant lapse period spending was due to fourth quarter grant payments being expended in lapse period. Normally, the fourth quarter grant payments are made prior to the fiscal year ending. However, because of the delays in appropriations caused by the budget impasse, which in return caused the recipients of the grants to delay incurring costs, the fourth quarter grant payments were delayed to lapse period.

Fiscal Year 2015

There were no funds for Fiscal Year 2015 in which more than 20 percent and at least \$20,000 of the total expenditures were made during lapse period.

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
For the Two Years Ended June 30, 2016**

The significant account balances for the Office of the Attorney General include Accounts Receivable and Locally Held Funds.

The Locally Held Funds (non-treasury held funds) represent funds collected for and disbursed from the Consumer Trust Fund 1106, Special Advance Fund 1108, and petty cash funds.

- The Consumer Trust Fund is used as a holding account for litigation awards collected on behalf of and payable to different consumer groups.
- The Special Advance Fund is used for instances where items must be purchased or paid for immediately. Examples of these expenditures would be when an investigator purchases evidence, court fees that must be paid up front, or witness fees that must be paid up front.
- The Special Advance Fund is used in the same manner as the petty cash funds. As amounts are expended from the fund, the fund is reimbursed through the Comptroller.
- The petty cash funds are used when items must be paid for or purchased immediately. These are imprest funds of Treasury held funds.

Included on the following page are explanations for significant variations in the significant account balances.

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
For the Two Years Ended June 30, 2016**

Significant variances were determined to be changes of at least \$100,000 and more than 20 percent between fiscal years for local fund cash balances and net receivables .

<u>FUND, ACCOUNT (IF APPLICABLE) AND EXPLANATION</u>	Fiscal Year		
	(expressed in thousands)		
	2016	2015	2014
<u>GENERAL REVENUE FUND - 001</u>			
Net Receivables	\$ 516	\$ 235	\$ 118,944
<p>The decrease in Fiscal Year 2015 end of year receivables and increase in Fiscal Year 2016 receivables is due to several large cases being settled at end of Fiscal Year 2014 and Fiscal Year 2016, but money was not received until the subsequent fiscal year.</p>			
<u>ATTORNEY GENERAL COURT ORDERED AND VOLUNTARY PAYMENTS PROJECT FUND - 542</u>			
Net Receivables	85	1,571	7,694
<p>The decrease in Fiscal Year 2015 and Fiscal Year 2016 end of year receivables is due to several large cases being settled at end of Fiscal Year 2014 and Fiscal Year 2015, but money was not received until the subsequent year.</p>			
<u>STATE WHISTLEBLOWER REWARD AND PROTECTION FUND - 703</u>			
Net Receivables	2,623	1,292	2,666
<p>The decrease in Fiscal Year 2015 end of year receivables and increase in Fiscal Year 2016 receivables is due to several large cases being settled at end of Fiscal Year 2014 and Fiscal Year 2016, but money was not received until the subsequent Fiscal Year.</p>			

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
ANALYSIS OF ACCOUNTS RECEIVABLE
For the Two Years Ended June 30, 2016**

<u>FUND, ACCOUNT (IF APPLICABLE) AND EXPLANATION</u>	<u>Fiscal Year</u>		
	(expressed in thousands)		
	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>TOBACCO SETTLEMENT RECOVERY FUND - 733</u>			
Net Receivables	\$ 234	\$ 470	\$ -
<p>The increase in Fiscal Year 2015 end of year receivables and decrease in Fiscal Year 2016 receivables is due to one case being settled at end of Fiscal Year 2015 and money being received over time.</p>			
<u>STATE PROJECTS AND COURT ORDERED DISTRIBUTION</u>			
<u>FUND - 801</u>			
Net Receivables	280	333	12,712
<p>The decrease in Fiscal Year 2015 end of year receivables was due to several large cases being settled at end of Fiscal Year 2014, but money was not received until the subsequent fiscal year.</p>			
<u>CONSUMER TRUST FUND - 1106</u>			
Cash Balance	1,605	1,295	500
<p>The increase in Fiscal Year 2015 and Fiscal Year 2016 end of year receivables is due to the increase in the number and dollar amount of consumer cases. Restitution received but not able to be disbursed to consumers has caused the cash balance to increase.</p>			
Net Receivables	1,358	859	2,311
<p>The decrease in Fiscal Year 2015 and increase in Fiscal Year 2016 end of year receivables is due to several large cases being settled during Fiscal Year 2014 and Fiscal Year 2016, but money had not been received at the end of the fiscal year.</p>			

