

**STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF NATURAL RESOURCES**

**FINANCIAL AUDIT OF CAPITAL ASSET ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2014**

AND

**COMPLIANCE EXAMINATION
FOR THE TWO YEARS ENDED JUNE 30, 2014**

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
FINANCIAL AUDIT OF CAPITAL ASSET ACCOUNT
For the Year Ended June 30, 2014
AND
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

TABLE OF CONTENTS

	<u>Page(s)</u>
Agency Officials	1
Management Assertion Letter	3
Compliance Report:	
Summary	5
Independent Accountant’s Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes	8
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	12
Schedule of Findings	
Current Findings - State Compliance	14
Prior Findings Not Repeated	59
Financial Statement Report:	
Summary	61
Independent Auditor’s Report	62
Financial Schedule	
Schedule of Capital Assets	65
Notes to the Schedule of Capital Assets	66
Supplementary Information for State Compliance Purposes:	
Summary	<u>Schedule</u> <u>Page(s)</u> 72
Fiscal Schedules and Analysis	
Schedule of Appropriations, Expenditures and Lapsed Balances Fiscal Year 2014	1 74
Schedule of Appropriations, Expenditures and Lapsed Balances Fiscal Year 2013	2 76
Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances	3 78
Comparative Schedule of Receipts, Disbursements and Fund Balance (Cash Basis) - Locally Held Funds	4 98
Schedule of Changes in State Property	5 99

Comparative Schedule of Cash Receipts	6	100
Reconciliation Schedule of Cash Receipts to Deposits Remitted to the State Comptroller	7	101
Analysis of Significant Variations in Expenditures	8	113
Analysis of Significant Variations in Receipts	9	119
Analysis of Significant Lapse Period Spending	10	122
Analysis of Significant Account Balances	11	124
Analysis of Accounts Receivable	12	125
Analysis of Operations (Not Examined)		
Agency Functions and Planning Program (Not Examined)		126
Average Number of Employees (Not Examined)		137
Emergency Purchases (Not Examined)		139
Memorandums of Understanding (Not Examined)		141
Service Efforts and Accomplishments (Not Examined)		143
Schedule of Indirect Cost Reimbursements (Not Examined)		150
Open Space Lands Acquisition Development Grant Program (Not Examined)		151

STATE OF ILLINOIS
DEPARTMENT OF NATUAL RESOURCES
FINANICAL AUDIT OF THE CAPITAL ASSET ACCOUNT
For the Year Ended June 30, 2014
and
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

AGENCY OFFICIALS

Marc Miller	Director (through January 19, 2015)
Wayne Rosenthal	Director (January 20, 2015 – Present)
Randy Pollard	Assistant to the Director (February 3, 2015 – Present)
Elizabeth Penesis	Deputy Director (through January 30, 2015)
Todd Main	Deputy Director (through January 15, 2013)
Elizabeth Norden	Deputy Director (December 24, 2012 – January 30, 2015)
Travis Loyd	Deputy Director (through February 7, 2014)
Michael Howard	Deputy Director (April 16, 2014 – January 30, 2015)
Jay Curtis	Chief of Staff (through January 15, 2013)
Todd Main	Chief of Staff (January 16, 2013 – January 9, 2015)
Jason Hefley	Chief of Staff (January 12, 2015 – Present)
Mitchell Cohen	General Counsel/Legal (through July 22, 2013)
Jeff Smith	General Counsel/Legal (September 3, 2013 – February 15, 2015)
Brent Krebs	General Counsel/Legal (February 17, 2015 – Present)
Damon Stotts	Chief Fiscal Officer (through January 15, 2013)
Scott Harper	Chief Fiscal Officer (January 22, 2013 – January 30, 2015)
Doug Florence	Chief Fiscal Officer (February 1, 2015 – Present)
Dan Lorenc	Chief Information Officer (July 1, 2013 – February 15, 2015)
Chris Hill	Chief Information Officer (February 1, 2015 – Present)
Lisa LaBonte	Chief Internal Auditor
Michael Ziri	Office Director – Legislation (through October 8, 2013)
Michael Stevens	Office Director – Legislation (October 1, 2013 – Present)
Christopher Stucki	Office Director – Architecture, Engineering & Grants (through February 15, 2015)
Bob Appleman	Office Director – Architecture, Engineering & Grants (March 1, 2015 – Present)
Ron House	Office Director – Land Management (through March 31, 2014)
Todd Rettig	Office Director - Land Management (April 1, 2014 – Present)
Rafael Gutierrez	Office Director – Law Enforcement

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
FINANCIAL AUDIT OF THE CAPITAL ASSET ACCOUNT
For the Year Ended June 30, 2014
and
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

AGENCY OFFICIALS (continued)

Mike Woods	Office Director – Mines & Minerals (July 19, 2012 – February 26, 2014)
James Hafliger	Office Director – Mines & Minerals (March 1, 2014 – Present)
Mitchell Cohen	Office Director – Oil & Gas Management (July 23, 2013-October 31, 2014)
Mike Mankowski	Acting Office Director - Oil and Gas Resource Management (April 1, 2014 – July 31, 2014) CMS approved “additional identity” July 1, 2014 – December 31, 2014
Mike Mankowski	Office Director – Oil & Gas Management (August 1, 2014 – Present)
Rosemary Laudani	Office Director – Performance Management (January 2, 2014 – April 15, 2014)
Todd Main	Office Director – Performance Management (January 10, 2015 – February 15, 2015)
Todd Rettig	Acting Office Director – Realty & Environmental Planning (through August 15, 2012)
Todd Rettig	Office Director – Realty & Environmental Planning (August 16, 2012 – June 30, 2014)
Connie Waggoner	Acting Office Director – Realty & Environmental Planning (July 1, 2014 – September 30, 2014)
Connie Waggoner	Office Director – Realty & Environmental Planning (October 1, 2014 – Present)
James Herkert	Office Director – Resource Conservation
Bonnie Styles	Office Director – State Museum
Marceo Haywood	Office Director – Strategic Planning (April 16, 2014 – March 30, 2015)
Marceo Haywood	Office Director – Strategic Services (through April 15, 2014)
Rosemary Laudani	Office Director – Strategic Services (April 16, 2014 – January 30, 2015)
Steve Ettinger	Office Director – Strategic Services (January 28, 2015 – Present)
Arlan Juhl	Office Director – Water Resources (through December 31, 2014)
Dan Injerd	Office Director – Water Resources (April 8, 2015 – Present)

Department main headquarters is located at:

One Natural Resources Way
Springfield, Illinois 62703-1271



Illinois Department of Natural Resources

One Natural Resources Way Springfield, Illinois 62702-1271
www.dnr.illinois.gov

Bruce Rauner, Governor
Wayne A. Rosenthal, Director

STATE COMPLIANCE EXAMINATION

MANAGEMENT ASSERTION LETTER

June 16, 2015

Honorable William G. Holland
Auditor General
Iles Park Plaza
740 East Ash Street
Springfield, Illinois 62703-3154

Dear Mr. Holland:

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, Department of Natural Resources (Department). We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the Department's compliance with the following assertions during the period ended June 30, 2014. Based on this evaluation, we assert that during the two years ended June 30, 2014, the Department has materially complied with the assertions below.

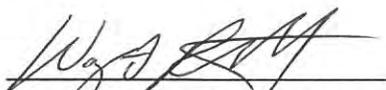
- A. The Department has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Department has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.

- C. The Department has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

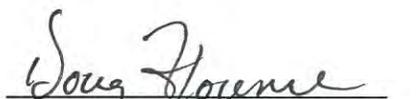
- D. State revenues and receipts collected by the Department are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.

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

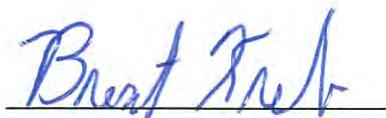
Sincerely,



Wayne A. Rosenthal, Director



Doug Florence, Chief Fiscal Officer



Brent Krebs, General Counsel

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
FINANCIAL AUDIT OF CAPITAL ASSET ACCOUNT
For the Year Ended June 30, 2014
AND
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

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, but does contain a qualified opinion on compliance and a material weakness over internal controls.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Current</u>	<u>Prior</u>
	<u>Report</u>	<u>Report</u>
Findings	16	13
Repeated findings	6	7
Prior recommendations implemented or not repeated	7	10

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
-----------------	-------------	--------------------	---------------------

FINDINGS (*GOVERNMENT AUDITING STANDARDS*)

No matters were reported.

FINDINGS (STATE COMPLIANCE)

2014-001	14	Inadequate controls over World Shooting and Recreation Complex operations	Material Weakness and Material Noncompliance
----------	----	---	--

FINDINGS (STATE COMPLIANCE)-Continued

2014-002	22	Failure to collect environmental consultation fees	Significant Deficiency and Noncompliance
2014-003	23	Failure to issue Off-Highway Vehicle Usage Stamps	Significant Deficiency and Noncompliance
2014-004	24	Failure to enforce concessionaire lease agreements	Significant Deficiency and Noncompliance
2014-005	27	Inadequate controls over bank reconciliations	Significant Deficiency and Noncompliance
2014-006	30	Inadequate controls over equipment and fuel reconciliations	Significant Deficiency and Noncompliance
2014-007	33	Internal audit deficiencies	Significant Deficiency and Noncompliance
2014-008	36	Inadequate controls over the purchase, recording and reporting of State property	Significant Deficiency and Noncompliance
2014-009	38	Weaknesses in accounts receivable and related reporting	Significant Deficiency and Noncompliance
2014-010	42	Untimely voucher approvals	Significant Deficiency and Noncompliance
2014-011	43	Noncompliance with mandated duties	Significant Deficiency and Noncompliance
2014-012	47	Inadequate control over employee attendance records and personnel functions	Significant Deficiency and Noncompliance
2014-013	50	Inadequate control over employees' accrual and use of overtime	Significant Deficiency and Noncompliance
2014-014	53	Lack of contingency planning or testing to ensure recovery of computer systems	Significant Deficiency and Noncompliance
2014-015	55	Weaknesses Regarding the Security and Control of Confidential Information	Significant Deficiency and Noncompliance
2014-016	57	Inaccurate GAAP Reporting	Significant Deficiency and Noncompliance

PRIOR FINDINGS NOT REPEATED

A	59	Inaccurate reporting of indirect cost
B	59	Failure to complete monthly deposit reconciliations
C	59	Employee performance evaluations not completed
D	59	Inadequate controls over mandate compliance
E	60	Failure to follow up on outstanding tickets with the Circuit Clerk
F	60	Inadequate controls over written warnings and citations
G	60	Fee imposition reports

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Agency personnel at an exit conference on May 21, 2015. Attending were:

DEPARTMENT OF NATURAL RESOURCES

Wayne Rosenthal, Director
Jason Heffley, Chief of Staff
Doug Florence, Chief Fiscal Officer
Lisa Labonte, Chief Internal Auditor
Rebecca Wilson, GAAP Coordinator

OFFICE OF THE AUDITOR GENERAL

Courtney Dzierwa, Audit Manager
Tad Huskey, Audit Supervisor
Stacie Sherman, Auditor
Megan Cawley, Auditor
Ben Schlouch, Auditor
Sinh Mai, Auditor

Responses to our recommendations were provided by Lisa Labonte in correspondence dated June 3, 2015.

SPRINGFIELD OFFICE:

ILES PARK PLAZA
740 EAST ASH • 62703-3154
PHONE: 217/782-6046
FAX: 217/785-8222 • TTY: 888/261-2687
FRAUD HOTLINE: 1-855-217-1895



CHICAGO OFFICE:

MICHAEL A. BILANDIC BLDG. • SUITE 5-900
160 NORTH LASALLE • 60601-3103
PHONE: 312/814-4000
FAX: 312/814-4006
FRAUD HOTLINE: 1-855-217-1895

OFFICE OF THE AUDITOR GENERAL
WILLIAM G. HOLLAND

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

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

We have examined the State of Illinois, Department of Natural Resource'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, 2014. The management of the State of Illinois, Department of Natural Resources is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois, Department of Natural Resource's compliance based on our examination.

- A. The State of Illinois, Department of Natural Resources 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, Department of Natural Resources 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, Department of Natural Resources 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, Department of Natural Resources 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, Department of Natural Resources on behalf of the State or held in trust by the State of Illinois, Department of Natural Resources 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, Department of Natural Resources' 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, Department of Natural Resources' compliance with specified requirements.

As described in item 2014-001 in the accompanying schedule of findings, the State of Illinois, Department of Natural Resources did not comply with requirements regarding obligating, expending, receiving, and using public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law and has not complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations. Compliance with such requirements is necessary, in our opinion, for the State of Illinois, Department of Natural Resources to comply with the requirements listed in the first paragraph of this report.

In our opinion, except for the noncompliance described in the preceding paragraph, the State of Illinois, Department of Natural Resources complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the two years ended June 30, 2014. However, the results of our procedures disclosed other instances of noncompliance with the requirements, which are required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of findings as items 2014-002 through 2014-016.

Internal Control

Management of the State of Illinois, Department of Natural Resources 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, Department of Natural Resources' 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, Department of Natural Resources' internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Department of Natural Resources' internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed

below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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 a 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings as item 2014-001 to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings as items 2014-002 through 2014-016 to be significant deficiencies.

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

The State of Illinois, Department of Natural Resources' responses to the findings identified in our examination are described in the accompanying schedule of findings. We did not examine the State of Illinois, Department of Natural Resources' responses and, accordingly, we express no opinion on the responses.

Supplementary Information for State Compliance Purposes

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information for the years ended June 30, 2013 and June 30, 2014 in Schedules 1 through 12 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, 2013 and June 30, 2014 accompanying supplementary information in Schedules 1 through 12. However, we do not express an opinion on the accompanying supplementary information.

We have not applied procedures to the June 30, 2012 accompanying supplementary information in Schedules 3, 4, 5, 6, 7, 8, and 9 and in the Analysis of Operations Section, and accordingly, we do not express an opinion or provide any assurance on it.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, and Department management and is not intended to be and should not be used by anyone other than these specified parties.



BRUCE L. BULLARD, CPA

Director of Financial and Compliance Audits

Springfield, Illinois

June 16, 2015

SPRINGFIELD OFFICE:

ILES PARK PLAZA
740 EAST ASH • 62703-3154
PHONE: 217/782-6046
FAX: 217/785-8222 • TTY: 888/261-2887
FRAUD HOTLINE: 1-855-217-1895



CHICAGO OFFICE:

MICHAEL A. BILANDIC BLDG. • SUITE S-900
160 NORTH LASALLE • 60601-3103
PHONE: 312/814-4000
FAX: 312/814-4006
FRAUD HOTLINE: 1-855-217-1895

OFFICE OF THE AUDITOR GENERAL
WILLIAM G. HOLLAND

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable William G. Holland
Auditor General
State of Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Schedule of Capital Assets of the State of Illinois, Department of Natural Resources, as of June 30, 2014, and the related notes to the Schedule of Capital Assets, and have issued our report thereon dated December 19, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the Schedule of Capital Assets, we considered the State of Illinois, Department of Natural Resources' internal control over financial reporting (internal control) of the Capital Asset Account to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Schedule of Capital Assets, but not for the purpose of expressing an opinion on the effectiveness of the State of Illinois, Department of Natural Resources' internal control. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Department of Natural Resources' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

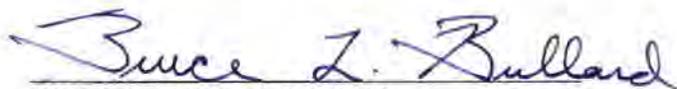
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control of the Capital Asset Account that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of Illinois, Department of Natural Resources' Schedule of Capital Assets is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the Schedule of Capital Assets amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of Illinois, Department of Natural Resources' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Illinois, Department of Natural Resources' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



BRUCE L. BULLARD, CPA

Director of Financial and Compliance Audits

Springfield, Illinois

December 19, 2014

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-001. **FINDING** (Inadequate controls over World Shooting and Recreation Complex operations)

The Department of Natural Resources (Department) did not exercise adequate controls over operations of its World Shooting and Recreation Complex (WSRC) in Sparta, Illinois.

The Department opened the WSRC in 2006. The WSRC consists of 1,500 acres of land devoted to shooting and outdoor recreation, including 1,000 camp sites, areas for trap, skeet, and sporting clay shooting, a cowboy action/pistol berm, a vendor mall, and an event center.

We noted the following weaknesses during our testing of WSRC operations:

Lack of Operations Manual

The Department has not established an operations manual, administrative rules, or procedures to govern operations of the WSRC. While certain Department-wide procedures and rules guide some of the WSRC's operations and functions, such as camping and equipment, the Department has not established guidance for the operational areas that are specific to the WSRC, such as event rentals, operations of the various shooting areas, handling of Department-owned firearms, and responsibility and recordkeeping for sponsorships and in-kind items received.

Lack of Controls over Sponsorship Items Received

The WSRC receives a number of in-kind items, such as certificates for firearms and ammunition, from sponsors for events. These items are then distributed as prizes for participants in certain shooting events. However, there are no records maintained for items received and/or distributed. As such, we could not determine to whom those items were distributed and if any items were lost or stolen.

Lack of Controls over Contractual Employees

In Fiscal Year 2012, the Department executed employment contracts with two individuals to perform duties related to operation of the cowboy action/pistol berm. The contracts with these individuals were renewed annually, including Fiscal Years 2013 and 2014. These individuals also operated a promotion company, promoting and conducting cowboy action shooting events. The terms of the employment contracts between the Department and these individuals were negotiated by Department personnel and varied from year to year.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-001. **FINDING** (Inadequate controls over World Shooting and Recreation Complex operations)-Continued

A key contract term appeared in the March 5, 2013 through March 5, 2014 contract and permitted the promotion company described above to host certain shooting events at the WSRC. These provisions required the individuals to go off of State payroll for one week prior to the events hosted by their promotion company.

This provision did not appear in the contract covering the period of one of their shoots held in Fiscal Year 2014. During the week prior to the event, the individuals each worked 48 hours. They were also each paid for working 8 hours on the final day of this multi-day event, for a total of 112 hours paid in conjunction with the setup and conduct of an event benefiting their own private business.

We noted inadequate controls over the work hours of these contractual employees. We performed a comparison of the berm's hours of operations for the month of April 2014 to the timesheets for these contractual employees, and we noted they were paid for a total of 136 hours for times/days when the berm was not open. We also noted five days on each of these employees' timesheets during April 2014 where the berm was scheduled to be open, but the employees did not work.

Subsequent to the examination period, Department management terminated the contracts with these two individuals. However, the Department did not request these individuals to return their keys to the WSRC. The Department also did not request another individual terminated to return keys to the WSRC.

