



STATE OF ILLINOIS
**OFFICE OF THE
 AUDITOR GENERAL**

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

OFFICE OF COMPTROLLER – FISCAL OFFICER RESPONSIBILITIES

Financial Audit
 For the Year Ended June 30, 2021

Release Date: December 29, 2021

FINDINGS THIS AUDIT: 1	New	Repeat	Total	AGING SCHEDULE OF REPEATED FINDINGS			
				Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	0	0	2009			21-1
Category 2:	0	0	0				
Category 3:	0	1	0				
TOTAL	0	1	0				
FINDINGS LAST AUDIT: 1							

INTRODUCTION

This digest covers the Office of Comptroller’s Fiscal Officer’s Financial Audit as of and for the year ended June 30, 2021. The Office of Comptroller Fiscal Officer’s Compliance Examination as of and for the year ended June 30, 2021 will be issued in a separate report at a later date.

SYNOPSIS

- (21-1) The Office of Comptroller did not ensure all statutorily mandated transfers between State funds were made within established timeframes, as required.

Category 1: Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).
Category 2: Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.
Category 3: Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

OFFICE OF THE STATE COMPTROLLER - STATE OF ILLINOIS
FISCAL OFFICER RESPONSIBILITIES
FINANCIAL AUDIT
For the Year Ended June 30, 2021

FUND BALANCE (Amounts in Thousands)	Fiscal Year 2021		Fiscal Year 2020	
	Cash Balance	Budgetary Balances*	Cash Balance	Budgetary Balances*
Appropriated Funds				
General Funds.....	\$ 974,912	\$ (2,803,540)	\$ 531,393	\$ (5,751,487)
Highway Funds.....	2,567,556	2,381,559	1,271,779	1,111,595
Special State Funds.....	4,698,638	3,102,587	3,288,975	1,340,177
Bond Financed Funds.....	1,684,090	1,681,708	1,642,032	1,569,507
Debt Service Funds.....	1,892,763	2,054,182	1,441,692	2,041,427
Federal Trust Funds.....	945,229	(307,896)	3,188,386	2,319,467
Revolving Funds.....	115,938	(25,162)	40,362	14,952
State Trust Funds.....	534,304	274,300	880,118	583,410
Sub-Total.....	\$ 13,413,430	\$ 6,357,738	\$ 12,284,737	\$ 3,229,048
Non-Appropriated Funds				
Federal Trust Funds.....	\$ 579	\$ 500	\$ 653	\$ 442
State Trust Funds.....	2,912,474	2,952,147	2,463,949	2,711,242
Sub-Total.....	\$ 2,913,053	\$ 2,952,647	\$ 2,464,602	\$ 2,711,684
GRAND TOTAL - ALL FUNDS.....	\$ 16,326,483	\$ 9,310,385	\$ 14,749,339	\$ 5,940,732

* Budgetary Balances represent balances remaining after reduction of Cash Balances at June 30 by lapse period transactions.

FINANCIAL HIGHLIGHTS (Amounts in Thousands)	FY 2021	FY 2020
Total Revenues - All Funds.....	\$ 207,214,530	\$ 179,057,506
Total Expenditures - All Funds.....	203,844,877	176,405,102
Net Change in Budgetary Fund Balance - All Funds.....	<u>\$ 3,369,653</u>	<u>\$ 2,652,404</u>

STATE COMPTROLLER

During Engagement Period: Honorable Susana Mendoza

Currently: Honorable Susana Mendoza

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

LATE PAYMENT OF STATUTORILY MANDATED TRANSFERS

The Office of Comptroller (Office) did not ensure all statutorily mandated transfers between State funds were made within established timeframes, as required.

Late payments made for inter-fund transfers totaling \$2 billion were made after June 30, 2021

The Office processed transfers from 31 to 398 days after the mandated transfer date. The late transfers outstanding as of and paid after June 30, 2021 totaled \$1.07 billion. The Office also made 127 late transfers, totaling \$2.00 billion, between State funds that were made between one and 30 days after the statutorily mandated transfer date. Lastly, we noted 420 late transfers, totaling \$2.311 billion, which were still outstanding as of October 19, 2021, relating to fiscal year 2020, fiscal year 2019, fiscal year 2018, and fiscal year 2017. (Finding 1, pages 55-56) **This finding was first reported in 2009.**

We recommended the Office make transfers within timeframes established by applicable statute. While we realize that the lack of available funds in the State Treasury requires prioritization and cash management decisions, we recommended the Office continue in its efforts to make transfers in as timely a manner as possible.

Office accepts the recommendation

Office officials accepted the recommendation and stated the Office will make efforts to transfer funds more timely; however, daily management of cash flow for timely payments to vendors will also factor into the effort.

AUDITOR'S OPINION

The auditors stated the fund balances at June 30, 2021, and the revenues and expenditures for the year then ended relating to the State of Illinois, Office of the Comptroller - Fiscal Officer Responsibilities' Traditional Budgetary Financial Report, are fairly presented in all material respects. The auditors noted the financial statements have been prepared on a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The budgetary basis deficit of the General Funds decreased by \$2.947 billion during the fiscal year ended June 30, 2021. At June 30, 2020, the budgetary basis fund balance of the General Funds was a deficit of \$2.804 billion.

This financial audit was conducted by Sikich LLP.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

FJM:PH