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
ANALYSIS OF ACCOUNTS RECEIVABLE
For the Two Years Ended June 30, 2016**

The Office of the Attorney General (Office) is responsible for two distinct types of accounts receivables: amounts due to the Attorney General and amounts due to other State agencies, interest groups or individuals. The amounts due to the Office are recorded and monitored by the Office's Account Bureau. The amounts collected on behalf of other State agencies or individuals are recorded and monitored by the legal bureau responsible for collection.

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
ANALYSIS OF ACCOUNTS RECEIVABLE
June 30, 2016
(expressed in thousands)**

Fund Name	Current Receivables	Aged Accounts Receivable					Total Receivables	Allowance for Doubtful Accounts
		1 - 30 Days	31 - 90 Days	91 - 180 Days	181 Days - 1 Year	Over 1 Year		
<u>Balances at June 30, 2016</u>								
General Revenue Fund 001	\$ 109	\$ 10	\$ 20	\$ 377	\$ -	\$ 2,589	\$ 3,105	\$ 2,589
Attorney General Tobacco Fund 533	25,000		2,500			500	28,000	-
Attorney General Court Ordered and Voluntary Compliance Payments Project Fund 542	75	9	-	1	-	67	152	67
Illinois Charity Bureau Fund 549	-	-	-	-	-	45	45	45
State Whistleblower Reward and Protection Fund 703	2,591	17	2	5	8	1,954	4,577	1,954
Tobacco Settlement Recovery Fund 733	-	234	-	-	-	-	234	-
State Projects and Court Ordered Distribution Fund 801	280	-	-	-	-	3,647	3,927	3,647
Attorney General Federal Grant Fund 988	25	-	-	-	-	-	25	-
Consumer Trust Fund 1106	439	187	348	377	7	4,371	5,729	4,371
	<u>\$ 28,519</u>	<u>\$ 457</u>	<u>\$ 2,870</u>	<u>\$ 760</u>	<u>\$ 15</u>	<u>\$ 13,173</u>	<u>\$ 45,794</u>	<u>\$ 12,673</u>

Note: Receivables are collected by the Office of the Attorney General. Delinquent accounts are referred to the Office of the State Comptroller's Offset System and private collection firms.

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
ANALYSIS OF ACCOUNTS RECEIVABLE
June 30, 2015
(expressed in thousands)**

Fund Name	Current Receivables	Aged Accounts Receivable					Total Receivables	Allowance for Doubtful Accounts
		1 - 30 Days	31 - 90 Days	91 - 180 Days	181 Days - 1 Year	Over 1 Year		
<u>Balances at June 30, 2015</u>								
General Revenue Fund 001	\$ 187	\$ -	\$ 1	\$ 1	\$ 46	\$ 2,725	\$ 2,960	\$ 2,725
Attorney General Tobacco Fund 533	27,500	-	2,500	-	1,000	-	31,000	-
Elderly Victim Fund 541	-	-	-	-	-	40	40	40
Attorney General Court Ordered and Voluntary Compliance Payments Project Fund 542	414	1,157	-	-	-	67	1,638	67
Illinois Charity Bureau Fund 549	-	-	-	-	-	45	45	45
Attorney General Whistleblower Reward and Protection Fund 600	1	-	-	-	-	-	1	-
State Whistleblower Reward and Protection Fund 703	729	4	1	-	558	1,396	2,688	1,396
Tobacco Settlement Recovery Fund 733	470	-	-	-	-	-	470	-
State Projects and Court Ordered Distribution Fund 801	333	-	-	-	-	3,651	3,984	3,651
Attorney General Federal Grant Fund 988	42	-	-	-	-	-	42	-
Consumer Trust Fund 1106	545	20	7	4	283	19,361	20,220	19,361
	<u>\$ 30,221</u>	<u>\$ 1,181</u>	<u>\$ 2,509</u>	<u>\$ 5</u>	<u>\$ 1,887</u>	<u>\$ 27,285</u>	<u>\$ 63,088</u>	<u>\$ 27,285</u>