Lack of Controls over Equipment

The WSRC personnel identified 27 State owned firearms secured in two safes on site. We noted 3 of the 27 firearms were not included on the Department's equipment listing. The remaining 24 firearms were not added to the Department's equipment listing on a timely basis. The 24 firearms were all added to the Department's equipment listing in January 2015. In addition, it appears the WSRC does not have proper controls in place regarding the use of these State owned firearms. WSRC has developed a sign-out sheet for individuals who remove the firearms from the safe for use on the property. However, the sign out sheet was only located in one of the two safes. Also, WSRC personnel could not provide sign-out sheets for the examination period.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-001. **FINDING** (Inadequate controls over World Shooting and Recreation Complex operations)-Continued

Inconsistencies in Cash Receipts

During our testing of cash receipts for activity at the cowboy action/pistol berm, we noted numerous inconsistencies in cash amounts received when compared to the pricing schedule established by the Department. Some of the issues noted include:

- Seven instances where persons used the berm for free. The WSRC did not collect revenues totaling \$68 related to these instances.
- Forty instances where persons used the berm at a reduced price. In total, the WSRC should have collected an additional \$270 related to these instances.
- One hundred twenty-three instances where persons used the berm at a reduced price due to their membership in a specific organization. In total, the WSRC should have collected an additional \$790 related to these instances.
- Three instances where we could not determine what price each shooter was charged with relation to the cash deposit as a whole. However, it appears the WSRC did not receive the correct amount per shooter. In total, the WSRC should have collected an additional \$67 related to these instances.
- Sixteen instances where persons used the berm at a reduced price for “Ladies’ Night” events. In total, the WSRC should have collected an additional \$32 related to these instances, as the pricing schedule for the WSRC makes no provisions for a reduced price for such events.

Lack of Controls over Camping Activity

- Campground hosts were not performing their required duties. One of three (33%) campground hosts, only signed one camping permit during the examination period. In addition, one of three (33%) campground hosts did not sign any camping permits at all during the examination period. We noted the campers for these campground hosts were not marked with any exterior signage, indicating they were campground hosts.

During one of our visits on site, we noted 15 campers on site. Seven of the campers noted belonged to either campground hosts, State agencies, or a vendor. The remaining eight campers did not have the required orange placards on display to indicate they had paid for camping privileges.

The Department operates the campground host program at State parks and other locations throughout the State to help staff campgrounds by collecting fees from campers, answering questions, and reaching out to law enforcement when necessary to ensure a peaceful experience for campers and compliance with all applicable laws, rules, and regulations.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-001. **FINDING** (Inadequate controls over World Shooting and Recreation Complex operations)-Continued

Lack of Controls over Facility Use Agreements

Our testing at the WSRC included a sample of facility use agreements and related transactions. We noted the following:

- Reservation deposits of \$250 each were not received prior to 6 of 15 (40%) events tested. The WSRC's Facility Use Agreement states a \$250 reservation deposit is required to be submitted along with an application for facility reservations.
- Payments for the use of the facility were not made at least seven days prior to the scheduled event for 6 of 15 (40%) events tested. Payments received ranged from \$360 to \$3,907 and were received from 7 to 159 days late. The WSRC's Facility Use Agreement states all fees for the use of WSRC facilities must be paid in full not less than seven days before the scheduled event, and failure to make the payment will result in cancellation of the agreement.
- The WSRC paid for awards to be distributed to the winners of two events held by the promotion company described earlier in this finding. The awards cost a total of \$3,849. The WSRC's Facility Use Agreements for these events did not indicate the WSRC was responsible for the cost of the awards.
- Insurance information was not provided to the WSRC for 3 of 15 (20%) events tested. Each of these events was conducted by the promotion company described earlier in this finding. The WSRC's Facility Use Agreements for these events stated the promotion company was to provide insurance information prior to the events. The WSRC did not collect all fees due to the WSRC for 2 of 15 (13%) events tested. Fees for amenities for these events, such as extra porta-potties, vendor fees, clay targets, and hand washing stations, and fees for the correct numbers of shooters, totaling \$2,220 were not collected from the promotion company who sponsored the events.
- Facility Use Agreements could not be located for 2 of 15 (13%) events selected for testing. WSRC personnel stated the events selected were canceled. Facility Use Agreements should have been completed when the events were scheduled in order for the dates to be held by the WSRC. WSRC records also do not indicate deposits were received or refunded for these events.
- A comprehensive vendor list was not received for 1 of 15 (7%) events selected for testing. The Facility Use Agreement for this event specified the promotion company was to provide WSRC personnel with a comprehensive vendor listing to ensure the appropriate fees were received for all vendors on site. As a result, we could not determine if the appropriate fee was received from the promotion company for this event.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-001. **FINDING** (Inadequate controls over World Shooting and Recreation Complex operations)-Continued

- The Facility Use Agreement was not signed by the applicant for 1 of 15 (7%) events tested. In addition, the Facility Use Agreements were not signed by the Executive Director for 6 of 15 (40%) events tested. A signed Facility Use Agreement is necessary to ensure all parties agree to the terms, conditions, and price of events to be held at the WSRC.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires each agency to establish and maintain a system, or systems, of internal fiscal and administrative controls, to provide assurance revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

Good internal controls require policy statements, personnel rules, systems of authorization and approvals, and procedures manuals be used to guide employee actions. In addition, a proper internal control structure should be established to help safeguard assets, ensure the collection of revenues, and encourage adherence to legal requirements and prescribed management policies.

According to the Joint Committee on Administrative Rules (17 Ill. Adm. Code 130.135(e)), a host should be a visible representation of the Department with knowledge of rules and regulations. In addition, a permit should be issued and fees collected at the time the camp is established or as soon as possible thereafter.

Department personnel stated the WSRC is a specialized facility requiring senior operations managers with shooting sports knowledge and training. Limited staffing and lack of management experience in shooting programs and running a facility with the complexities of the WSRC led to the situations noted in the finding.

Failure to properly establish an operations manual specific to WSRC could lead to the misuse of State assets and loss of potential revenues. Failure to enforce proper controls over sponsorship items received and State owned firearms could lead to the theft or misuse of State assets. In addition, failure to establish controls over contractual employees could result in overpayment of wages paid to employees. Failure to consistently charge fees for use of the pistol berm and failure to have properly identified campground hosts could result in lost revenue. Also, failure to properly execute the Facility Use Agreement as written could lead to increased liability to the WSRC, the Department and the State, as well as lost revenues. (Finding Code No. 2014-001)

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-001. **FINDING** (Inadequate controls over World Shooting and Recreation Complex operations)-Continued

RECOMMENDATION

We recommend the Department establish an operations manual for the specific operations of the WSRC. The handbook should specifically address the terms of the Facility Use Agreements, event rentals, operations of the various shooting areas, handling of Department-owned firearms, and responsibility and recordkeeping for sponsorships and in-kind items received. In addition, we recommend the Department strengthen controls over contractual employees and ensure they only work time scheduled or approved by their immediate supervisor. We also recommend the Department ensure campground hosts are performing their duties as agreed upon with the Department and adequately display signage near campground hosts' campers.

DEPARTMENT RESPONSE

The Department agrees with the issues noted in the finding. The WSRC is a unique site within the family of Department sites. Rather than a state park, fish and wildlife area or other habitat focused area, it is a 1600 acre site developed primarily for shooting sports. The WSRC serves an important group of users and is a significant portion of Department operations. During Fiscal Year 2014, the Department expended \$2,977,193 from normal operating budgets to operate the WSRC and paid debt service of \$414,997 for a total of \$3,392,190, as well as realizing \$1,136,521 of income. The Department estimates the WSRC served approximately 240,000 shooters in calendar year 2014.

The Department anticipated many of the audit findings. Recognizing the need to improve WSRC management in 2014, the Department shifted resources to the WSRC and undertook steps to improve its management and operation. However, the Department found that changes were made to standard operating procedures and traditional approval mechanisms were bypassed. The Department has assigned staff from other Department units, not traditionally responsible for WSRC management, to advise WSRC management on operational issues. Those efforts were met with mixed success. One positive result was improvements in the operation and standardization of concession and leasing operations for some of the WSRC's largest events. One effort that did not meet with as much success was an attempt to improve how WSRC management determined the schedules for contractual employees. In November 2014, the Department terminated the contract of an employee responsible for WSRC operations during the audit period. The Department is actively pursuing a WSRC Executive Director with the requirement that any candidate would have substantial shooting sports industry experience.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-001. **FINDING** (Inadequate controls over World Shooting and Recreation Complex operations)-Continued

The Department has implemented a number of additional changes that address the audit findings. The Department has modified its personal services contracts for temporary WSRC staff. When no-cost camping space represents a portion of the compensation paid to a contractual employee, it will be clearly documented within the employment contract, rather than using the temporary WSRC staff as campground hosts. In the past, the Department hired people to serve both as campground hosts and as contractual shooting range officials. In order to avoid any further conflicts between those two important functions, the Department terminated select contracts in November 2014.

To address daily shooting sports management, fee collection and other operational issues, the Department plans to develop a more comprehensive WSRC-specific operations manual immediately following the hiring of new WSRC management personnel. Although the WSRC has shooting range safety and operational rules posted, it will expand the areas covered by site-specific guidance to include the areas covered by the audit findings. All of these new personnel the Department is seeking to hire will report to the Department's Director, consistent with past practice. This reporting structure will continue to ensure that the new personnel will be closely monitored and responsible to the highest authorities within the Department.

The Department is also finalizing a revised Facility Use Agreement which will address questions about payment of WSRC fees and Department responsibilities during shooting events. The revised Facility Use Agreement will more clearly spell out which fees are applicable to each event and will remove discretion on the part of WSRC staff to charge reduced fees or otherwise waive fees and identify those shoots that will receive prizes pursuant to the Department's statutory imprest account authority (Section 21(g) of the State Comptroller Act (15 ILCS 405/21(g))). The audit findings did include fee collection issues totaling several thousand dollars. Fee collection is an important issue and while the totals identified in the audit findings were not significant in the context of the WSRC's finances, the Department is committed to eliminating problems associated with fees charged for shooting and camping.

The Department has confirmed the location and security of all firearms on the WSRC's inventory as well as ensured that all weapons held for use at the WSRC are on the Department's inventory list. It is a feature of Illinois' firearms laws that neither the WSRC nor the Department can obtain a FOID card, and thus cannot directly hold title to firearms necessary for the operation of the WSRC. To address this issue, the Department has firearms for use at the WSRC held under the name of the Executive Director, and the firearms are entered on the Department's inventory list. Firearms at the WSRC are stored in two gun safes and are checked-out by authorized users. The new operating

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-001. **FINDING** (Inadequate controls over World Shooting and Recreation
Complex operations)-Continued

guidance will include provisions on ensuring firearms remain secure and with the Department during management transition periods. The firearm check-out process was recently improved by adding a second check-out log so that both gun safes now have appropriate check-out logs.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-002. **FINDING** (Failure to collect environmental consultation fees)

The Department of Natural Resources (Department) did not assess and collect fees for certain environmental consultations performed as required.

The Department of Natural Resources (Conservation) Law (20 ILCS 805/805-555(b)) requires the Department to assess a \$500 fee for consultations conducted pursuant to the Illinois Endangered Species Protection Act (520 ILCS 10/11) and the Illinois Natural Areas Preservation Act (525 ILCS 30/17), effective January 1, 2013.

The Department did not collect the \$500 fee for consultations of this type performed during the examination period. Between July 5, 2013 and March 17, 2014, the Department performed 1,019 consultations of this type. As a result, the Department did not bill for or collect over \$500,000 in revenue to which it was entitled.

Department personnel stated it took additional time to develop and implement a fee collection step to its existing database/system for processing environmental consultations. Department personnel indicated they began collecting the consultation fees subsequent to the examination period.

Failure to assess fees as required by State statute decreases the revenue available to the Department to support operations and is noncompliance with State statute. (Finding Code No. 2014-002)

RECOMMENDATION

We recommend the Department proceed with assessing and collecting fees for environmental consultations as required, or seek legislative remedy.

DEPARTMENT RESPONSE

The Department agrees that it did not assess and collect fees for certain environmental consultations during the audit period. The Department began collecting those consultation fees on October 30, 2014.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-003. **FINDING** (Failure to issue Off-Highway Vehicle Usage Stamps)

The Department of Natural Resources (Department) failed to issue Off-Highway Vehicle Usage Stamps and collect related monies as required by the Recreational Trails of Illinois Act (Act).

The Act (20 ILCS 862/26) states no person shall, on or after July 1, 2013, operate any off-highway vehicle within the State unless the off-highway vehicle has attached an Off-Highway Vehicle Usage Stamp purchased and displayed in accordance with the provisions of this Act. The Act further states the Department shall charge a fee per stamp and the proceeds from stamp sales shall be deposited into the Conservation Police Operations Assistance Fund and the Park and Conservation Fund.

During testing, we noted the Department failed to begin selling Off-Highway Vehicle (OHV) Usage Stamps and collecting related monies.

Department personnel stated while administrative rules for implementation of this statute were approved, a decision to postpone implementation was announced on March 6, 2014, due to ongoing questions and concerns raised by the public.

Failure to begin issuing Off-Highway Vehicle Usage Stamps and collecting related fees under the Act is noncompliance with State statute and reduces the funds available for use in the Conservation Police Operations Assistance Fund and the Park and Conservation Fund. (Finding Code No. 2014-003)

RECOMMENDATION

We recommend the Department issue Off-Highway Vehicle Usage Stamps and collect the related fee as required by State statute or seek legislative remedy.

DEPARTMENT RESPONSE

The Department agrees that it has not issued Off-Highway Vehicle Usage Stamps. The Department is working on a State recreation venue for off-highway vehicle usage. The Department has agreed to not issue Off-Highway Vehicle Usage Stamps until the State provides an off-road park for off-highway vehicle usage.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-004. **FINDING** (Failure to enforce concessionaire lease agreements)

The Department of Natural Resources (Department) failed to monitor and enforce concessionaire lease agreements regarding rental and reserve payments.

During the engagement period, the Department had approximately 70 concessionaires located at State parks throughout Illinois. The Department's concession coordinators are responsible for negotiating and enforcing lease terms, overseeing the site, approving rates charged, and collecting rental payments. The Department received rental fees from concessionaires totaling \$795,525 and \$799,913 during Fiscal Years 2014 and 2013, respectively.

During our sample testing of 10 concession and lease agreements, we noted 20 (54%) rental payments were remitted to the Department in an untimely manner, ranging from 1 to 145 days late.

In addition, for the largest four concessionaires as measured by rental payments/deposits, we noted all four did not properly adhere to the terms and conditions stated in their lease agreement. Specifically, these concessionaires did not submit, or submitted late, the required documents as set forth in the lease agreements. During our review of these concessionaires, we noted:

- Three of the four concessionaires did not submit reserve deposit slips in a timely manner, ranging from 1 to 211 days late.
- Three of the four concessionaires' reserve deposit slips tested did not have a date stamp. As a result, we were unable to determine if the reserve deposit slips were remitted timely.
- One concessionaire's file was missing the 2012 and 2013 Schedule of Gross Revenue. In addition, the 2012 and 2013 reconciliation between the Schedule of Gross Revenue and the Lessee's revenue reports was not performed. Also, the 2012 Profit and Loss Statement was submitted two days late and the 2012 Forecast, Budgeting and Marketing Documents, including the forecast of operating expenses and revenues, budget of capital expenditures for real and personal property, summary of the facility's marketing plan, and an annual cash flow analysis, were submitted 13 days late.
- One concessionaire's file did not reconcile between the 2012 and 2013 Schedule of Gross Revenue and the Lessee's revenue reports. Further, we were unable to determine if the 2012 Financial Statements and 2012 Schedule of Gross Revenue were submitted timely because they were not date stamped. Also, the 2012 and 2013 reports were submitted 43 and 135 days late, respectively.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-004. **FINDING** (Failure to enforce concessionaire lease agreements)-Continued

- One concessionaire's file did not contain the 2013 Forecast, Budgeting and Marketing documents including the annual forecast of operating revenues and expenses, the budget of capital expenditures for real and personal property for the next fiscal year and for a rolling, prospective three year period, annual cash flow analysis, and marketing plan. In addition, we were unable to determine if the 2012 marketing plan was submitted timely because it was not date stamped. Also, the 2012 and 2013 reports were submitted 51 and 30 days late, respectively. The 2012 Forecast, Budgeting, and Marketing documents were submitted 288 days late.
- One concessionaire's file did not have a date stamp on the 2012 marketing plan so we were unable to determine if it was submitted to the Department in a timely manner. Additionally, the 2012 and 2013 required reports were submitted 51 and 30 days late, respectively.

Standard contract language for concessionaires whose rents are based on a percentage of sales states "a report of sales must be forwarded to the Division of Concession and Lease Management no later than the 25th day of the following month." In addition, three delinquent payments in a twelve-month period or a delinquent account of ninety days shall be cause for immediate termination of lease. Additionally, for concessionaires whose rents are based on an annual fee, the contract states a specific due date in which rental payment must be received by the Department.

In addition, the standard contract language for concessionaires who are required to make reserve deposits based on a percentage of gross revenue states "Lessee shall provide DNR a copy of the deposit slip for all monies placed in said Reserve Account each month, no later than the 25th day of the month following the previous month's operations. Failure to deposit monies in to the Reserve Account shall be considered cause for cancellation of the Concession."

According to the concessionaire's lease agreement, the Department requires the concessionaires to submit at a specified time the following documents: a) Lessee's annual forecast of operating revenues and expenses for the next calendar year, b) a budget of capital expenditures for real and personal property for the next fiscal year, and for a rolling, prospective for a three-year period, c) a summary of the Concessionaire's marketing plan for the next fiscal year, and d) an annual analysis which itemizes cash flow estimates on a monthly basis.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-004. **FINDING** (Failure to enforce concessionaire lease agreements)-Continued

In addition, the concessionaire's lease agreement states the Lessee is required to submit a Profit and Loss Statement covering each calendar year to the Department at a specified time. This report should be supplemented by a schedule of gross revenue classified by rental category which must be reconciled with the Lessee's revenue reports provided to the Department.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that: (4) revenues, expenditures, and transfers of assets, resources or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

Department personnel stated that they cannot control when a lessee sends in the required deposits or documents. When items are not received, the Department contacts the lessee to encourage their compliance; however, they cannot force the lessee to conform. Failure to date stamp documents was an oversight by staff.

Failure to enforce lease terms, including payments and the submission of lease required documents, impairs the Department's ability to ensure the concessionaire is in good standing and could result in decreased revenue to the Department. (Finding Code No. 2014-004, 12-2, 10-2, 08-3, 06-9)

RECOMMENDATION

We recommend the Department ensure adequate controls are in place to ensure concessionaires are in compliance with contracts and lease agreements.

DEPARTMENT RESPONSE

The Department agrees with the finding and is now sending notices/letters to the lessees reminding them of the deadline when these reports are due and contacts the lessee to request items that are past due.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-005. **FINDING** (Inadequate controls over bank reconciliations)

The Department of Natural Resources (Department) did not properly prepare and review bank reconciliations at Department sites selected for testing.

During our visits to ten Department sites, we tested the local revenue and petty cash bank reconciliations. Of the ten sites tested, eight sites maintained local revenue accounts. During our testing of the local revenue accounts, we noted the following:

- 36 of 169 (21%) monthly bank reconciliations were not performed.
- 24 of 169 (14%) monthly bank reconciliations did not include a signature indicating review and approval by a second individual.
- Six of 169 (4%) monthly bank reconciliations were not signed by the preparer and reviewed and approved by a second individual.
- One of eight (13%) sites did not maintain a check register for the local revenue account; therefore, the auditor could not trace the book balance used on the reconciliation to any supporting documentation.
- For two of eight (25%) sites tested, signature cards were not kept up to date.
- Bank statements could not be located for seven of 169 (4%) monthly bank reconciliations; therefore, accuracy of the bank reconciliations could not be verified.
- One of eight (13%) sites was not properly clearing the revenue account by sending revenues to central office. The account balance as of April 4, 2014 was \$16,419. In addition, two of eight (25%) sites were not sending revenues to central office on a timely basis. One site issued 50 camping permits, totaling \$1,406, during a 289 day period. The second site issued 224 camping permits, totaling \$5,898, during a 296 day period.
- Three of 8 (38%) sites lacked a proper segregation of duties over the revenue process as one individual signed checks, made deposits, and maintained the check book.

Of the ten sites tested, seven sites maintained a petty cash account. During our testing of the petty cash accounts, we noted the following:

- Four of 148 (3%) monthly bank reconciliations were not signed by the preparer.
- 52 of 148 (35%) monthly bank reconciliations did not include a signature indicating review and approval by a second individual.
- Four of 148 (3%) monthly bank reconciliations were not signed by the preparer and reviewed and approved by a second individual.
- One of seven (14%) sites did not complete monthly bank reconciliations on a timely basis. Auditors noted 21 months of reconciliations for the petty cash account were signed by the petty cash custodian on the same date.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-005. **FINDING** (Inadequate controls over bank reconciliations)-Continued

- Signature cards were not kept up to date for two of seven (29%) sites.
- Three of seven (43%) sites lacked proper segregation of duties over the petty cash process as one individual signed checks, made deposits, and maintained the check book.

The Department's Finance Handbook (Handbook) requires a monthly reconciliation of the local revenue bank account. In addition, monthly petty cash reconciliation must be performed by someone other than the custodian or person maintaining the fund and be retained with the site records. The Handbook also states that when the transfer of petty cash custodians is necessary, proper relief/assumption of responsibility for the fund must be completed. The Office of Fiscal Management will ensure the proper people are notified of the change.

The Handbook also states that revenues and cash receipts must be transmitted by every Monday if the amount of revenues on hand is \$500 or more or within every 15 days of deposit if the amount of revenues is \$499 or less. No revenues should be held for longer than 21 days.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that: revenues, expenditures, and transfers of assets, resources or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources. In addition, good internal controls require the Department maintain adequate segregation of authorization, record keeping and custody duties.

Department personnel stated their Land Management sites have operated short staffed for numerous years. Many experienced site superintendents have retired, and many site superintendents are now supervising multiple sites. In addition, many sites operate without any clerical assistance. As a result, maintaining sites for public use was prioritized ahead of administrative functions.

Failure to timely and properly prepare and review bank reconciliations could cause errors to go unnoticed for a significant period of time and could cause the account balance to be misstated and fraud could go undetected. Further, failure to timely deposit cash receipts into the State Treasury reduces the amount of cash available to pay current obligations. (Finding Code No. 2014-005, 12-3, 10-3, 08-11)

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-005. **FINDING** (Inadequate controls over bank reconciliations)-Continued

RECOMMENDATION

We recommend the Department review its existing policies and procedures to ensure all reconciliations are performed timely and properly while maintaining an adequate segregation of duties. Further, we recommend the Department ensure sites are following Department policy and remitting revenue to Central Office on a timely basis.

DEPARTMENT RESPONSE

The Department agrees with the finding and has issued updated procedures addressing reconciling local revenue and petty cash accounts, as well as revenue transmittal and deposits, including their timing.

Staff has been added, wherever possible, to assist in the segregation of duties in regards to approval signatures and administrative duties. The current staff has acquired missing reconciliation tools (bank statements and check registers) and has found older missing documents. As staff is added, the Department will ensure that all materials associated with the local revenue and petty cash accounts are updated accordingly.

As permitted, the Department will continue to increase the number of staff responsible for administrative duties including reconciliations, approvals and review, deposits, writing checks and revenue transmittals at the site level.

Department administrative staff has traveled to sites with multiple issues to assist in training and review of current procedures. Where possible, accounts with past discrepancies have been consolidated, and those that could not be consolidated are currently being reconciled by the administrative Department staff.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-006. **FINDING** (Inadequate controls over equipment and fuel reconciliations)

The Department of Natural Resources (Department) failed to maintain adequate controls over equipment and reconciliations of fuel at various sites. During our testing at ten (10) Department sites, we noted the following:

Equipment

We selected a total of 291 equipment items from property control listings for testing, noting:

- 27 (9%) items selected from the property listing were missing property asset tags.
- 34 (12%) items selected were obsolete.
- 12 (4%) items selected were observed at the sites but were not listed on the property control listing.
- 16 (5%) items physical location did not match their location on the property control listing.
- Ten (3%) items selected for testing could not be located at the Department sites.

In addition, during our equipment observation, at five of ten (10) Department sites, we noted numerous items which were obsolete and unused that were being stored at the parks and not scrapped or surplused, including multiple tractors, traffic counters, monitors, printers, cash registers, mobile radios, chairs, typewriters, old CPUs, mowers, weed eaters, chainsaws, an old fuel tank, a floor jack, a blade sharpener, microscopes and electrical boxes.

During our testing at one of ten (10) Department sites, we noted that the Department-owned residence on site was not being properly maintained.

Fuel Reconciliations

Of the ten sites tested, eight had fuel held on site. We tested 48 monthly fuel reconciliations, noting:

- 14 (29%) fuel reconciliations revealed overages or shortages; however, there was no documentation the overages or shortages were investigated by management.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-006. **FINDING** (Inadequate controls over equipment and fuel reconciliations)-Continued

- 43 (90%) fuel reconciliations did not contain any evidence of supervisory review and approval.
- Three (6%) fuel reconciliations were not performed.
- Three (6%) fuel reconciliations were performed without using stick measurements in the reconciliation process.

Statewide Accounting Management System (SAMS) (Procedure 29.10.10) states that agencies are required to maintain a permanent record of all property. Additionally, it states assets that are obsolete, damaged or no longer used in operations should be identified and, if necessary, removed from the agency's asset records.

The Illinois Administrative Code (Code) (44 Ill. Adm. Code 5010.210) states agencies are responsible for marking each piece of State-owned equipment in their possession with a unique six digit identification number to be assigned by the agency holding the property. The identification number shall be affixed to the property in a general area easily located by all and in no danger of being damaged.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that: revenues, expenditures, and transfers of assets, resources or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources. In addition, good internal controls require the Department maintain adequate segregation of authorization, record keeping and custody duties.

Chapter 13 of the Department's Office of Land Operations Manual states, "The first day of the month, prior to any fuel pumped, take a meter reading at the pump; record the reading on your Monthly Fuel Reconciliation form, or if no meter take a stick reading and record the amount in gallons. Total from fuel logs and total pumped from meter should be relatively close if all fuel is recorded and there are no problems with the meters. If you do not have an accurate meter, use a stick to maintain the reading. Fuel usage will be reconciled monthly between the log book and the meter. Any variance of 25 gallons or more will be investigated by the Site Superintendent and a memo will be kept on file explaining the reason for the variance."

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-006. **FINDING** (Inadequate controls over equipment and fuel reconciliations)-Continued

Department personnel stated that limited staffing, Site Superintendents with responsibilities for multiple sites, and a lack of clerical staff contributed to the issues noted in the finding.

Improper administration of equipment inventory could result in inaccurate property control records and noncompliance with applicable guidelines. Failure to prepare and review fuel reconciliations impairs the sites' ability to determine whether overages or shortages are occurring as a result of leaks, unauthorized withdrawals, or misreported fuel deliveries and usage. (Finding Code No. 2014-006, 12-4, 10-4)

RECOMMENDATION

We recommend the Department ensure equipment items are properly tagged and proper documentation of equipment location is completed and on file. In addition, the Department should review the necessity of all equipment and properly dispose of obsolete items. Further, the Department should ensure all fuel reconciliations are properly completed and any overages or shortages are investigated.

DEPARTMENT RESPONSE

The Department agrees to the exceptions noted by the auditors in their testing of equipment and fuel reconciliations. Through the annual property control certification process, issues with missing tags or property, or item locations are identified, and the sites work with Property Control to remedy these situations. Land Management will remind Site Superintendents of the importance of property control and following procedures for fuel reconciliations, including investigating variances greater than 25 gallons.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-007. **FINDING** (Internal audit deficiencies)

The Department of Natural Resources (Department) failed to follow up on internal audit report findings and audit all major systems of internal accounting and administrative controls on a periodic basis. In addition, the Department did not perform internal audits of petty cash funds where reimbursements to the accounts exceeded \$5,000 in a single fiscal year.

Follow up on internal audit findings

During our testing we noted the following:

- The internal audit staff did not follow up on previously issued reports to ensure appropriate corrective action was taken.
- The Department's internal audit function is not in compliance with the Fiscal Control and Internal Auditing Act which requires them to audit the Department's major systems of internal accounting and administrative controls on a periodic basis so that all systems are reviewed every two years and include testing of:
 - The obligation, expenditure, receipt, and use of public funds of the State and of the funds held in trust to determine whether those activities are in accordance with applicable laws and regulations
 - Grants received or made by the designated State agency to determine that the grants are monitored, administered, and accounted for in accordance with applicable laws and regulations

The Fiscal Control and Internal Audit Act (30 ILCS 10/2003(a)) requires the chief executive officer of each designated State agency to ensure the internal auditing program includes:

- A two-year plan, identifying audits scheduled for the pending fiscal year, approved by the chief executive officer before the beginning of the fiscal year. By September 30 of each year the chief internal auditor shall submit to the chief executive officer a written report detailing how the audit plan for that year was carried out, the significant findings, and the extent to which recommended changes were implemented.
- Audits of major systems of internal accounting and administrative control conducted on a periodic basis so that all major systems are reviewed at least once every 2 years. The audits must include testing of:
 - The obligation, expenditure, receipt, and use of public funds of the State and of funds held in trust to determine whether those activities are in accordance with applicable laws and regulations; and
 - Grants received or made by the designated State agency to determine that the grants are monitored, administered, and accounted for in accordance with applicable laws and regulations.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-007. **FINDING** (Internal audit deficiencies)-Continued

- Reviews of the design of major new electronic data processing systems before their installation to ensure the systems provide for adequate audit trails and accountability.
- Special audits of operations, procedures, programs, electronic data processing systems, and activities as directed by the chief executive officer or by the governing board, if applicable.

Department personnel stated establishing a findings follow-up process was overlooked when the internal audit function was returned to an in-house function. Due to a limited staff, internal audit was not able to provide audit coverage of all major systems of internal accounting and administrative controls within the Department over the two year period, as required by the Act.

Internal audits of petty cash funds

We noted the Department's internal audit function did not perform audits of petty cash funds where reimbursements to the accounts exceeded \$5,000 in a single fiscal year. Seven and two funds operated by the Department in Fiscal Years 2013 and 2014, respectively, received reimbursements exceeding \$5,000 in each fiscal year and should have been subjected to internal audits as required. The Department operated 148 petty cash funds during Fiscal Years 2013 and 2014.

The State Finance Act (30 ILCS 105/13.3) requires agencies to perform internal audits of all petty cash funds where reimbursements exceed \$5,000 in one fiscal year.

Department personnel stated the audits were not performed due to limited resources in the Department's internal audit function.

Failure to follow up on previously issued reports impairs the Department's ability to ensure the appropriate corrective action was taken. Additionally, failure to comply with the FCIAA requirements could result in areas not being subjected to internal audit review for a substantial period of time. Finally, failure to perform regular internal audits over petty cash funds could increase the risk that errors, irregularities, and misappropriations of funds will occur and not be detected. (Finding Code No. 2014-007)

RECOMMENDATION

We recommend the Department ensure it has adequate internal audit staff to ensure compliance with the Fiscal Control and Internal Auditing Act and to perform internal audits of petty cash funds when reimbursements to the fund exceed \$5,000 in a single fiscal year as required.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-007. **FINDING** (Internal audit deficiencies)-Continued

DEPARTMENT RESPONSE

The Department agrees with the finding and will consider the need for additional Internal Audit staffing in light of budgetary constraints.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-008. **FINDING** (Inadequate controls over the purchase, recording and reporting of State property)

The Department of Natural Resources (Department) did not maintain adequate controls over property and fixed asset records and related functions and reporting. During testing of property and fixed asset records, auditors noted the following:

- Thirty-one of 60 (52%) equipment acquisitions tested, totaling \$447,722, were added to the property listing from 1 to 197 days late. In addition, three of 40 (8%) equipment deletions tested, totaling \$14,498, were removed from the property listing from 2 to 588 days late. The delays in recording transactions had a negative impact on six of eight (75%) of the Department's quarterly Agency Reports of State Property (C-15s), ranging from a \$34,325 understatement to a \$10,698 overstatement of property balances.

The Illinois Administrative Code (44 Ill. Admin. Code 5010.400) requires agencies to adjust their property records within 30 days of acquisition, change, or deletion of equipment items. Statewide Accounting Management System (SAMS) (Procedure 29.20.10) requires State agencies to report accurate equipment balances on a quarterly basis.

- One of 40 (3%) equipment items tested, totaling \$1,539, was located in storage and was deemed obsolete; however, the item still remained on Department property records.

SAMS (Procedure 29.10.10) states assets that are obsolete, damaged or no longer used in operations should be identified and, if necessary, removed from the agency's asset records.

- Three of 40 (8%) equipment items tested could not be found on the Department's property listing.

SAMS (Procedure 29.10.10) states that agencies are required to maintain a permanent record of all property.

Department personnel stated the untimely recording of transactions in the property system were due to delays in obtaining all necessary invoices and/or documentation from the multiple locations the Department has throughout the State. The Department operates numerous State parks and facilities, many of which were short staffed or not staffed at all during the examination period. When invoices are not received in a timely manner, payment processing and the recording of property additions are delayed.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-008. **FINDING** (Inadequate controls over the purchase, recording and reporting of State property)-Continued

Failure to maintain accurate and complete property records and to timely record additions and deletions increases the potential for fraud and possible loss or theft of State property. Inaccurate property reporting reduces the reliability of Statewide property information. (Finding Code No. 2014-008)

RECOMMENDATION

We recommend the Department strengthen internal controls over the recording and reporting of State property. Specifically, the Department should ensure all equipment transactions are accurately and timely recorded on its property records and accurately reported on the C-15s.

DEPARTMENT RESPONSE

The Department agrees with the issues noted in the finding. The Department continues to strive to record property transactions in a timely manner and ensure that the property control system accurately reflects the property inventory.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-009. **FINDING** (Weaknesses in accounts receivable and related reporting)

The Department of Natural Resources (Department) did not exercise adequate controls over reporting of accounts receivable.

The Office of the State Comptroller's (Comptroller) Statewide Accounting Management System (SAMS) (Procedure 26.30.10) and the Illinois State Collection Act of 1986 (30 ILCS 210 et seq.) requires agencies to file quarterly accounts receivable information with the Comptroller. This is accomplished by completing a Quarterly Summary of Accounts Receivable - Accounts Receivable Activity report (Form C-97) and Aging of Total Gross Receivables (Form C-98) which are prepared and submitted to the Comptroller each quarter.

We performed detailed accounts receivable testing on the following funds: 039 - State Boating, 040 - State Parks, 041 - Wildlife & Fish, 261 - Underground Resources and 884 - DNR Special Projects. We noted the following weaknesses:

- The Department's accounts receivable reporting process is cumbersome, relies on numerous subsystems, and requires manual entry. During testing of Forms C-97 and C-98, we noted reports were manually compiled from multiple accounts receivable systems in order to issue a single report. Fund 261 was compiled using an outdated computer code called Paradox. Other funds such as Fund 884 were maintained in Excel spreadsheets that can be prone to error, and Fund 039 was comprised of Automated Clearing House (ACH) accounting reports, phone/internet deposit slip forms, fund transfer reports from the Illinois Office of the Comptroller, and returned check aging reports. For Funds 040 and 041, the only documentation available for some large farm lease adjustments made was an email with a single figure on it; records of how the adjustments were calculated were not kept. These adjustments were as much as \$4 million. The Department's accountant supervisor oversees the compilation of Forms C-97 and C-98. However, the individual is not responsible for verifying the figures reported to her from the various individuals in charge of the funds' accounts receivable.

The Department has not consistently recorded estimated uncollectibles for Fund 261. The entire accounts receivable balance was recorded as estimated uncollectibles for all but two quarters, Fiscal Year 2013 quarter 3 and Fiscal Year 2014 quarter two, of the audit period. Furthermore, the Department has not consistently recorded the aging of accounts receivable balances on Form C-98 for Fund 261. The balance on the C-98 was recorded as "Over 1 Year" in some quarters and as "181 days - 1 year" in subsequent quarters. Based on the activity in this fund, it does not appear reasonable to suggest these balances should have been classified as less than one year old at any time during the examination period.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-009. **FINDING** (Weaknesses in accounts receivable and related reporting)-Continued

- The Department has not made sufficient attempts to collect on the accounts or write off the uncollectible balances for Fund 261. The accounts receivable for Fund 261 are unpaid fines and outstanding well fees dated as far back as Fiscal Year 1991 and had values at June 30, 2014 of \$1.6 million and \$709 thousand, respectively.
- The Department did not maintain a detailed accounts receivable subsidiary ledger to support the current quarter accounts receivable additions reported on the C-97 forms. Rather, the Department generally takes the amount collected during the quarter, subtracts the beginning quarterly receivable balance, and adds the ending quarterly gross receivables balance to back into, or plug, the accounts receivable additions for the quarter. The Department was also unable to provide support for Fund 040 and 041 adjustments and collections reported on the Form C-97 ranging from \$(122) thousand to \$7 thousand for Fiscal Year 2013 quarters two and three and Fiscal Year 2014 quarter two.
- For Funds 040, 041, 261 and 884, we were unable to reconcile amounts for collections and gross receivables at the end of the quarter on the Form C-97 to agency provided schedules and support for Fiscal Year 2013 quarters one and four and Fiscal Year 2014 quarters two through four. Differences between amounts on the Form C-97 and agency provided support ranged from \$(1.6) million to \$3.1 million.