Note: Receivables are collected by the Office of the Attorney General. Delinquent accounts are referred to the Office of the State Comptroller's Offset System and private collection firms.

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
AGENCY FUNCTIONS AND PLANNING PROGRAM (NOT EXAMINED)
For the Two Years Ended June 30, 2016**

AGENCY FUNCTIONS

The Attorney General is Illinois' chief legal officer and is responsible for protecting the public interest of the state and its residents. As an advocate on behalf of state government and in the interest of the public, the Attorney General works to protect consumers, help crime victims, safeguard communities, advocate for older citizens, preserve the environment, ensure an open and honest government, and defend the rights of the citizens of Illinois. In addition, the Attorney General works with the Legislature to strengthen the laws to better protect Illinois residents.

During the examination period, the Attorney General was the Honorable Lisa Madigan, sworn into office on January 13, 2003.

The main locations of the Office of the Attorney General (Office) are the James R. Thompson Center, 100 West Randolph, Chicago, Illinois, 500 South Second Street, Springfield, Illinois and 601 South University Avenue, Carbondale, Illinois. There are four regional offices and two satellite offices located throughout the State of Illinois.

Office Functions

Functionally, the activities of the Office are divided into three areas: legal and service programs, policy and legislative affairs, and administrative programs. The legal and service programs represent the primary role of the Office in handling all litigation on behalf of the State, representing the People of Illinois in enforcing numerous laws, as required by statute, and implementing programs as required by statute. The policy and legislative affairs sections of the Office work to advance policies and strengthen laws to compliment the legal work of the Office. The administrative programs provide the structure, framework and support necessary for the efficient and effective delivery of the legal and service programs.

The legal and service programs and the policy and legislative affairs activities of the Office include representing the State in all litigation, protecting consumers, assisting crime victims, enforcing the environmental laws, defending citizen's rights, advocating for women, older citizens, and children, and ensuring open and honest government.

Administrative programs of the Office include Fiscal Affairs, Human Resources, Attorney Recruitment and Professional Development, Information Technology, Internal Audit, Law Library Support, and Office Services.

Regional Offices

The Office currently has four regional office locations and two satellite office locations. Each office has at least one attorney and one member of the support staff. The offices provide work space for attorneys who represent the State in all litigation as well as attorneys who handle cases under the many laws that the Office is charged with enforcing. The offices also provide assistance to citizens on many issues, including citizens seeking help with consumer fraud issues, disability access issues, veteran's rights issues and crime victim's issues. The offices are also involved in public education through an outreach program designed to educate the public on the Office's functions and services.

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
AGENCY FUNCTIONS AND PLANNING PROGRAM (NOT EXAMINED)
For the Two Years Ended June 30, 2016**

AGENCY FUNCTIONS (Continued)

The four regional office are located in Belleville (Metro-East), Rockford, Urbana, and Quincy.

The two satellite offices are the Chicago West Regional Office and the Chicago South Regional Office.