For all funds tested, we were unable to agree amounts reported by the Department on the Form C-98 to Department prepared aging schedules for one or more quarters in the audit period. In most cases, these discrepancies appear to be a misclassification of an entire balance in the accounts receivable aging categories: "Receivables not past due," "1-30 days," "31-90 days," "91-180 days," "181 days - 1 year" or "Over 1 year." Discrepancies ranged from \$1 thousand to \$3.1 million. In addition, we were also unable to agree amounts reported on Department prepared aging schedules to support provided at Fiscal Years 2013 and 2014 year-end for Funds 039 and 041, Fiscal Year 2013 year-end for Funds 884 and 040 and Fiscal Year 2014 year-end for Fund 261. Discrepancies were as much as \$4.0 million. For Fund 261, the Department prepared aging schedule could not be traced to support for both Fiscal Years 2013 and 2014 year-end due to insufficient detail in support provided for accounts receivable classified as "181 days - 1 year" and "Over 1 year."

- For three of nine (33%) individual accounts receivable at June 30, 2014, the Department did not accurately report the accounts receivable balance. The accounts receivable balances at June 30 were overstated by \$15,161.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-009. **FINDING** (Weaknesses in accounts receivable and related reporting)-Continued

- The Department did not timely file the Form C-97 with the Comptroller for Fiscal Year 2013 quarter two for Funds 040 and 041. The reports were each filed four days late.

Statewide Accounting Management System (SAMS) (Chapter 26) and the Illinois State Collection Act of 1986 (30 ILCS 210 et seq.) establishes guidelines for State agencies to follow in the development and implementation of a system for accounting for and managing their accounts receivable. According to the SAMS manual, it is the responsibility of each agency to develop its internal procedures for implementing an accounts receivable system.

SAMS (Procedure 26.30.10) requires reports to be received by the Comptroller no later than the last day of the month following the end of the quarter.

SAMS (Procedure 26.40.20) recommends placement of accounts for offset early in the collection process and requires placement of accounts greater than 90 days past due and over \$250 in the Comptroller's Offset System unless an agency can demonstrate to the Comptroller's satisfaction that referral of accounts to the system is not cost effective, the debtor has entered into a deferred payment plan, or the claim is against another State Agency.

Good business practices require due care be used in preparing the accounts receivable reports submitted to the Comptroller to ensure information used to complete the forms is reliable and accurate.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires each agency to establish and maintain a system, or systems, of internal fiscal and administrative controls, to provide assurance revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

Department personnel stated that the differences noted by the auditors were the result of the lack of an automated system to track accounts receivable across the Department, human errors, and the lack of staff available to dedicate time to the collection of accounts receivable.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-009. **FINDING** (Weaknesses in accounts receivable and related reporting)-Continued

Failure to establish and maintain accurate reporting procedures and controls over accounts receivable increases the risk that the Department's receivable balances could be inaccurate and improperly valued. Failure to submit accounts receivable over \$250 to the Comptroller's Offset System could result in the State not being able to recover amounts it is owed. (Finding Code No. 2014-009)

RECOMMENDATION

We recommend the Department implement the necessary internal controls to consistently and accurately report accounts receivable. Also, we recommend the Department implement a Department-wide accounts receivable system, working with the appropriate parties regarding any possible State-wide consolidated accounting system initiatives. Further, the Department should take the appropriate measures to place accounts in the Comptroller's Offset System or write off uncollectible accounts.

DEPARTMENT RESPONSE

The Department agrees with the finding. Given budgetary constraints, the Department is unlikely to obtain/implement a Department-wide accounts receivable system prior to the availability of a GAAP compliant Statewide accounting system.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-010. **FINDING** (Untimely voucher approvals)

The Department of Natural Resources (Department) did not ensure vouchers were approved timely.

We noted 104 of 400 (26%) vouchers tested, totaling \$5,658,579, were approved for payment from 1 to 95 days late. The Illinois Administrative Code (74 Ill. Adm. Code 900.70) requires an agency to review each vendor's bill and either deny the bill in whole or in part, ask for more information necessary to review the bill, or approve the bill in whole or in part within 30 days after physical receipt of the bill.

In addition, we noted interest expenditures from non-shared funds were necessary due to untimely approval of vouchers. For the sample of interest expenditures selected for testing, totaling \$4,381, we noted the related 8 vouchers were approved for payment from 88 to 1,313 days late. The State Prompt Payment Act (30 ILCS 540/3-2) requires State agencies to determine whether interest is due and automatically pay interest penalties to the appropriate vendor when payment is not issued within 90 days after receipt of a proper bill.

Department personnel stated the untimely approvals and related interest payments were due to delays in obtaining all necessary invoices and/or documentation from the multiple locations the Department has throughout the State. The Department operates numerous State parks and facilities, many of which were short staffed or not staffed at all during the examination period. Department personnel also stated in some cases, invoices were misplaced or lost, requiring additional effort, and sometimes interest payments, as duplicate invoices had to be requested from the affected vendors.

Failure to promptly approve vouchers may result in the late payment of bills and could cause the State to pay interest penalties. Untimely approvals did result in interest penalties totaling \$4,831. (Finding Code No. 2014-010)

RECOMMENDATION

We recommend the Department ensure vouchers are approved timely as required.

DEPARTMENT RESPONSE

The Department agrees that the vouchers noted were not approved for payment within the 30 day time frame and that prompt payment interest was paid on vouchers due to untimely approval. The Department will continue to bring attention to the need to forward invoices for processing immediately upon receipt.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-011. **FINDING** (Noncompliance with mandated duties)

The Department of Natural Resources (Department) did not comply with duties mandated by State Law. We noted the following:

- The Department did not timely carry out the provisions of the Surface Coal Mining Land Conservation and Reclamation Act (Act) as required. The Act sets forth the requirements and process for permit applications for surface coal mining operations. The Act also sets forth the procedure for affected parties to request a hearing prior to the Department approving an application. For the sample of five permit applications tested, a hearing was requested for one application. For the remaining four in our sample, no hearings were requested.
 - In the instance where a hearing was requested and held, the Department did not make a decision timely. The Act (225 ILCS 720/2.11(a)) states if a hearing has been held under the Act (225 ILCS 720/2.04), the Department shall make its decision on the application within 60 days after the last hearing. In this instance, the Department made its decision 69 days late.
 - In the instances where a hearing was not requested, the Department did not make a decision timely for 2 of 4 (50%) applications tested. The Act (225 ILCS 720/2.11(b)) states if no hearing has been held under the Act (225 ILCS 720/2.04), the Department shall make its decision on the application within 120 days after receipt by the Department of a complete application. In these instances, the Department made its decision 30 and 189 days late.

Department personnel stated that understaffing prevented decisions from being made in a timely manner.

- The Department did not employ the appropriate number of State Mine Inspectors for the number of operational mines as required by the Coal Mining Act (Act). During Fiscal Years 2013 and 2014, we noted 48 and 43 operational mines in the State, for which the Department employed 15 and 14 inspectors, respectively. The Act (225 ILCS 705/4.23) states there shall be no fewer than 16 State Mine Inspectors if there are 40 or more mines operational in the State. Department personnel stated that this occurred due to retirements and a lag in the hiring process. Department personnel stated they are striving to resolve this issue and have posted an invitation for bid for several State Mine Inspector positions.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-011. **FINDING** (Noncompliance with mandated duties)-Continued

- The Department failed to comply with the Illinois Oil and Gas Act (Act) (225 ILCS 725/1.2). The Oil and Gas Board (Board) acts as an advisory body to the Department and addresses the following topics: the adoption of rules pertaining to the conservation of oil and gas, the improvement of methods, conditions, and equipment for the production of oil and gas, the proper drilling, casing and plugging of oil wells, procedures for the issuance of proper permits to drill oil and gas wells, administration of the Oil and Gas Well Site Plugging and Restoration Program, and any and all other subjects about which the Department should seek information in relation to the oil and gas industry. The Board is made up of 7 members appointed by the Director of the Department. Six of the 7 members must be actively engaged in the oil and gas industry. We noted the following:

- The Department did not comply with the Act in regard to member appointment. Board members' two year terms expired in January 2013 but the Director did not reappoint them to the Board until August 2013.

According to the Act, members shall be appointed to two year terms commencing on the third Monday in January of odd numbered years, and may be reappointed for additional terms provided that no member may be reappointed for a term which would cause his continued service to exceed 8 years.

- The Board failed to meet at least quarterly as required. The Board did not meet for four of eight (50%) quarterly meetings required to be held during the examination period.

The Act states that the Board should meet at least quarterly and at other times as the Department or the Board deems necessary.

Department personnel stated that the administration in control at the time was seeking a legislative change to the makeup of the Board. They assumed that the change would be made soon enough to timely appoint or reappoint Board members as required by the statute. Ultimately, the legislative changes did not occur, causing a delay in the appointment or reappointment of the Board members. The administration also carried out a thorough vetting of the individuals nominated for the 2013-2015 Board, which added time to the appointment process. Oil and Gas staff reminded the administration on multiple occasions that the new Board had to be appointed by the 3rd Monday in January of 2013.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-011. **FINDING** (Noncompliance with mandated duties)-Continued

Department personnel also stated the Board failed to meet during FY13 Q3 and Q4 and FY14 Q1 due to the fact that the new Board members had not been appointed or reappointed until August 2013. The Board had planned to hold the FY14 Q3 meeting during the Illinois Oil and Gas Association's (IOGA) 2014 Annual Meeting, which was held on March 6, 2014. Prior to sending out the agenda and public notice the Director of the Office of Oil and Gas Resource Management (OOGRM) cancelled the meeting due to a conflict. Not long after the IOGA meeting, the same Director was reassigned to a new position. Due to the disruption caused by this staff change, the Board was unable to schedule a new meeting in March. A new Director of OOGRM was installed in the position on April 1, 2014. Because of this, the Board failed to meet during FY14 Q3.

- The Department did not timely carry out the provisions of the Fluorspar and Underground Limestone Mines Act (Act) as required. The Act (225 ILCS 710/17) requires the Department to file an annual report with the Governor and General Assembly within three months of January 1, summarizing the activities of the inspector of fluorspar and underground limestone mines during the preceding calendar year. While the Department did prepare a report of such activity and submit the required information via its Annual Coal Report, filed in June 2014, the Department's actions did not constitute timely compliance with the Act.

Department personnel stated that an inspector of mines report was prepared for calendar year 2013. The report was submitted to the General Assembly and Governor with the Annual Coal Report, resulting in the inspector of fluorspar and underground limestone mines report being late.

- The Department failed to comply with the State Services Assurance Act for FY2008 (Act) (5 ILCS 382/3-15). The Act states "on or before July 1, 2008 each named agency shall increase and maintain the number of bilingual on-board frontline staff over levels that it maintained on June 30, 2007 as follows: (8) the Department of Natural Resources shall have at least 5 additional bilingual on-board frontline staff." We noted the Department has hired and maintained two additional frontline staff members over levels it maintained on June 30, 2007, but has not fully complied with the statutory requirement.

Department personnel stated the lack of bilingual staff is due to normal attrition and timelines for filling positions. The Department has attempted to add bilingual needs to field positions (such as park interpreters, field biologists, permit staff, etc.). When posting the field positions, the Department has been unsuccessful in obtaining qualified, bilingual candidates.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-011. **FINDING** (Noncompliance with mandated duties)-Continued

During the prior examination, the Department had not established policies or procedures to comply with a section of the Coal Mining Act (225 ILCS 705/2.15). During the current examination, the Department properly complied with the Act. During the prior examination, the Department did not comply with provisions of the Fluorspar and Underground Limestone Mines Act (225 ILCS 710). Specifically, the Department failed to appoint inspectors of mines. During the current examination, the Department properly complied with the Act and appointed an inspector of mines. During the prior examination, the Department of Natural Resources' Miners' Examining Board failed to submit required reports to the Director. During the current examination, the Department's Miners' Examining Board properly and timely submitted their reports to the Director. During the prior examination, the Department failed to submit annual financial reports to the Oil and Gas Board. During the current examination, the Department submitted annual financial reports to the Oil and Gas Board.

Failure to carry out mandated duties is noncompliance with statutory requirements. (Finding Code No. 2014-011, 12-10)

RECOMMENDATION

We recommend the Department establish policies and procedures to track all Department mandated duties and identify responsible parties to ensure compliance.

DEPARTMENT RESPONSE

The Department agrees with the recommendation and began inputting mandates into a Department database. Due to personnel changes and competing priorities, limited progress has been made on the database.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-012. **FINDING** (Inadequate control over employee attendance records and personnel functions)

The Department of Natural Resources (Department) did not exercise adequate control over employee attendance records and other personnel functions.

We tested 40 employees' attendance records for 4 months during the examination period and noted the following:

- Timesheets for nine of 40 (23%) employees tested contained discrepancies. Problems noted included the following:
 - Amounts of leave time reported as used on employees' timesheets did not agree with the approved leave slips on file. We noted six instances where time off was requested and approved but no leave time was reported on the employees' timesheets. We noted four instances where the amount of time reported on the employees' timesheets differed from the amount of time requested. We also noted two instances where employees requested the use of one type of leave time but then reported a different type on their timesheets.
 - Accrued overtime balance for one employee was not computed correctly for two of the four periods tested. Differences ranged from an understatement of 4.5 hours to an overstatement of 2 hours.
- Leave requests for 28 of 40 (70%) employees tested were not properly approved. Problems noted included the following:
 - 104 instances in which 25 employees failed to get time approved in advance.
 - 15 instances in which four employees' leave requests did not contain a supervisor's approval and, therefore, we could not determine if leave time was approved in advance.
 - Five instances in which two employees' leave requests could not be located by the employees' timekeeper.
 - Four instances in which four employees' leave requests for sick time were not dated by the employee requesting the time and/or the supervisor approving the time; therefore, we could not determine if the request was approved within a reasonable time after being taken. In addition, we noted two instances in which one employee's leave request for sick time was not approved within a reasonable amount of time after the sick time was taken. Leave requests were approved 62 and 63 days after sick time was taken.
 - Four instances in which three employees' leave requests were not approved by a supervisor.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-012. **FINDING** (Inadequate control over employee attendance records and personnel functions)-Continued

We also noted the following with regard to the Department's personnel functions:

- Eight of 40 (20%) employees tested lacked proper authorizations for miscellaneous payroll deductions. One employee did not have an authorization on file for life insurance deduction. One employee did not have a medical deduction form on file.
- For three of 40 (8%) employees tested, the insurance deduction code on their payroll voucher did not agree to the authorization form on file.
- One of 40 (3%) employees tested did not have a personnel application in their personnel file and, therefore, we could not determine if it was complete.

The Illinois Administrative Code (Code) (80 Ill. Adm. Code 303.340) states each operating agency shall maintain accurate, daily attendance records. The State Records Act (5 ILCS 160/8) requires the head of each agency ensure records are prepared and maintained which contain documentation of the agency's essential transactions.

The Department's Timekeeping Handbook states that "all employees shall request and be authorized the use of Personal Business Leave prior to use of, except in cases of emergency precluding prior authorization. An official Leave Request will be required before posting to the timesheet." The Timekeeping Handbook also states that "a request to utilize an accumulated holiday will be requested via the Official Leave Request prior to utilization by the employee." According to the Employee Handbook, vacation time should be scheduled in advance with the employee's supervisor except in emergency situations.

The Department's Timekeeping Handbook also states that an official leave request should be filled out by the employee and signed by the supervisor prior to posting sick leave to an employee's timesheet.

The Voluntary Payroll Deductions Act (5 ILCS 340/4) states that employees are to authorize withholdings of wages for contributions to various organizations.

Department personnel stated that errors in recording and calculating leave time are the result of manually maintaining paper timesheets and associated leave requests for over 1,200 employees and 500 seasonal staff. Approval for using leave time was likely obtained by phone, email, or in person prior to the time off being taken, although the request form was not signed until after the fact. In addition, since employees and supervisors can be located in separate locations, it is not always possible to have the paperwork signed prior to the time off.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-012. **FINDING** (Inadequate control over employee attendance records and personnel functions)-Continued

Department personnel also stated the noted insurance deduction codes were entered in error, and the deduction authorizations and personnel file that were not located were likely misfiled.

Failure to maintain adequate controls over employee attendance and attendance records increases the risk of the Department paying for services not rendered by employees. Failure to maintain complete personnel files and authorized deductions limits the Department's ability to verify and document qualifications and the propriety of the hiring process. (Finding Code No. 2014-012)

RECOMMENDATION

We recommend the Department implement controls to ensure employees accurately complete time sheets and agree those records to leave requests to ensure accrued absence balances are accurate. Further, we recommend the Department strengthen controls to ensure employee personnel files are complete and the voluntary deductions are properly authorized.

DEPARTMENT RESPONSE

The Department agrees with the finding. Payroll has a new Insurance Coordinator and a Payroll & Benefits Manager who have both received training in Group Insurance Discrepancy reporting (through the CMS Group Insurance Financial Reporting System). The Department continues to explore technology to improve timekeeping systems via a web based system. The Department will continue to encourage staff and supervisors to ensure leave requests are complete and approved in a timely manner.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-013. **FINDING** (Inadequate control over employees' accrual and use of overtime)

The Department of Natural Resources (Department) did not exercise adequate control over employees' accrual and use of overtime. Department employees were eligible to earn compensatory time for overtime worked during the examination period. Department personnel indicated overtime totaling \$1,188,424 and \$1,782,203 was paid out to employees during Fiscal Years 2013 and 2014, respectively.

We tested 40 employees' attendance records for 4 months during the examination period and we noted the following:

- Twenty-eight of 40 (70%) employees tested did not receive approval prior to working overtime. Auditor noted 140 instances in which overtime requests were approved between 1 and 59 days after the overtime was worked, and 2 instances where the overtime requests were never filled out and submitted for supervisory approval. We also noted one instance in which the employee's supervisor did not approve the employee's overtime request, and one instance in which the supervisor did not date the approval.

Section 21 of the Department's Timekeeping Handbook states that all overtime must be authorized and approved in advance, except in emergency situations.

- Electronic timesheets for 6 of 40 (15%) employees tested where overtime was reported were not approved within the required timeframe. Auditor noted 7 instances where the electronic timesheets for Conservation Officers were approved between 1 and 4 days late.

The Office of Law Enforcement General Order 11-008 requires that electronic timesheets should be approved no later than 10 days following the end of the pay period.

- For four of 40 (10%) employees tested, overtime was not properly accumulated on the employees' timesheets. For the instances noted, the employees' overtime hours were overstated by a cumulative 34.5 hours.

Section 21 of the Department's Timekeeping Handbook states that weekly overtime hours worked are to be recorded in the appropriate column of the "Overtime Hours" section. Within the same section, overtime hours are then to be extended to hours due by applying the appropriate factor.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-013. **FINDING** (Inadequate control over employees' accrual and use of overtime)-
Continued

- Fourteen of 40 (35%) employees tested did not receive approval prior to the use of accumulated holiday time or compensatory time. Auditors noted 10 instances in which the leave requests were approved by the employees' supervisor between 1 and 14 days after the time was used, and 2 instances where the leave requests were never filled out and submitted for supervisory approval. In addition, auditors noted 4 instances in which leave requests were not approved by the employee's supervisor, and one instance in which the supervisor failed to date the approval.

Section 21 of the Department's Timekeeping Handbook states that an Official Leave Request form must be completed and kept with the timesheet when overtime is liquidated by compensatory time off. Section 12 of the Timekeeping Handbook states that a request to utilize an accumulated holiday will be requested via the Official Leave Request prior to utilization by the employee.

- For two of 40 (5%) employees tested, the compensatory time requested to be used did not agree to the employee's timesheet. Auditors noted two instances in which the amount of compensatory time requested and compensatory time recorded on the employee's timesheet differed between 1 and 6 hours. A third instance was noted in which the employee requested to use a different type of time than what was reported on the employee's timesheet.

The Fiscal Control and Internal Auditing Act (Act) (30 ILCS 10/3001) requires all State agencies establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall prevent fraud, waste, and abuse and to maintain accountability over the State's resources.

Department personnel stated that although the formal overtime request paperwork may have been signed after the overtime was worked, approval for the overtime was likely obtained by phone, email, or in person prior to being worked. In addition, since employees and supervisors can be located in separate locations, it is not always possible to have the paperwork signed prior to when the overtime is worked. This also applies to approval for taking accumulated holiday time or compensatory time. Approval was likely obtained in person, by phone, or email prior to taking the time off with the leave requests being signed after the fact.

Department personnel also stated issues related to errors in recording and calculating overtime are the result of manually maintaining the overtime figures on paper timesheets for over 1,200 employees and 500 seasonal staff.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-013. **FINDING** (Inadequate control over employees' accrual and use of overtime)-
Continued

Failure to follow the Department's personnel policies regarding overtime increases the risk that the Department will pay for services not rendered by employees. (Finding Code No. 2014-013)

RECOMMENDATION

We recommend the Department ensure overtime is approved in advance and that overtime requests are filled out and properly approved by management. We also recommend the Department ensure all overtime transactions are properly recorded on the employees' timesheets.

DEPARTMENT RESPONSE

The Department agrees with the finding and continues to explore technology based solutions to improve the Department's timekeeping process.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-014. **FINDING** (Lack of contingency planning or testing to ensure recovery of computer systems)

The Department of Natural Resources (Department) had not provided adequate planning for the recovery of its applications and data.

The Department carries out its mission through the use of Information Technology. Computer systems that support the Department's mission include the Permits and Licensing System, Boat and Snowmobile Title and Registration System, Revenue Accounting Transaction System (RATS), and Programmatic Accounting System (PAS).

Effective January 15, 2005, 20 ILCS 405/405-410 authorized the consolidation of Information Technology functions of State government to the Department of Central Management Services, which included the Department. After consolidation, DCMS became the primary Information Technology (IT) service provider for the Department. As a result, the Department and DCMS have a shared responsibility over the security and integrity of the Department's applications and data. However, the Department has the ultimate responsibility to ensure it has the capability to recover its applications and data.

The Department maintained the Information Processing Recovery Activation Plan (Plan) for the Department's Headquarters, Regional Offices, Museum, and Survey Offices; however, the Plan had not been updated in many years and did not reflect the current operating environment.

Additionally, testing of the Department's recovery Plan had not been conducted in the audit period.

Furthermore, the Department had not provided essential recovery information to the Department of Central Management Services during the audit period.

Information technology guidance (including the National Institute of Standards and Technology and Government Accountability Office) endorse the formal development and testing of disaster recovery plans. Tests of disaster recovery plans (and the associated documentation of the test results) verify that the plan, procedures, and resources provide the capability to recover critical systems within the required timeframe.

Department management stated that limited resources had not allowed the Department to perform a comprehensive disaster recovery test.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-014. **FINDING** (Lack of contingency planning or testing to ensure recovery of computer systems)-Continued

Failure to adequately develop and test a disaster contingency plan leaves the Department exposed to the possibility of major disruptions of services. A comprehensive test of the plan across all systems utilized will assist management in identifying weaknesses to ensure recovery procedures are adequate in the event of a disaster. Continuous testing of plans would also assist management to ensure the plans are appropriately modified, as the Department's computing environment and disaster recovery needs change. (Finding Code No. 2014-014, 12-12)

RECOMMENDATION

We recommend the Department develop and implement disaster recovery and business continuity plans which reflect the Department's current environment and align with management's intentions. Additionally, the Department should work with (and provide essential information to) the Department of Central Management Services to ensure plans, facilities and other operational provisions are appropriately aligned.

Once plans have been developed and implemented, the Department should ensure plans are tested at least annually.

DEPARTMENT RESPONSE

The Department agrees with the finding. The Department's Information Technology unit will review and revise the unit's Disaster Recovery Plan and determine appropriate testing strategies.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-015. **FINDING** (Weaknesses Regarding the Security and Control of Confidential Information)

During the review of the Department of Natural Resources (Department), the following weaknesses were noted in regards to the Department's security and control of confidential information:

- Failure to perform a comprehensive risk assessment of the Department's computer resources.
- Insufficient controls over documents containing personal/confidential information.
- Failed to ensure data at rest was properly secured.

The Department actively collected, processed and maintained confidential and sensitive information; including names, addresses, driver's license numbers, credit card numbers, and social security numbers for approximately 2 million applicants.

During a walk-through of the facility, we found documents containing personal/confidential information (including person's name, address, social security number) were located in unsecured bins and trays in areas of public access. Upon notification to the Department, the affected parties were notified.

Department management stated that limited resources had not allowed the Department to perform a comprehensive risk assessment of computer resources. In addition, the incident where documentation containing confidential information were disposed of in the trash resulted from a momentary lapse in judgment when the copy machine jammed and damaged the subject documents. The Department also stated, regarding the failure to secure data at rest, the Department of Central Management Services lacked sufficient resources to update storage devices to provide encryption of data at rest as part of their enterprise data service and within the Department there was unfamiliarity with the need to build in alternate methods of encryption of data at rest when building application/databases.

Without the implementation of adequate security controls, there is a greater risk of unauthorized access to resources. In addition, effective controls help minimize the potential impact and costs resulting from identity thefts or security breaches. (Finding Code No. 2014-015, 12-13)

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-015. **FINDING** (Weaknesses Regarding the Security and Control of Confidential Information)-Continued

RECOMMENDATION

We recommend the Department:

- Ensure data at rest is adequately secured with methods such as encryption or redaction.
- Ensure hardcopy versions of confidential information are adequately secured and properly disposed of.
- Perform a comprehensive risk assessment to identify all forms of confidential or personal information and ensure adequate security controls, including adequate physical and logical access restrictions, have been established to safeguard data and resources.

DEPARTMENT RESPONSE

The Department agrees with the finding. Confidential information training was held in 2014. Department management will engage Central Management Services management in seeking solutions to ensure that data is properly secured.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-016. **FINDING** (Inaccurate GAAP Reporting)

The Department of Natural Resources (Department) did not accurately report expenditure amounts in the Department's Fiscal Year 2014 Generally Accepted Accounting Principle accounting reports (GAAP packages) submitted to the Illinois Office of the Comptroller.

During our review of the GAAP package forms SCO-563 and SCO-568 for two funds, we noted variances between expenditure amounts reported to the Illinois Office of the Comptroller and expenditure amounts per agency provided support ranging from \$(418,000) to \$321,000.

Statewide Accounting Management System (SAMS) (Procedure 27.10.10) states all State agencies are required to submit annual GAAP reporting packages for any fund or funds in which they expend from and/or deposit receipts. Preparation of GAAP reporting packages and resultant GAAP basis financial statements requires careful examination of both financial and non-financial data. Financial data refers to those items that are products of the accounting system. Examples of financial data used in the GAAP compilation process include agency expenditure records and SAMS financial reports.

Good business practices require due care be used in preparing the GAAP packages to ensure information used to complete the forms is reliable and accurate.

In addition, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires each agency to establish and maintain a system, or systems, of internal fiscal and administrative controls, to provide assurance revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

Department personnel indicated expenditure amounts were adjusted on forms to compensate for inaccurate prior year payable amounts. However, these adjustments were not documented due to oversight.

Failure to accurately report information in the GAAP packages could result in inaccurate reporting by the State of Illinois. GAAP packages submitted by State agencies are used to compile the State of Illinois Comprehensive Annual Financial Report and the Schedule of Expenditures of Federal Awards. (Finding Code No. 2014-016)

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-016. **FINDING** (Inaccurate GAAP Reporting)-Continued

RECOMMENDATION

We recommend the Department implement procedures to ensure complete and accurate reporting of year-end GAAP packages to the Illinois Office of the Comptroller.

DEPARTMENT RESPONSE

The Department agrees with the finding. The Department's new GAAP Coordinator will work to ensure that the Department's supporting documentation is in agreement with the amounts reported to the Office of the Comptroller through the GAAP process.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
PRIOR FINDINGS NOT REPEATED
For the Two Years Ended June 30, 2014

A. **FINDING** (Inaccurate reporting of indirect cost)

During the prior examination, we noted the Department did not accurately report indirect cost in the Schedule of Expenditures of Federal Awards (SEFA).

During the current examination, we noted the Department accurately reported and materially complied with reporting indirect cost in the SEFA. (Finding Code No. 12-1)

B. **FINDING** (Failure to complete monthly deposit reconciliations)

During the prior examination, the Department did not adequately complete monthly deposit reconciliations.

During the current examination, we noted the Department completed monthly deposit reconciliations for the sample of months tested. (Finding Code No. 12-5)

C. **FINDING** (Employee performance evaluations not completed)

During the prior examination, the Department did not complete employee performance evaluations in a timely manner.

During the current examination, we noted fewer instances of untimely completion of employee performance evaluations; therefore, that issue was reported in the Letter of Immaterial Findings. (Finding Code No. 12-6)

D. **FINDING** (Inadequate controls over mandate compliance)

During the prior examination, the Department failed to maintain evidence of submission of annual reports filed with the Governor and General Assembly in accordance with the Open Space Lands Acquisition and Development (OSLAD) Act (525 ILCS 35/11). In addition, the Department failed to maintain proper documentation on its obligation to file consent to the issuance of a license to sell alcoholic liquors in retail buildings located in State Parks under the Liquor Control Act (235 ILCS 5/6-15).

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
PRIOR FINDINGS NOT REPEATED (Continued)
For the Two Years Ended June 30, 2014

D. **FINDING** (Inadequate controls over mandate compliance) - Continued

During the current examination, we noted the Department maintained evidence of submission of annual reports filed with the Governor and General Assembly. In addition, we noted the Department maintained proper documentation on its obligation to file consent to the issuance of a license to sell alcoholic liquors in retail buildings located in State Parks. (Finding Code No. 12-7)

E. **FINDING** (Failure to follow up on outstanding tickets with the Circuit Clerk)

During the prior examination, the Department did not follow up on outstanding tickets with the Circuit Clerk.

During the current examination, we noted the Department followed up on outstanding tickets with the Circuit Clerk. (Finding Code No. 12-8)

F. **FINDING** (Inadequate controls over written warnings and citations)

During the prior examination, we noted the Department did not maintain adequate controls over written warnings and citations issued by Conservation Police Officers (CPO).

During the current examination, we noted the Department made improvements in maintaining adequate controls over written warnings and citations issued by CPOs; therefore, this issue is reported in the Letter of Immaterial Findings. (Finding Code No. 12-9)

G. **FINDING** (Fee imposition reports)

During the prior examination, the Department did not properly report fees collected on the 2012 Agency Fee Imposition Report.

During the current examination, we noted the Department properly reported fees collected on the Agency Fee Imposition Reports filed during the examination period. (Finding Code No. 12-11)

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
FINANCIAL AUDIT OF CAPITAL ASSET ACCOUNT
For the Year Ended June 30, 2014

FINANCIAL STATEMENT REPORT

SUMMARY

The audit of the accompanying Schedule of Capital Assets of the State of Illinois, Illinois Department of Natural Resources (Department) was performed by staff of the Illinois Office of the Auditor General.

Based on their audit, the auditors expressed an unmodified opinion on the Department's Schedule of Capital Assets.

SUMMARY OF FINDINGS

The auditors did not identify matters involving the Department's internal controls over financial reporting.

EXIT CONFERENCE

The audit was reviewed by Department staff and per Megan Buskirk, Audit Liaison, the Department declined an exit conference.

SPRINGFIELD OFFICE:

ILES PARK PLAZA
740 EAST ASH • 62703-3154
PHONE: 217/782-6046

FAX: 217/785-8222 • TTY: 888/261-2887
FRAUD HOTLINE: 1-855-217-1895



CHICAGO OFFICE:

MICHAEL A. BILANDIC BLDG • SUITE S-900
160 NORTH LASALLE • 60601-3103
PHONE: 312/814-4000
FAX: 312/814-4006
FRAUD HOTLINE: 1-855-217-1895

OFFICE OF THE AUDITOR GENERAL
WILLIAM G. HOLLAND

INDEPENDENT AUDITOR'S REPORT

Honorable William G. Holland
Auditor General
State of Illinois

Report on the Financial Statements

We have audited the accompanying Schedule of Capital Assets (Schedule) of the State of Illinois, Department of Natural Resources, as of June 30, 2014, and the related notes to the Schedule, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the Schedule in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting

policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Schedule referred to above present fairly, in all material respects, the Capital Asset Account of the State of Illinois, Department of Natural Resources, as of June 30, 2014, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2, the Schedule presents only the Capital Asset Account and does not purport to, and does not, present fairly the financial position of the State of Illinois or the State of Illinois, Department of Natural Resources, as of June 30, 2014, and its changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2014, on our consideration of the State of Illinois, Department of Natural Resources' internal control over financial reporting of the Capital Asset Account and on our tests of the State of Illinois, Department of Natural Resources' compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters as they relate to the Capital Asset Account. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Illinois, Department of Natural Resources' internal control over financial reporting of the Capital Asset Account and its compliance.

Restricted Use of this Auditor's Report

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, the Comptroller, and agency management and is not intended to be and should not be used by anyone other than these specified parties.


BRUCE L. BULLARD, CPA
Director of Financial and Compliance Audits

Springfield, Illinois
December 19, 2014

**STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES**

Schedule of Capital Assets

**June 30, 2014
(expressed in thousands)**

Capital Assets not being depreciated:	
Land and land improvements	\$ 380,682
Construction in Progress	1,701
Internally generated intangible assets in development	372
Easements/rights of way/water-timber-mineral rights	114,599
Total Capital Assets not being depreciated	497,354
 Capital Assets being depreciated:	
Site improvements	436,161
Building and building improvements	255,632
Equipment	69,229
Capital leases - equipment	20
Infrastructure	54,018
Non-internally generated software	36
Internally generated software	3,360
Easements/rights of way/water-timber-mineral rights	1,511
Other intangible assets	6,939
Total Capital Assets being depreciated	826,906
 Less Accumulated Depreciation for:	
Site improvements	263,105
Building and building improvements	145,709
Equipment	57,672
Capital leases - equipment	11
Infrastructure	31,968
Non-internally generated software	36
Internally generated software	3,360
Easements/rights-of-way/water-timber-mineral rights	1,210
Other intangible assets	1,717
Total Accumulated Depreciation	504,788
 Total Capital Assets being depreciated, net	 322,118
 Total Capital Assets, net	 \$ 819,472

The accompanying Notes to the Schedule of Capital Assets
are an integral part of this schedule.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
NOTES TO THE SCHEDULE OF CAPITAL ASSETS
For the Year Ended June 30, 2014

1. DESCRIPTION OF CAPITAL ASSET ACCOUNT

The State of Illinois, Illinois Department of Natural Resources (Department) maintains a Capital Asset Account. Capital assets include construction in progress, infrastructure, intangibles, land and land improvements, site improvements, buildings, building improvements, equipment, and all other tangible assets that are used in operations and that have expected useful lives extending beyond a single reporting period.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Schedule of Capital Assets (Schedule) maintained by the Department has been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as prescribed by the Governmental Accounting Standards Board (GASB). To facilitate the understanding of data included in the Schedule, summarized below are the more significant accounting policies.

(a) Reporting Entity

As defined by GAAP, the financial reporting entity consists of a primary government, as well as its component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- (1) Appointment of a voting majority of the component unit's board and either (a) the primary government's ability to impose its will, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- (2) Fiscal dependency on the primary government.

Based upon the required criteria, the Capital Asset Account does not have component units, nor is it a component unit of any other entity. However, because the Capital Asset Account is not legally separate from the State of Illinois (State), it is included in the financial statements of the State. The State's Comprehensive Annual Financial Report may be obtained by writing to the State Comptroller's Office, Financial Reporting Department, 325 West Adams Street, Springfield, Illinois, 62704-1871.

The Schedule presents only the capital assets administered by the Department and does not purport to, and does not, present fairly the financial position of the Department as of June 30, 2014, and changes in its financial position, where

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
NOTES TO THE SCHEDULE OF CAPITAL ASSETS (continued)
For the Year Ended June 30, 2014

applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

(b) Basis of Presentation

The Capital Asset Account balances are reported in the State's Comprehensive Annual Financial Report. For its reporting purposes, the Department has presented the Schedule of Capital Assets using a columnar format that presents capital assets, net of accumulated depreciation, as of June 30, 2014.

(c) Basis of Accounting

The Capital Asset Account is reported using the economic resources measurement focus and the accrual basis of accounting.

(d) Use of Estimates

The preparation of the Schedule of Capital Assets in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and accumulated depreciation at the date of the schedule. Actual results could differ from those estimates.

(e) Valuation

Capital assets are reported at cost or estimated historical cost or, if donated, at their fair value at the time of acquisition. Historical costs include the amount paid for the asset and ancillary charges necessary to place the asset into its intended location and condition for use. Assets acquired in various amounts for a single purpose which may not individually meet the capitalization threshold are capitalized if the estimated total of the project exceeds the capitalization threshold.

For capital assets that are depreciated, expenditures that extend the useful lives of capital assets beyond their initial estimated useful lives (preservation costs) or improve their efficiency (improvements) or capacity (additions) are capitalized, whereas expenditures for repairs and maintenance are expensed.