Advisory Groups

Following is a listing of Advisory Councils/Commissions providing assistance to the Office:

Violent Crime Victims Advisory Commission (725 ILCS 240/4)

Franchise Advisory Board (815 ILCS 705/21)

Charitable Advisory Council (225 ILCS 460/23)

Crime Victim and Witness Notification Advisory Committee (725 ILCS 120/8.5(g))

Management Structure

The Office management structure consists of the Attorney General and a Chief of Staff who is responsible for the Office oversight. Reporting to the Chief of Staff is the Chief Deputy Attorney General who is responsible for overseeing all of the legal functions of the Office, a Deputy Chief of Staff who is responsible for overseeing all administrative functions of the Office and a Deputy Chief of Staff for Policy and Legislative Affairs who is responsible for overseeing the policy staff and legislative affairs function of the Office. Three Deputy Attorneys General and a Solicitor General who supervise the legal divisions of the Office and report to the Chief Deputy Attorney General. The legal divisions of the Office are further divided into bureaus.

Relationship with the Social Security Number Protection Task Force

The Office administers the activities of the Social Security Number Protection Task Force (Task Force), a task force created within the Office by statute. The Task Force was created to examine procedures used by the State to protect individuals from having their social security numbers compromised and to explore technical and procedural changes necessary to implement a unique identification number system. The chairperson of the Task Force represents the Office and was appointed by the Attorney General. The Office provides administrative support to the Task Force in order to help fulfill its mission.

Funding provided to the Illinois Equal Justice Foundation

Pursuant to law, the Office receives the State funding for the Illinois Equal Justice Foundation (IEJF) and is legally required to pass that funding through to the IEJF. To implement the law, the Office has a Memorandum of Understanding with IEJF to pass the State funding through to the IEJF. The IEJF is a not-for-profit organization governed by the Illinois Equal Justice Act (30 ILCS 765/1 et seq.). The IEJF provides financial support to organizations that provide legal aid services to the public. The IEJF is allowed to keep up to 5% of State funds received for costs of administering grants and distributing State funds to other entities. For fiscal year 2015, funding of \$1.4 million was passed through the Office's general revenue fund lump sum appropriation to the IEJF. For fiscal year 2016, no funding was passed through the Office's general revenue fund lump sum appropriation to the IEJF.

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
AGENCY FUNCTIONS AND PLANNING PROGRAM (NOT EXAMINED)
For the Two Years Ended June 30, 2016**

AGENCY FUNCTIONS (Continued)

Under the law, the General Assembly appropriates the IEJF funding to the Office only as a disbursing authority. As a result, the law does not provide the Office with specific authority to treat the IEJF disbursement as a grant under the Grant Funds Recovery Act and to monitor IEJF expenditures. Further, Office management concluded that monitoring activities could create conflicts of interest with legal aid organizations which receive funding from IEJF and, at times, oppose the Office in litigation against the State.

PLANNING PROGRAM

According to management, the Office's planning program is a four part, continuous process that includes establishing, budgeting, accomplishing, and monitoring the Office's goals and objectives.

In establishing the Office's goals and objectives, on an annual and ongoing basis, the Attorney General and Senior Management meet to determine and prioritize goals and objectives for the upcoming year. Once established, the goals and objectives are communicated to senior staff and incorporated into the Office's annual plan. The goals and objectives of the Office are developed in response to input from senior staff and other stakeholders and often include developing new policy and legislative initiatives, and making programmatic changes.

After the Office's goals and objectives have been established, the financial impact of programmatic changes and new initiatives is determined by Fiscal Affairs through a review of current spending. The results of the work by Fiscal Affairs are reviewed by senior staff and incorporated into the Office's Budget Request. After the Budget Request is reviewed and approved by the Attorney General and Chief of Staff, it is submitted to the legislature and the Governor's Office of Management and Budget.

Office goals and objectives are generally accomplished through three types of activities: litigation, drafting and advocating for the passage of legislation, and developing and implementing policy initiatives and programs. These areas interact with each other, and this interaction often impacts the overall direction and implementation of the Office's goals and objectives. The Office achieves its litigation goals and objectives through defending the State in lawsuits and enforcing state statutes through investigations and lawsuits. To accomplish goals and objectives related to legislation, the Office develops an annual legislative agenda focused on modifying existing laws and/or enacting new laws to advance the overall goals and objectives of the Office and to compliment the legal work the Office is charged by statute to handle. To accomplish goals and objectives related to policy initiatives and program development, the Office conducts research and reviews and assesses current policies and programs as well as emerging public issues, and then develops new policy initiatives and programs.