Capital assets are depreciated using the straight-line method.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
NOTES TO THE SCHEDULE OF CAPITAL ASSETS (continued)
For the Year Ended June 30, 2014

(f) Capitalization Policies

Capitalization thresholds and the estimated useful lives are as follows:

Capital Asset Category	Capitalization Threshold	Estimated Useful Life
Land	\$100,000	N/A
Infrastructure	250,000	30
Site Improvements	25,000	30
Buildings	100,000	30
Building Improvements	25,000	30
Equipment	5,000	7
Capital Leases – Equipment	5,000	Varies/depends on contract

Intangible Asset Type	Capitalization Threshold	Estimated Useful Life
Easement other than right of way indefinite	\$25,000	Indefinite
Water rights indefinite	25,000	Indefinite
Right of way indefinite	25,000	Indefinite
Software internally generated	1,000,000	3
Software websites	1,000,000	3
Land easements finite	25,000	Varies/depends on contract
Software purchased	25,000	3
Conservation land rights finite	25,000	Varies/depends on contract
Right of way finite	25,000	Varies/depends on contract

(g) Infrastructure

The Department maintains infrastructure assets, including waterways, dams, tunnels, and drainage systems.

In the majority of cases, a legal title document was not created when these assets were constructed or placed into service. The Department capitalizes all infrastructure

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
NOTES TO THE SCHEDULE OF CAPITAL ASSETS (continued)
For the Year Ended June 30, 2014

assets supported by purchasing documentation (e.g., contracts, requisitions, purchase orders, payment documents, etc.). In cases where infrastructure assets are jointly developed or constructed by the Department and neighboring states or local municipalities, the Department capitalizes only those assets, which are maintained by the Department and legal title has not been established by another legal entity.

(h) Historical Treasures and Works of Art

The Department maintains extensive collections of historical treasures and works of art. Items meeting the following conditions are not capitalized: 1) held for public exhibition, education, or research in furtherance of public service, rather than financial gain; 2) protected, kept unencumbered, cared for, and preserved; and 3) subject to an organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collections. All Department historical treasures and works of art meet these conditions, and are not capitalized in the Schedule of Capital Assets.

(i) Intangible Assets

The Department maintains various types of intangible assets. These assets lack physical substance, are nonfinancial in nature, and have an initial useful life extending beyond a single reporting period. Examples of intangible assets include, but are not limited to, software (both internally generated and non-internally generated), easements and rights of way, and water and land use rights. Intangible assets are capitalized and depreciated based on conventions listed in the Capitalization Policies table.

(j) Construction in Progress

The Department maintains assets that are constructions in progress. This includes costs incurred during construction of assets. Those accumulated costs are held in the Construction in Progress category until such time as the project is determined to be “substantially complete” (i.e. ready for its intended use). At that time the asset is moved to the proper asset category and capitalized and depreciated based on conventions listed in the Capitalization Policies table. The Department considers infrastructure and bikeways to be a series of networks and sub-systems. As such those assets have met the requirement of being ready for intended use and therefore are not held in the Construction in Progress category.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
NOTES TO THE SCHEDULE OF CAPITAL ASSETS (continued)
For the Year Ended June 30, 2014

(k) Networks and Sub-Systems

The Department maintains networks and sub-systems. A network is composed of all assets that provide a particular type of service for the State or an agency. A network of assets may be only one asset that is composed of many components. A subsystem is composed of all assets that make up a portion or segment of a network. Assets acquired in various amounts for a single purpose which may not individually meet the capitalization threshold may be capitalized if the estimated total of the project exceeds the capitalization threshold. Also, for capital assets that are depreciated, expenditures that extend the useful lives of capital assets beyond their initial estimated useful lives (preservation costs) or improve their efficiency (improvements) or capacity (additions) are capitalized, whereas expenditures for repairs and maintenance are expensed.

(l) Service Concession Arrangements

In accordance with GASB Statement No. 60 “*Accounting and Financial Reporting for Service Concession Arrangements*,” the Department reviewed the need to report service concession arrangements and determined that there are no arrangements which rose above the materiality threshold as set by the Illinois Office of the Comptroller.

3. CAPITAL ASSET MANAGEMENT SYSTEM

The Department maintains a capital asset management system which includes, for all capital assets, the major asset category, description of asset, date of acquisition, method of acquisition, cost or other value, responsible organizational unit, location of asset, identification of applicable network or subsystem (for infrastructure assets), estimated life, estimated salvage value, annual and accumulated depreciation, and appropriation.

4. REPORTING REQUIREMENTS

The Department is required to complete and submit the *SAMS to GAAP Reconciliation – Capital Assets* (SCO-537) and *Capital Asset Summary* (SCO-538) forms to the Illinois Office of the Comptroller as part of the year-end reporting process related to capital assets. Amounts reported on these forms have been reconciled to the Schedule of Capital Assets.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
NOTES TO THE SCHEDULE OF CAPITAL ASSETS
For the Year Ended June 30, 2014

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014, was as follows (amounts are in thousands):

	Balance At June 30, 2013	Additions	Deletions	Net Transfers	Balance At June 30, 2014
Capital Assets not being depreciated:					
Land and land improvements	\$ 376,347	\$ 7,521	\$ 3,186	\$ -	\$ 380,682
Construction in Progress	868	649	-	184	1,701
Internally generated intangible assets in development	372	-	-	-	372
Easements/rights of way/water-timber-mineral rights	111,142	3,457	-	-	114,599
Total Capital Assets not being depreciated	<u>488,729</u>	<u>11,627</u>	<u>3,186</u>	<u>184</u>	<u>497,354</u>
Capital Assets being depreciated:					
Site improvements	433,410	2,207	910	1,454	436,161
Building and building improvements	261,998	711	7,132	55	255,632
Equipment	65,805	5,494	2,070	-	69,229
Capital leases - equipment	45	-	25	-	20
Infrastructure	52,806	795	-	417	54,018
Non-internally generated software	36	-	-	-	36
Internally generated software	3,360	-	-	-	3,360
Easements/rights of way/water-timber-mineral rights	1,511	-	-	-	1,511
Other intangible assets	6,939	-	-	-	6,939
Total Capital Assets being depreciated	<u>825,910</u>	<u>9,207</u>	<u>10,137</u>	<u>1,926</u>	<u>826,906</u>
Less Accumulated Depreciation for:					
Site improvements	251,677	11,712	284	-	263,105
Building and building improvements	144,753	7,395	6,439	-	145,709
Equipment	57,209	2,528	2,065	-	57,672
Capital leases - equipment	24	12	25	-	11
Infrastructure	30,664	1,304	-	-	31,968
Non-internally generated software	36	-	-	-	36
Internally generated software	3,360	-	-	-	3,360
Easements/rights-of-way/water-timber-mineral rights	1,143	67	-	-	1,210
Other intangible assets	1,236	481	-	-	1,717
Total Accumulated Depreciation	<u>490,102</u>	<u>23,499</u>	<u>8,813</u>	<u>-</u>	<u>504,788</u>
Total Capital Assets being depreciated, net	<u>335,808</u>	<u>(14,292)</u>	<u>1,324</u>	<u>1,926</u>	<u>322,118</u>
Total Capital Assets, net	<u>\$ 824,537</u>	<u>\$ (2,665)</u>	<u>\$ 4,510</u>	<u>\$ 2,110</u>	<u>\$ 819,472</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
FINANCIAL AUDIT OF CAPITAL ASSET ACCOUNT
For the Year Ended June 30, 2014
AND
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

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 2014
 - Schedule of Appropriations, Expenditures and Lapsed Balances - Fiscal Year 2013
 - 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
 - Reconciliation Schedule 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)
 - Average Number of Employees (Not Examined)
 - Emergency Purchases (Not Examined)
 - Memorandums of Understanding (Not Examined)
 - Service Efforts and Accomplishments (Not Examined)
 - Schedule of Indirect Cost Reimbursements (Not Examined)
 - Open Space Lands Acquisition Development Grant Program (Not Examined)

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
FINANCIAL AUDIT OF CAPITAL ASSET ACCOUNT
For the Year Ended June 30, 2014
AND
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

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, 2014 and June 30, 2013 accompanying supplementary information in Schedules 1 through 12. However, the accountants do not express an opinion on the supplementary information. The accountant's report also states that they have not applied procedures to the Analysis of Operations Section, and accordingly, they do not express an opinion or provide any assurance on it.

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

Fourteen Months Ended August 31, 2014

P.A. 98-0064 & 98-0050 FISCAL YEAR 2014	Fund Number	Appropriations (Net of Transfers)	Expenditures through 6/30/14	Lapse Period Expenditures 7/1 - 8/31/14	Total Expenditures	Balances	
						Reappropriated July 1	Balances Lapsed
APPROPRIATED FUNDS							
General Revenue Fund	001	\$ 45,593,900	\$ 39,927,411	\$ 5,555,048	\$ 45,482,459	\$ -	\$ 111,441
State Boating Act Fund	039	36,610,113	15,507,027	729,217	16,236,244	15,014,341	5,359,528
State Parks Fund	040	16,295,787	10,104,234	963,834	11,068,068	3,563,993	1,663,726
Wildlife and Fish Fund	041	103,935,842	63,631,955	5,788,784	69,420,739	12,940,175	21,574,928
Salmon Fund	042	325,300	207,231	53,701	260,932	-	64,368
Mines and Minerals Underground Injection Control Fund	077	399,200	228,431	-	228,431	-	170,769
Forest Reserve Fund	086	500,000	263,427	-	263,427	-	236,573
Plugging and Restoration Fund	137	584,200	250,466	108,643	359,109	-	225,091
Capital Development Fund	141	274,008,385	16,881,099	-	16,881,099	257,127,286	-
Explosives Regulatory Fund	145	63,300	58,237	-	58,237	-	5,063
Aggregate Operations Regulatory Fund	146	287,300	174,069	13,028	187,097	-	100,203
Coal Mining Regulatory Fund	147	5,733,000	3,524,362	207,397	3,731,759	-	2,001,241
Illinois Fisheries Management Fund	199	1,680,000	554,700	414,691	969,391	-	710,609
Mines and Minerals Regulatory Fund	231	8,000,000	118,829	-	118,829	-	7,881,171
Abandoned Mined Lands Reclamation Set-Aside Fund	257	1,500,000	-	-	-	-	1,500,000
Underground Resources Conservation Enforcement Fund	261	1,092,500	879,111	14,372	893,483	-	199,017
State Furbearer Fund	293	253,663	59,050	-	59,050	194,613	-
Natural Areas Acquisition Fund	298	21,195,130	6,581,823	503,983	7,085,806	13,402,072	707,252
Open Space Lands Acquisition and Development Fund	299	88,031,018	10,846,812	78,877	10,925,689	76,719,136	386,193
State Pheasant Fund	353	2,389,516	412,165	-	412,165	1,977,351	-
Illinois Habitat Fund	391	8,634,494	920,562	-	920,562	7,713,932	-
Flood Control Land Lease Fund	443	900,000	192,573	564,785	757,358	-	142,642
Land and Water Recreation Fund	465	14,274,481	641,000	-	641,000	13,633,481	-
Wildlife Prairie Park Fund	504	100,000	1,589	-	1,589	-	98,411
Conservation Police Operations Assistance Fund	547	1,250,000	93,633	220,730	314,363	-	935,637
Illinois and Michigan Canal Fund	570	75,000	75,000	-	75,000	-	-
Off Highway Vehicle Trails Fund	574	3,216,659	95,577	-	95,577	3,121,082	-
Partners for Conservation Fund	608	6,051,839	3,251,995	164,895	3,416,890	1,931,981	702,968
Partners for Conservation Projects Fund	609	3,142,458	-	-	-	3,142,458	-
Federal Title IV Fire Protection Assistance Fund	670	683,631	499,810	-	499,810	183,821	-
Federal Surface Mining Control and Reclamation Fund	765	6,122,200	3,077,751	303,803	3,381,554	-	2,740,646
Natural Resources Restoration Trust Fund	831	1,400,000	63,203	21,276	84,479	-	1,315,521
National Flood Insurance Program Fund	855	564,200	443,789	21,677	465,466	-	98,734

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

Fourteen Months Ended August 31, 2014

P.A. 98-0064 & 98-0050 FISCAL YEAR 2014	Fund Number	Appropriations (Net of Transfers)	Expenditures through 6/30/14	Lapse Period		Balances Reappropriated July 1	Balances Lapsed
				Expenditures 7/1 - 8/31/14	Total Expenditures		
Land Reclamation Fund	858	800,000	13,471	-	13,471	-	786,529
Snowmobile Trail Establishment Fund	866	278,812	104,066	-	104,066	174,746	-
Drug Traffic Prevention Fund	878	25,000	25,000	-	25,000	-	-
DNR Federal Projects Fund	894	9,877,116	1,909,187	48	1,909,235	7,870,825	97,056
Illinois Forestry Development Fund	905	6,588,123	1,544,489	24,226	1,568,715	4,867,739	151,669
Illinois Wildlife Preservation Fund	909	3,535,441	658,909	-	658,909	1,676,532	1,200,000
State Migratory Waterfowl Stamp Fund	953	3,481,583	718,370	138,429	856,799	2,539,535	85,249
Park and Conservation Fund	962	80,169,281	31,081,922	2,630,447	33,712,369	39,204,624	7,252,288
Build Illinois Bond Fund	971	149,294,607	18,467,294	-	18,467,294	130,827,313	-
Adeline Jay Geo-Karis Illinois Beach Marina Fund	982	5,087,047	671,430	194,400	865,830	2,928,307	1,292,910
Abandoned Mined Lands Reclamation Council Federal Trust Fund	991	28,553,041	11,446,330	344,827	11,791,157	13,694,893	3,066,991
TOTALS - ALL APPROPRIATED FUNDS		\$ 942,583,167	\$ 246,207,389	\$ 19,061,118	\$ 265,268,507	\$ 614,450,236	\$ 62,864,424
NON-APPROPRIATED FUNDS							
Blue Waters Ditch Flood Control Project Fund	252		\$ 8,299	\$ -	\$ 8,299		
DNR Special Projects Fund	884		4,204,019	4,248,941	8,452,960		
DNR Federal Projects Fund	894		4,493,612	578,022	5,071,634		
TOTALS - ALL NON-APPROPRIATED FUNDS			\$ 8,705,930	\$ 4,826,963	\$ 13,532,893		
GRAND TOTAL - ALL FUNDS			\$ 254,913,319	\$ 23,888,081	\$ 278,801,400		

Note 1: Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.

Note 2: Appropriations, expenditures, and lapsed balances were obtained from Department records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2013

Fourteen Months Ended August 31, 2013

P.A. 97-0727 & 97-0725 FISCAL YEAR 2013	Fund Number	Appropriations		Lapse Period		Balances	
		(Net of Transfers)	Expenditures through 6/30/13	Expenditures 7/1 - 8/31/13	Total Expenditures	Reappropriated July 1	Lapsed
APPROPRIATED FUNDS							
General Revenue Fund	001	\$ 45,310,000	\$ 37,255,791	\$ 5,607,425	\$ 42,863,216	\$ -	\$ 2,446,784
State Boating Act Fund	039	30,358,535	10,914,099	1,455,288	12,369,387	13,122,611	4,866,537
State Parks Fund	040	14,681,972	6,806,742	857,121	7,663,863	5,479,918	1,538,191
Wildlife and Fish Fund	041	78,693,377	54,528,298	6,194,957	60,723,255	4,178,114	13,792,008
Salmon Fund	042	316,400	205,956	65,024	270,980	-	45,420
Mines and Minerals Underground Injection Control Fund	077	378,300	205,214	13,710	218,924	-	159,376
Forest Reserve Fund	086	500,000	253,892	-	253,892	-	246,108
Plugging and Restoration Fund	137	540,900	175,911	45,875	221,786	-	319,114
Capital Development Fund	141	294,886,418	20,878,035	-	20,878,035	274,008,383	-
Explosives Regulatory Fund	145	59,700	34,283	5,959	40,242	-	19,458
Aggregate Operations Regulatory Fund	146	150,500	43,339	25,573	68,912	-	81,588
Coal Mining Regulatory Fund	147	3,897,700	3,578,155	246,727	3,824,882	-	72,818
Abandoned Mined Lands Reclamation Set-Aside Fund	257	1,500,000	-	-	-	-	1,500,000
Underground Resources Conservation Enforcement Fund	261	5,623,300	202,301	42,940	245,241	-	5,378,059
State Furbearer Fund	293	296,945	143,283	-	143,283	153,662	-
Natural Areas Acquisition Fund	298	17,635,036	5,564,779	444,250	6,009,029	11,138,630	487,377
Open Space Lands Acquisition and Development Fund	299	88,475,632	15,708,553	96,698	15,805,251	72,329,618	340,763
State Pheasant Fund	353	2,038,454	198,939	-	198,939	1,839,515	-
Natural Heritage Fund	375	75,200	30,393	11,739	42,132	-	33,068
Illinois Habitat Fund	391	7,362,363	327,870	-	327,870	7,034,493	-
Flood Control Land Lease Fund	443	900,000	752,438	32,591	785,029	-	114,971
Land and Water Recreation Fund	465	12,524,481	750,000	-	750,000	11,774,481	-
Wildlife Prairie Park Fund	504	100,000	66,828	-	66,828	-	33,172
Conservation Police Operations Assistance Fund	547	50,000	25,422	23,488	48,910	-	1,090
Illinois and Michigan Canal Fund	570	75,000	-	-	-	-	75,000
Off Highway Vehicle Trails Fund	574	2,829,481	12,823	-	12,823	2,816,658	-
Partners for Conservation Fund	608	5,246,966	2,287,428	352,907	2,640,335	926,839	1,679,792
Partners for Conservation Projects Fund	609	3,142,458	-	-	-	3,142,458	-
Federal Title IV Fire Protection Assistance Fund	670	524,843	166,212	-	166,212	358,631	-
Federal Surface Mining Control and Reclamation Fund	765	4,652,600	2,585,904	410,803	2,996,707	-	1,655,893
Natural Resources Restoration Trust Fund	831	1,400,000	86,848	24,457	111,305	-	1,288,695
National Flood Insurance Program Fund	855	542,100	392,572	63,097	455,669	-	86,431
Land Reclamation Fund	858	800,000	555,945	-	555,945	-	244,055

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2013

Fourteen Months Ended August 31, 2013

P.A. 97-0727 & 97-0725 FISCAL YEAR 2013	Fund Number	Appropriations (Net of Transfers)	Expenditures through 6/30/13	Lapse Period Expenditures 7/1 - 8/31/13	Total Expenditures	Balances	
						Reappropriated July 1	Lapsed
Snowmobile Trail Establishment Fund	866	258,315	119,503	-	119,503	138,812	-
Drug Traffic Prevention Fund	878	25,000	1,724	307	2,031	-	22,969
DNR Federal Projects Fund	894	12,063,058	1,389,195	68	1,389,263	9,777,114	896,681
Illinois Forestry Development Fund	905	6,348,976	1,625,388	153,381	1,778,769	3,893,770	676,437
Illinois Wildlife Preservation Fund	909	2,132,219	296,778	-	296,778	1,835,441	-
State Migratory Waterfowl Stamp Fund	953	3,707,990	1,147,479	74,596	1,222,075	2,431,582	54,333
Park and Conservation Fund	962	55,825,224	18,342,127	4,092,806	22,434,933	29,647,034	3,743,257
Build Illinois Bond Fund	971	159,484,741	10,190,135	-	10,190,135	149,294,606	-
Adeline Jay Geo-Karis Illinois Beach Marina Fund	982	4,452,389	1,242,301	131,813	1,374,114	2,581,847	496,428
Abandoned Mined Lands Reclamation Council Trust Fund	991	26,625,050	9,775,899	584,859	10,360,758	14,674,240	1,590,052
TOTALS - ALL APPROPRIATED FUNDS		\$ 896,491,623	\$ 208,868,782	\$ 21,058,459	\$ 229,927,241	\$ 622,578,457	\$ 43,985,925
NON-APPROPRIATED FUNDS							
CMS VS AFSCME Wages Trust Fund	168		\$ -	\$ 4,255,974	\$ 4,255,974		
DNR Special Projects Fund	884		3,682,022	451,115	4,133,137		
DNR Federal Projects Fund	894		4,930,655	947,454	5,878,109		
J.J. Wolf Memorial for Conservation Investigation Fund	931		935	-	935		
TOTALS - ALL NON-APPROPRIATED FUNDS			\$ 8,613,612	\$ 5,654,543	\$ 14,268,155		
GRAND TOTAL - ALL FUNDS			\$ 217,482,394	\$ 26,713,002	\$ 244,195,396		

Note 1: Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.

Note 2: Appropriations, expenditures, and lapsed balances were obtained from Department records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>GENERAL REVENUE FUND- 001</u>			
Appropriations (Net of Transfers)	\$ 45,593,900	\$ 45,310,000	\$ 50,011,000
<u>Expenditures:</u>			
Personal Services	\$ -	\$ 31,708,585	\$ 31,584,766
State Contributions to State Employees' Retirement System	-	-	-
State Contributions to Social Security	-	2,005,442	1,934,690
Contractual Services	-	5,084,276	4,713,651
Conferences, vendor payments	-	6,300	6,300
Travel	-	151,559	117,600
Commodities	-	408,508	546,350
Printing	-	17,125	28,643
Equipment	-	35,819	237,705
EDP	-	852,500	852,974
Telecommunications	-	913,152	940,140
Operation of Automotive Equipment	-	673,541	1,162,007
Lump Sums	45,036,904	1,006,409	740,049
Lump Sums Operations	445,555	-	4,351,111
Total Expenditures	<u>\$ 45,482,459</u>	<u>\$ 42,863,216</u>	<u>\$ 47,215,986</u>
Lapsed Balances	<u>\$ 111,441</u>	<u>\$ 2,446,784</u>	<u>\$ 2,795,014</u>
<u>STATE BOATING ACT FUND- 039</u>			
Appropriations (net of transfers)	\$ 36,610,113	\$ 30,358,535	\$ 30,505,679
<u>Expenditures:</u>			
Personal Services	\$ 5,868,235	\$ 5,317,354	\$ 4,403,811
State Contributions to State Employees' Retirement System	2,369,098	2,023,407	1,506,926
State Contributions to Social Security	252,345	224,182	209,122
Group Insurance	1,720,851	1,750,275	1,254,082
Contractual Services	1,163,723	658,137	735,678
Postage	35,000	25,000	25,000
Travel	54,471	8,637	16,425
Commodities	169,036	80,593	162,964
Printing	139,354	120,587	161,981
Equipment	191,164	16,743	144,161
EDP	83,977	101,600	101,600
Telecommunications	165,700	68,188	98,079
Operation of Automotive Equipment	311,248	136,323	282,823
Lump Sums	618,159	565,259	495,308
Lump Sums Operations	59,404	11,972	43,703
Awards and Grants	150,000	150,000	150,000
Awards & Grants, Lump Sum & Other Purposes	1,465,463	234,960	563,751

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
Permanent Improvements, Lump Sum & Other Purposes	1,407,309	861,463	890,095
Refunds	11,707	14,707	4,619
Total Expenditures	<u>\$ 16,236,244</u>	<u>\$ 12,369,387</u>	<u>\$ 11,250,128</u>
Reappropriations	<u>\$ 15,014,341</u>	<u>\$ 13,122,611</u>	<u>\$ 14,214,435</u>
Lapsed Balances	<u><u>\$ 5,359,528</u></u>	<u><u>\$ 4,866,537</u></u>	<u><u>\$ 5,041,116</u></u>
 <u>STATE PARKS FUND- 040</u>			
<u>Appropriations (net of transfers)</u>	<u>\$ 16,295,787</u>	<u>\$ 14,681,972</u>	<u>\$ 27,732,971</u>
<u>Expenditures:</u>			
Personal Services	\$ 1,820,817	\$ 1,357,184	\$ 2,979,293
State Contributions to State Employees' Retirement System	734,471	516,790	1,024,771
State Contributions to Social Security	54,855	42,819	183,142
Group Insurance	393,611	348,446	805,799
Contractual Services	1,781,496	1,643,933	1,495,571
Travel	20,061	18,469	25,998
Commodities	438,500	380,926	433,659
Equipment	246,015	52,762	39,944
EDP	39,709	16,172	17,900
Telecommunications	278,159	245,763	214,710
Operation of Automotive Equipment	239,780	221,941	300,944
Lump Sums	4,095,911	2,647,260	2,129,543
Permanent Improvements, Lump Sum & Other Purposes	916,673	161,419	503,899
Refunds	8,010	9,979	8,962
Total Expenditures	<u>\$ 11,068,068</u>	<u>\$ 7,663,863</u>	<u>\$ 10,164,135</u>
Reappropriations	<u>\$ 3,563,993</u>	<u>\$ 5,479,918</u>	<u>\$ 5,323,072</u>
Lapsed Balances	<u><u>\$ 1,663,726</u></u>	<u><u>\$ 1,538,191</u></u>	<u><u>\$ 12,245,764</u></u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>WILDLIFE AND FISH FUND- 041</u>			
Appropriations (net of transfers)	\$ 103,935,842	\$ 78,693,377	\$ 82,240,038
Expenditures:			
Personal Services	\$ 24,756,753	\$ 21,872,310	\$ 23,652,838
State Contributions to State			
Employees' Retirement System	10,012,673	8,338,873	8,116,211
State Contributions to Social Security	1,633,548	1,484,982	1,608,090
Group Insurance	7,390,827	7,449,734	6,249,364
Contractual Services	3,501,414	2,998,829	3,151,290
Legal Fees	-	-	51,824
Postage	35,000	25,000	25,000
Travel	117,429	95,324	86,477
Commodities	1,924,751	1,748,811	1,871,958
Printing	259,164	207,800	202,661
Equipment	571,552	395,200	502,378
EDP	723,544	709,942	891,800
Telecommunications	382,087	385,694	352,307
Operation of Automotive Equipment	908,152	763,077	991,040
Lump Sums	16,185,860	12,735,999	11,789,770
Lump Sums Operations	682,850	1,094,623	1,283,575
Awards & Grants, Lump Sum			
& Other Purposes	100,000	100,000	100,000
Permanent Improvements, Lump Sum			
& Other Purposes	-	-	34,194
Refunds	235,135	317,057	506,614
Total Expenditures	<u>\$ 69,420,739</u>	<u>\$ 60,723,255</u>	<u>\$ 61,467,391</u>
Reappropriations	<u>\$ 12,940,175</u>	<u>\$ 4,178,114</u>	<u>\$ 9,464,677</u>
Lapsed Balances	<u>\$ 21,574,928</u>	<u>\$ 13,792,008</u>	<u>\$ 11,307,970</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>SALMON FUND- 042</u>			
Appropriations (net of transfers)	\$ 325,300	\$ 316,400	\$ 432,200
<u>Expenditures:</u>			
Personal Services	\$ 158,285	\$ 162,548	\$ 189,062
State Contributions to State			
Employees' Retirement System	65,105	63,490	66,092
State Contributions to Social Security	11,342	11,922	14,547
Group Insurance	26,200	33,020	34,601
Total Expenditures	<u>\$ 260,932</u>	<u>\$ 270,980</u>	<u>\$ 304,302</u>
Lapsed Balances	<u>\$ 64,368</u>	<u>\$ 45,420</u>	<u>\$ 127,898</u>
<u>MINES AND MINERALS UNDERGROUND INJECTION CONTROL FUND- 077</u>			
Appropriations (net of transfers)	\$ 399,200	\$ 378,300	\$ 333,600
<u>Expenditures:</u>			
Personal Services	\$ 123,604	\$ 122,587	\$ 143,369
State Contributions to State			
Employees' Retirement System	49,894	46,609	49,068
State Contributions to Social Security	8,928	9,126	10,573
Group Insurance	46,005	40,602	40,876
Total Expenditures	<u>\$ 228,431</u>	<u>\$ 218,924</u>	<u>\$ 243,886</u>
Lapsed Balances	<u>\$ 170,769</u>	<u>\$ 159,376</u>	<u>\$ 89,714</u>
<u>FOREST RESERVE FUND- 086</u>			
Appropriations (net of transfers)	\$ 500,000	\$ 500,000	\$ 500,000
<u>Expenditures:</u>			
Awards & Grants, Lump Sum & Other Purposes	\$ 263,427	\$ 253,892	\$ 92,150
Total Expenditures	<u>\$ 263,427</u>	<u>\$ 253,892</u>	<u>\$ 92,150</u>
Lapsed Balances	<u>\$ 236,573</u>	<u>\$ 246,108</u>	<u>\$ 407,850</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>PLUGGING AND RESTORATION FUND- 137</u>			
Appropriations (net of transfers)	\$ 584,200	\$ 540,900	\$ 2,122,600
<u>Expenditures:</u>			
Personal Services	\$ 130,293	\$ 60,143	\$ 349,932
State Contributions to State			
Employees' Retirement System	52,527	22,865	119,761
State Contributions to Social Security	9,373	4,442	25,634
Group Insurance	51,359	23,768	117,404
Contractual Services	18,900	32,775	-
Telecommunications	-	-	6,346
Operation of Auto Equipment	16,449	38,756	49,757
Lump Sums	27,128	39,037	9,702
Awards & Grants	53,080	-	-
Total Expenditures	<u>\$ 359,109</u>	<u>\$ 221,786</u>	<u>\$ 678,536</u>
Lapsed Balances	<u>\$ 225,091</u>	<u>\$ 319,114</u>	<u>\$ 1,444,064</u>
<u>CAPITAL DEVELOPMENT FUND- 141</u>			
Appropriations (net of transfers)	\$ 274,008,385	\$ 294,886,418	\$ 301,409,619
<u>Expenditures:</u>			
Lump Sums	\$ 3,273,386	\$ 1,769,349	\$ 330,126
Construction Grants	3,515,521	9,345,312	2,047,393
Awards & Grants, Lump Sum			
& Other Purposes	612,635	810,371	241,392
Permanent Improvements	-	929,426	1,705,122
Permanent Improvements, Lump Sum			
& Other Purposes	2,419,762	4,328,729	122,644
Highway and Waterway Construction	7,059,795	3,694,848	2,076,530
Total Expenditures	<u>\$ 16,881,099</u>	<u>\$ 20,878,035</u>	<u>\$ 6,523,207</u>
Reappropriations	\$ 257,127,286	\$ 274,008,383	\$ 294,886,412
Lapsed Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>EXPLOSIVES REGULATORY FUND- 145</u>			
Appropriations (net of transfers)	\$ 63,300	\$ 59,700	\$ 140,900
<u>Expenditures:</u>			
Lump Sums	\$ 58,237	\$ 40,242	\$ 97,787
Total Expenditures	\$ 58,237	\$ 40,242	\$ 97,787
Lapsed Balances	\$ 5,063	\$ 19,458	\$ 43,113
<u>AGGREGATE OPERATIONS REGULATORY FUND- 146</u>			
Appropriations (net of transfers)	\$ 287,300	\$ 150,500	\$ 454,400
<u>Expenditures:</u>			
Commodities	\$ -	\$ -	\$ 1,144
Lump Sums	187,097	68,912	159,882
Total Expenditures	\$ 187,097	\$ 68,912	\$ 161,026
Lapsed Balances	\$ 100,203	\$ 81,588	\$ 293,374
<u>COAL MINING REGULATORY FUND- 147</u>			
Appropriations (net of transfers)	\$ 5,733,000	\$ 3,897,700	\$ 3,728,900
<u>Expenditures:</u>			
Lump Sums	\$ 3,731,759	\$ 3,824,882	\$ 3,474,070
Total Expenditures	\$ 3,731,759	\$ 3,824,882	\$ 3,474,070
Lapsed Balances	\$ 2,001,241	\$ 72,818	\$ 254,830
<u>ILLINOIS FISHERIES MANAGEMENT FUND- 199</u>			
Appropriations (net of transfers)	\$ 1,680,000	\$ -	\$ -
<u>Expenditures:</u>			
Lump Sums Operations	\$ 969,391	\$ -	\$ -
Total Expenditures	\$ 969,391	\$ -	\$ -
Lapsed Balances	\$ 710,609	\$ -	\$ -

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>MINES AND MINERALS REGULATORY FUND- 231</u>			
Appropriations (net of transfers)	\$ 8,000,000	\$ -	\$ -
<u>Expenditures:</u>			
Lump Sums Operations	\$ 118,829	\$ -	\$ -
Total Expenditures	\$ 118,829	\$ -	\$ -
Lapsed Balances	\$ 7,881,171	\$ -	\$ -
<u>ABANDONED MINED LANDS RECLAMATION SET-ASIDE FUND- 257</u>			
Appropriations (net of transfers)	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
<u>Expenditures:</u>			
Awards & Grants	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -
Lapsed Balances	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
<u>UNDERGROUND RESOURCES CONSERVATION ENFORCEMENT FUND- 261</u>			
Appropriations (net of transfers)	\$ 1,092,500	\$ 5,623,300	\$ 1,240,900
<u>Expenditures:</u>			
Personal Services	\$ 401,180	\$ 73,832	\$ 410,449
State Contributions to State			
Employees' Retirement System	161,883	28,056	140,434
State Contributions to Social Security	29,441	5,484	30,327
Group Insurance	117,074	24,480	124,586
Contractual Services	99,935	71,906	44,704
Travel	2,904	-	89
Commodities	3,085	1,284	1,549
Printing	523	-	2,210
Equipment	311	-	5,104
EDP	3,023	2,049	-
Telecommunications	13,614	9,797	14,285
Operation of Automotive Equipment	59,091	28,003	53,053
Refunds	1,419	350	2,400
Total Expenditures	\$ 893,483	\$ 245,241	\$ 829,190
Lapsed Balances	\$ 199,017	\$ 5,378,059	\$ 411,710

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>STATE FURBEARER FUND- 293</u>			
Appropriations (net of transfers)	\$ 253,663	\$ 296,945	\$ 258,453
<u>Expenditures:</u>			
Permanent Improvements, Lump Sum & Other Purposes	\$ 59,050	\$ 143,283	\$ 71,509
Total Expenditures	\$ 59,050	\$ 143,283	\$ 71,509
Reappropriations	\$ 194,613	\$ 153,662	\$ 186,944
Lapsed Balances	\$ -	\$ -	\$ -
<u>NATURAL AREAS ACQUISITION FUND- 298</u>			
Appropriations (net of transfers)	\$ 21,195,130	\$ 17,635,036	\$ 18,478,861
<u>Expenditures:</u>			
Personal Services	\$ 1,394,382	\$ 1,339,554	\$ 1,039,048
State Contributions to State Employees' Retirement System	563,185	509,867	355,844
State Contributions to Social Security	102,549	99,349	76,763
Group Insurance	356,126	429,872	257,587
Contractual Services	68,871	21,105	68,618
Travel	14,051	4,997	11,576
Commodities	40,190	16,471	28,743
Equipment	65,073	19,434	47,468
EDP	50,000	23,000	23,000
Telecommunications	34,189	21,850	13,832
Operation of Automotive Equipment	59,879	45,000	896
Lump Sums	1,621,219	1,419,405	1,812,270
Lump Sums Operations	1,979,534	1,596,918	1,753,115
Permanent Improvements, Lump Sum & Other Purposes	736,558	462,207	836,525
Total Expenditures	\$ 7,085,806	\$ 6,009,029	\$ 6,325,285
Reappropriations	\$ 13,402,072	\$ 11,138,630	\$ 9,600,836
Lapsed Balances	\$ 707,252	\$ 487,377	\$ 2,552,740

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>OPEN SPACE LANDS ACQUISITION AND DEVELOPMENT FUND- 299</u>			
Appropriations (net of transfers)	\$ 88,031,018	\$ 88,475,632	\$ 89,073,761
<u>Expenditures:</u>			
Lump Sums	\$ 1,315,207	\$ 1,130,437	\$ 1,394,235
Awards & Grants, Lump Sum & Other Purposes	9,610,482	14,674,814	14,402,930
Total Expenditures	<u>\$ 10,925,689</u>	<u>\$ 15,805,251</u>	<u>\$ 15,797,165</u>
Reappropriations	<u>\$ 76,719,136</u>	<u>\$ 72,329,618</u>	<u>\$ 73,004,432</u>
Lapsed Balances	<u>\$ 386,193</u>	<u>\$ 340,763</u>	<u>\$ 272,164</u>
<u>STATE PHEASANT FUND- 353</u>			
Appropriations (net of transfers)	\$ 2,389,516	\$ 2,038,454	\$ 1,739,514
<u>Expenditures:</u>			
Permanent Improvements, Lump Sum & Other Purposes	\$ 412,165	\$ 198,939	\$ 251,061
Total Expenditures	<u>\$ 412,165</u>	<u>\$ 198,939</u>	<u>\$ 251,061</u>
Reappropriations	<u>\$ 1,977,351</u>	<u>\$ 1,839,515</u>	<u>\$ 1,488,453</u>
Lapsed Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>NATURAL HERITAGE FUND- 375</u>			
Appropriations (net of transfers)	\$ -	\$ 75,200	\$ 75,200
<u>Expenditures:</u>			
Contractual Services	\$ -	\$ 27,282	\$ 13,583
Commodities	-	14,850	8,255
Total Expenditures	<u>\$ -</u>	<u>\$ 42,132</u>	<u>\$ 21,838</u>
Lapsed Balances	<u>\$ -</u>	<u>\$ 33,068</u>	<u>\$ 53,362</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>ILLINOIS HABITAT FUND- 391</u>			
Appropriations (net of transfers)	\$ 8,634,494	\$ 7,362,363	\$ 6,235,668
<u>Expenditures:</u>			
Permanent Improvements, Lump Sum & Other Purposes	\$ 920,562	\$ 327,870	\$ 473,306
Total Expenditures	\$ 920,562	\$ 327,870	\$ 473,306
Reappropriations	\$ 7,713,932	\$ 7,034,493	\$ 5,762,362
Lapsed Balances	\$ -	\$ -	\$ -
<u>FLOOD CONTROL LAND LEASE FUND- 443</u>			
Appropriations (net of transfers)	\$ 900,000	\$ 900,000	\$ 900,000
<u>Expenditures:</u>			
Grants to Local Governments	\$ 757,358	\$ 785,029	\$ 796,226
Total Expenditures	\$ 757,358	\$ 785,029	\$ 796,226
Lapsed Balances	\$ 142,642	\$ 114,971	\$ 103,774
<u>LAND AND WATER RECREATION FUND- 465</u>			
Appropriations (net of transfers)	\$ 14,274,481	\$ 12,524,481	\$ 11,149,481
<u>Expenditures:</u>			
Awards & Grants, Lump Sum & Other Purposes	\$ 641,000	\$ 750,000	\$ 1,125,000
Total Expenditures	\$ 641,000	\$ 750,000	\$ 1,125,000
Reappropriations	\$ 13,633,481	\$ 11,774,481	\$ 10,024,481
Lapsed Balances	\$ -	\$ -	\$ -