Throughout the year, senior staff from the Office of the Attorney General monitor the status of the Office's goals and objectives through feedback from staff and the public and by gathering and synthesizing data that reflects the progress of new policy initiatives and programs. Also, management and staff meetings are conducted on regular basis to determine the progress of and to provide feedback on the Office's goals and objectives.

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
BUDGET IMPASSE DISCLOSURES (NOT EXAMINED)
For the Two Years Ended June 30, 2016**

Payment of Fiscal Year 2016 Costs in Future Fiscal Years

Article 74 of Public Act 99-0524 authorized the Office of the Attorney General (Office) to pay Fiscal Year 2016 costs using the Office's Fiscal Year 2017 appropriations for non-payroll expenditures. The Office did not have any outstanding invoices from Fiscal Year 2016 unpaid after the closure of the Fiscal Year 2016 Lapse Period on August 31, 2016. Therefore, the Office did not use its Fiscal Year 2017 appropriations to pay its Fiscal Year 2016 costs.

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
ALTERNATIVE FINANCING IN LIEU OF APPROPRIATIONS AND PROGRAMS
TO ADDRESS UNTIMELY PAYMENTS TO VENDORS (NOT EXAMINED)
For the Two Years Ended June 30, 2016**

Transactions Involving the Illinois Finance Authority

The Office of the Attorney General and its vendors did not participate in alternative financing in lieu of enacted appropriations involving the Illinois Finance Authority during Fiscal Year 2016.

STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
INTEREST COSTS ON FISCAL YEAR 2016 INVOICES (NOT EXAMINED)
For the Two Years Ended June 30, 2016

The Office calculated prompt payment interest due to vendors under the State Prompt Payment Act (Act) (30 ILCS 540) using the date an enacted appropriation existed through the date the State Comptroller issued a warrant to the vendor, regardless of when a vendor submitted a bill to the Office during Fiscal Year 2016. 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. During Fiscal Year 2016, the Office did not calculate any prompt payment interest due to vendors under the State Prompt Payment Act (Act) (30 ILCS 540). The Office's vendors were generally paid within 90 days after the proper bill date and the enacted appropriation, or were paid from funds and accounts that were ineligible for prompt payment interest due to vendors under the Act.

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
AVERAGE NUMBER OF EMPLOYEES (NOT EXAMINED)
For the Years Ended June 30,**

The following schedule was prepared from Office records and presents the average number of employees on a full-time equivalent basis for the Fiscal Years ended June 30,

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Division of Civil Appeals	22	24	23
Division of Consumer Protection	117	121	122
Division of Crime Victim Services	35	35	33
Division of Criminal Appeals	23	23	21
Division of Criminal Enforcement	55	54	54
Division of Environmental/Asbestos Litigation	39	37	35
Division of Fiscal Affairs	11	12	13
Division of Government Representation	186	193	185
Division of Investigations	18	19	23
Division of Operation & Administration Services	65	73	79
Communications/Press Office	9	9	9
Public Access & Opinions	26	24	22
Division of Public Interest	51	51	49
Regional Office Division	7	8	8
Senior Counsel to the Attorney General	1	1	1
Other	<u>51</u>	<u>56</u>	<u>59</u>
 Total number of employees	 <u><u>716</u></u>	 <u><u>740</u></u>	 <u><u>736</u></u>

STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
AVERAGE NUMBER OF EMPLOYEES (NOT EXAMINED)
For the Years Ended June 30,

The Office employs the following individuals; however, they are paid by their respective agencies. The following schedule was prepared from Office records and presents the average number of employees on a full-time equivalent basis for the Fiscal Years ended June 30,

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Agency and Office Bureau:			
Department of Child and Family Services - Child Welfare Litigation	7	7	6
Department of Healthcare and Family Services - Child Support Enforcement	60	65	52
Illinois Department of Employment Security - Financial Crimes	2	2	2
Illinois Department of Employment Security - Unemployment Insurance	12	12	13
Department of Health and Family Services - Welfare Litigation	2	5	7
Illinois Department of Revenue - Revenue Prosecution	1	1	6
Illinois Department of Revenue - Special Prosecution	8	8	1
Illinois Department of Revenue - Revenue Litigation	8	9	4
Illinois Department of Transportation - Land Acquisition	-	-	2
Illinois State Toll Highway	9	10	10
	<u> </u>	<u> </u>	<u> </u>
Total	<u>109</u>	<u>119</u>	<u>103</u>

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
MEMORANDUMS OF UNDERSTANDING (NOT EXAMINED)
For the Two Years Ended June 30, 2016**

The following Memorandums of Understanding (MOU) were effective during the engagement period:

The Office of the Attorney General (Office) was a party to a Memorandum of Understanding with the Illinois Equal Justice Foundation (IEJF) to distribute funding for their programs during the engagement period. IEJF, a not-for-profit organization, is governed by the Illinois Equal Justice Act (30 ILCS 765/1 et seq.) The IEJF provides financial support to organizations that provide legal aid services to the public. The IEJF is allowed to keep up to 5% of State funds received for costs of administering grants and distributing State funds to other entities. For fiscal years 2015, funding of \$1.4 million was passed through the Office's General Revenue Fund appropriation to the IEJF. For Fiscal Year 2016, the Office did not receive a General Revenue Fund lump sum appropriation.

The Office is a party to 251 MOU with local law enforcement agencies in Illinois. The MOU's were originally for the Office to loan equipment and software to the law enforcement agencies. The equipment and software were purchased with funding from the U.S. Department of Justice, Office of Juvenile Justice Delinquency Prevention, Internet Crimes Against Children grant. Upon receipt of the equipment and software and proper training, the local law enforcement agencies, also known as affiliate agencies, are to conduct digital forensic examinations using the equipment and report data regarding examinations conducted to the Office on a monthly basis. During the engagement period, there were 7 additional MOU's executed. The MOU's designate ownership of any equipment and software to the local law enforcement agencies on the date it was received by each covered agency. These MOU's with affiliate local law enforcement agencies are ongoing until termination by either the law enforcement agency or the Office.

Law Enforcement Agencies with MOU's Executed in FY2015 and FY2016

Clinton County Sheriff's Department
Illinois State Police – Zone 3
Round Lake Police Department
Livingston County State's Attorney
Logan County Sheriff's Department
Mundelein Police Department
Round Lake Police Department
Sangamon County Sheriff's Office

The Office was a party to a Memorandum of Understanding with Loyola University Chicago, Rape Victim Advocates, and the YWCA Evanston/North Shore to provide collaborative services on a U.S. Department of Justice, Office on Violence Against Women to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus Program grant. The Memorandum of Understanding is effective from September 1, 2012 through September 30, 2015. During the engagement period, Loyola University Chicago was the lead agency for the grant and the Office received no compensation for service provided under the grant.

**STATE OF ILLINOIS
OFFICE OF THE ATTORNEY GENERAL
SCHEDULE OF INDIRECT COST REIMBURSEMENTS (NOT EXAMINED)
For the Two Years Ended June 30, 2016**

According to cost principles established by the Office of Management and Budget, rates can be established for use by agencies in allocating indirect costs to federal programs. For federal programs before December 26, 2014, Attachment A of Circular A-87, "Cost Principles for State and Local Governments" applies. For federal programs on and after December 26, 2014, Subpart E of the Uniform Guidance "Cost Principles" applies. The grants awarded to the Office of the Attorney General do not have any indirect cost components and are program specific, covering all costs of the program. Therefore, there were no indirect costs in which to seek reimbursement.