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>WILDLIFE PRAIRIE PARK FUND- 504</u>			
Appropriations (net of transfers)	\$ 100,000	\$ 100,000	\$ 100,000
<u>Expenditures:</u>			
Lump Sums	\$ 1,589	\$ 66,828	\$ 24,543
Total Expenditures	\$ 1,589	\$ 66,828	\$ 24,543
Lapsed Balances	\$ 98,411	\$ 33,172	\$ 75,457
<u>CONSERVATION POLICE OPERATIONS ASSISTANCE FUND- 547</u>			
Appropriations (net of transfers)	\$ 1,250,000	\$ 50,000	\$ -
<u>Expenditures:</u>			
Lump Sums Operations	\$ 314,363	\$ 48,910	\$ -
Total Expenditures	\$ 314,363	\$ 48,910	\$ -
Lapsed Balances	\$ 935,637	\$ 1,090	\$ -
<u>ILLINOIS AND MICHIGAN CANAL FUND- 570</u>			
Appropriations (net of transfers)	\$ 75,000	\$ 75,000	\$ 75,000
<u>Expenditures:</u>			
Lump Sums	\$ 75,000	\$ -	\$ -
Total Expenditures	\$ 75,000	\$ -	\$ -
Lapsed Balances	\$ -	\$ 75,000	\$ 75,000
<u>OFF HIGHWAY VEHICLE TRAILS FUND- 574</u>			
Appropriations (net of transfers)	\$ 3,216,659	\$ 2,829,481	\$ 2,512,031
<u>Expenditures:</u>			
Awards & Grants, Lump Sum & Other Purposes	\$ 95,577	\$ 12,823	\$ 82,550
Total Expenditures	\$ 95,577	\$ 12,823	\$ 82,550
Reappropriations	\$ 3,121,082	\$ 2,816,658	\$ 2,429,481
Lapsed Balances	\$ -	\$ -	\$ -

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>PARTNERS FOR CONSERVATION FUND- 608</u>			
Appropriations (net of transfers)	\$ 6,051,839	\$ 5,246,966	\$ 4,692,685
<u>Expenditures:</u>			
Lump Sums	\$ 3,416,890	\$ 2,640,335	\$ 2,092,380
Total Expenditures	<u>\$ 3,416,890</u>	<u>\$ 2,640,335</u>	<u>\$ 2,092,380</u>
Reappropriations	\$ 1,931,981	\$ 926,839	\$ 1,246,966
Lapsed Balances	<u>\$ 702,968</u>	<u>\$ 1,679,792</u>	<u>\$ 1,353,339</u>
<u>PARTNERS FOR CONSERVATION PROJECTS FUND- 609</u>			
Appropriations (net of transfers)	\$ 3,142,458	\$ 3,142,458	\$ 3,192,458
<u>Expenditures:</u>			
Permanent Improvements, Lump Sum & Other Purposes	\$ -	\$ -	\$ 50,000
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,000</u>
Reappropriations	\$ 3,142,458	\$ 3,142,458	\$ 3,142,458
Lapsed Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>FEDERAL TITLE IV FIRE PROTECTION ASSISTANCE FUND- 670</u>			
Appropriations (net of transfers)	\$ 683,631	\$ 524,843	\$ 1,069,346
<u>Expenditures:</u>			
Awards & Grants, Lump Sum & Other Purposes	\$ 499,810	\$ 166,212	\$ 869,503
Total Expenditures	<u>\$ 499,810</u>	<u>\$ 166,212</u>	<u>\$ 869,503</u>
Reappropriations	\$ 183,821	\$ 358,631	\$ 199,843
Lapsed Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>FEDERAL SURFACE MINING CONTROL AND RECLAMATION FUND- 765</u>			
Appropriations (net of transfers)	\$ 6,122,200	\$ 4,652,600	\$ 4,374,400
<u>Expenditures:</u>			
Personal Services	\$ 1,425,474	\$ 1,220,715	\$ 1,236,198
State Contributions to State			
Employees' Retirement System	575,410	464,734	423,398
State Contributions to Social Security	104,301	90,592	91,116
Group Insurance	431,241	355,782	317,360
Contractual Services	405,593	395,447	304,107
Postage	25,000	12,500	12,500
Travel	6,076	4,826	7,127
Commodities	7,574	3,434	828
Equipment	25,470	895	883
EDP	200,645	153,162	152,207
Telecommunications	35,897	3,733	10,611
Operation of Automotive Equipment	47,672	25,804	41,663
Lump Sums	91,201	265,083	215,763
Total Expenditures	<u>\$ 3,381,554</u>	<u>\$ 2,996,707</u>	<u>\$ 2,813,761</u>
Lapsed Balances	<u>\$ 2,740,646</u>	<u>\$ 1,655,893</u>	<u>\$ 1,560,639</u>
<u>NATURAL RESOURCES RESTORATION TRUST FUND- 831</u>			
Appropriations (net of transfers)	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000
<u>Expenditures:</u>			
Lump Sums	\$ 84,479	\$ 111,305	\$ 92,271
Total Expenditures	<u>\$ 84,479</u>	<u>\$ 111,305</u>	<u>\$ 92,271</u>
Lapsed Balances	<u>\$ 1,315,521</u>	<u>\$ 1,288,695</u>	<u>\$ 1,307,729</u>
<u>NATIONAL FLOOD INSURANCE PROGRAM FUND- 855</u>			
Appropriations (net of transfers)	\$ 564,200	\$ 542,100	\$ 720,100
<u>Expenditures:</u>			
Lump Sums	\$ 465,466	\$ 455,669	\$ 421,477
Total Expenditures	<u>\$ 465,466</u>	<u>\$ 455,669</u>	<u>\$ 421,477</u>
Lapsed Balances	<u>\$ 98,734</u>	<u>\$ 86,431</u>	<u>\$ 298,623</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>LAND RECLAMATION FUND- 858</u>			
Appropriations (net of transfers)	\$ 800,000	\$ 800,000	\$ 800,000
<u>Expenditures:</u>			
Lump Sums	\$ 13,471	\$ 555,945	\$ 63,455
Total Expenditures	<u>\$ 13,471</u>	<u>\$ 555,945</u>	<u>\$ 63,455</u>
Lapsed Balances	<u>\$ 786,529</u>	<u>\$ 244,055</u>	<u>\$ 736,545</u>
<u>SNOWMOBILE TRAIL ESTABLISHMENT FUND- 866</u>			
Appropriations (net of transfers)	\$ 278,812	\$ 258,315	\$ 215,864
<u>Expenditures:</u>			
Awards & Grants, Lump Sum & Other Purposes	\$ 104,066	\$ 119,503	\$ 57,550
Total Expenditures	<u>\$ 104,066</u>	<u>\$ 119,503</u>	<u>\$ 57,550</u>
Reappropriations	\$ 174,746	\$ 138,812	\$ 158,314
Lapsed Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>DRUG TRAFFIC PREVENTION FUND- 878</u>			
Appropriations (net of transfers)	\$ 25,000	\$ 25,000	\$ 25,000
<u>Expenditures:</u>			
Lump Sums	\$ 25,000	\$ 2,031	\$ -
Total Expenditures	<u>\$ 25,000</u>	<u>\$ 2,031</u>	<u>\$ -</u>
Lapsed Balances	<u>\$ -</u>	<u>\$ 22,969</u>	<u>\$ 25,000</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>DNR FEDERAL PROJECTS FUND- 894</u>			
Appropriations (net of transfers)	\$ 9,877,116	\$ 12,063,058	\$ 22,054,000
Expenditures:			
Lump Sums	\$ 1,909,235	\$ 1,389,263	\$ 536,234
Total Expenditures	<u>\$ 1,909,235</u>	<u>\$ 1,389,263</u>	<u>\$ 536,234</u>
Reappropriations	\$ 7,870,825	\$ 9,777,114	\$ 10,962,058
Lapsed Balances	<u>\$ 97,056</u>	<u>\$ 896,681</u>	<u>\$ 10,555,708</u>
<u>ILLINOIS FORESTRY DEVELOPMENT FUND- 905</u>			
Appropriations (net of transfers)	\$ 6,588,123	\$ 6,348,976	\$ 7,514,983
Expenditures:			
Equipment	\$ -	\$ -	\$ -
EDP	23,317	12,017	13,200
Lump Sums	1,112,094	1,201,380	1,748,753
Lump Sums Operations	45,279	1,901	-
Awards & Grants	75,413	86,518	189,137
Awards & Grants, Lump Sum & Other Purposes	312,612	476,953	476,757
Total Expenditures	<u>\$ 1,568,715</u>	<u>\$ 1,778,769</u>	<u>\$ 2,427,847</u>
Reappropriations	\$ 4,867,739	\$ 3,893,770	\$ 4,305,776
Lapsed Balances	<u>\$ 151,669</u>	<u>\$ 676,437</u>	<u>\$ 781,360</u>
<u>ILLINOIS WILDLIFE PRESERVATION FUND- 909</u>			
Appropriations (net of transfers)	\$ 3,535,441	\$ 2,132,219	\$ 3,165,513
Expenditures:			
Lump Sums	\$ 658,909	\$ 296,778	\$ 333,295
Total Expenditures	<u>\$ 658,909</u>	<u>\$ 296,778</u>	<u>\$ 333,295</u>
Reappropriations	\$ 1,676,532	\$ 1,835,441	\$ 1,632,219
Lapsed Balances	<u>\$ 1,200,000</u>	<u>\$ -</u>	<u>\$ 1,199,999</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>STATE MIGRATORY WATERFOWL STAMP FUND- 953</u>			
Appropriations (net of transfers)	\$ 3,481,583	\$ 3,707,990	\$ 3,242,930
<u>Expenditures:</u>			
Lump Sums, Operations	\$ 164,751	\$ 195,667	\$ 159,781
Awards & Grants	250,000	160,000	160,000
Grants to Non-Profit Organizations	250,000	160,000	160,000
Permanent improvements, Lump Sum & Other Purposes	192,048	706,408	284,940
Total Expenditures	<u>\$ 856,799</u>	<u>\$ 1,222,075</u>	<u>\$ 764,721</u>
Reappropriations	<u>\$ 2,539,535</u>	<u>\$ 2,431,582</u>	<u>\$ 2,387,990</u>
Lapsed Balances	<u>\$ 85,249</u>	<u>\$ 54,333</u>	<u>\$ 90,219</u>
<u>PARK AND CONSERVATION FUND- 962</u>			
Appropriations (net of transfers)	\$ 80,169,281	\$ 55,825,224	\$ 48,364,157
<u>Expenditures:</u>			
Contractual Services	\$ 845,008	\$ 1,297,875	\$ -
Lump Sums	25,629,673	18,180,568	13,027,570
Construction Grants	298,812	396,462	963,813
Permanent Improvements, Lump Sum & Other Purposes	6,938,876	2,560,028	1,605,324
Total Expenditures	<u>\$ 33,712,369</u>	<u>\$ 22,434,933</u>	<u>\$ 15,596,707</u>
Reappropriations	<u>\$ 39,204,624</u>	<u>\$ 29,647,034</u>	<u>\$ 28,853,524</u>
Lapsed Balances	<u>\$ 7,252,288</u>	<u>\$ 3,743,257</u>	<u>\$ 3,913,926</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>BUILD ILLINOIS BOND FUND- 971</u>			
Appropriations (net of transfers)	\$ 149,294,607	\$ 159,484,741	\$ 163,371,520
<u>Expenditures:</u>			
Lump Sums	\$ 1,044,134	\$ 3,918,409	\$ 638,952
Construction Grants	-	752,172	3,247,828
Awards & Grants, Lump Sum & Other Purposes	17,405,205	5,519,554	-
Permanent Improvements, Lump Sum & Other Purposes	17,955	-	-
Total Expenditures	<u>\$ 18,467,294</u>	<u>\$ 10,190,135</u>	<u>\$ 3,886,780</u>
Reappropriations	<u>\$ 130,827,313</u>	<u>\$ 149,294,606</u>	<u>\$ 159,484,740</u>
Lapsed Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>ADELINE JAY GEO-KARIS ILLINOIS BEACH FUND- 982</u>			
Appropriations (net of transfers)	\$ 5,087,047	\$ 4,452,389	\$ 4,302,726
<u>Expenditures:</u>			
Lump Sums Operations	\$ 826,676	\$ 1,353,774	\$ 926,171
Permanent Improvements, Lump Sum & Other Purposes	28,540	42	20,237
Refunds	10,614	20,298	10,023
Total Expenditures	<u>\$ 865,830</u>	<u>\$ 1,374,114</u>	<u>\$ 956,431</u>
Reappropriations	<u>\$ 2,928,307</u>	<u>\$ 2,581,847</u>	<u>\$ 2,206,889</u>
Lapsed Balances	<u>\$ 1,292,910</u>	<u>\$ 496,428</u>	<u>\$ 1,139,406</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	Fiscal Year		
	2014	2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
<u>ABANDONED MINED LANDS RECLAMATION COUNCIL FEDERAL TRUST FUND- 991</u>			
Appropriations (net of transfers)	\$ 28,553,041	\$ 26,625,050	\$ 27,345,804
<u>Expenditures:</u>			
Personal Services	\$ 2,422,406	\$ 2,177,903	\$ 2,106,759
State Contributions to State			
Employees' Retirement System	978,213	828,703	721,491
State Contributions to Social Security	177,780	162,498	156,798
Group Insurance	641,767	627,241	504,514
Contractual Services	182,411	135,374	83,490
Postage	25,000	12,500	12,500
Travel	5,244	4,173	6,929
Commodities	12,803	4,142	5,996
Equipment	7,931	79,814	10,518
EDP	226,361	214,374	190,320
Telecommunications	27,535	23,165	9,941
Operation of Automotive Equipment	36,612	37,169	55,149
Lump Sums	67,746	12,492	22,966
Awards & Grants, Lump Sum & Other Purposes	6,979,348	6,041,210	7,719,254
Total Expenditures	<u>\$ 11,791,157</u>	<u>\$ 10,360,758</u>	<u>\$ 11,606,625</u>
Reappropriations	<u>\$ 13,694,893</u>	<u>\$ 14,674,240</u>	<u>\$ 14,715,450</u>
Lapsed Balances	<u>\$ 3,066,991</u>	<u>\$ 1,590,052</u>	<u>\$ 1,023,729</u>
GRAND TOTAL- APPROPRIATED FUNDS			
Appropriations (net of transfers)	<u>\$ 942,583,167</u>	<u>\$ 896,491,623</u>	<u>\$ 928,802,262</u>
Total Expenditures	<u>\$ 265,268,507</u>	<u>\$ 229,927,241</u>	<u>\$ 210,039,314</u>
Reappropriations	<u>\$ 614,450,236</u>	<u>\$ 622,578,457</u>	<u>\$ 655,681,812</u>
Lapsed Balances	<u>\$ 62,864,424</u>	<u>\$ 43,985,925</u>	<u>\$ 63,081,136</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
NON-APPROPRIATED FUNDS			
<u>CMS VS AFSCME WAGES TRUST FUND- 168</u>			
Expenditures			
Lump Sums Operations	\$ -	\$ 4,255,974	\$ -
Total Expenditures	<u>\$ -</u>	<u>\$ 4,255,974</u>	<u>\$ -</u>
<u>BLUE WATER DITCH FLOOD CONTROL FUND- 252</u>			
Expenditures			
Nontaxable Grants & Awards	\$ 8,299	\$ -	\$ -
Total Expenditures	<u>\$ 8,299</u>	<u>\$ -</u>	<u>\$ -</u>
<u>DNR SPECIAL PROJECTS FUND- 884</u>			
Expenditures			
Lump Sums	\$ 8,402,331	\$ 3,071,639	\$ 6,737,447
Permanent Improvements, Lump Sum & Other Purposes	<u>50,629</u>	<u>1,061,498</u>	<u>-</u>
Total Expenditures	<u>\$ 8,452,960</u>	<u>\$ 4,133,137</u>	<u>\$ 6,737,447</u>
<u>DNR FEDERAL PROJECTS FUND- 894</u>			
Expenditures			
Lump Sums	\$ 5,059,824	\$ 5,869,161	\$ 7,031,947
Awards and Grants, Lump Sum & Other Purposes	<u>11,810</u>	<u>8,948</u>	<u>-</u>
Total Expenditures	<u>\$ 5,071,634</u>	<u>\$ 5,878,109</u>	<u>\$ 7,031,947</u>
<u>J.J. WOLF MEMORIAL FOR CONSERVATION INVESTIGATION FUND- 931</u>			
Expenditures			
Interfund Cash Transfers	\$ -	\$ 935	\$ 2,500
Total Expenditures	<u>\$ -</u>	<u>\$ 935</u>	<u>\$ 2,500</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,
EXPENDITURES AND LAPSED BALANCES**
For the Fiscal Years Ended June 30 2014, 2013 and 2012

	2014	Fiscal Year 2013	2012
	P.A. 98-0064 & 98-0050	P.A. 97-0727 & 97-0725	P.A. 97-0057 & 97-0076
GRAND TOTAL NON-APPROPRIATED FUNDS			
Total Expenditures	\$ 13,532,893	\$ 14,268,155	\$ 13,771,894
GRAND TOTAL -ALL FUNDS			
Total Expenditures	\$ 278,801,400	\$ 244,195,396	\$ 223,811,208
OFFICERS SALARIES			
GENERAL REVENUE FUND- 001 STATE COMPTROLLER			
Appropriations (net of transfers)	\$ -	\$ 403,600	\$ 403,600
<u>Expenditures:</u>			
Director	\$ -	\$ 133,273	\$ 133,273
Assistant Director	-	77,779	124,560
Mine Officers	-	93,906	93,601
Miners' Examining Officers	-	51,538	45,878
Total Expenditures - Officers Salaries	\$ -	\$ 356,496	\$ 397,312
Lapsed Balances	\$ -	\$ 47,104	\$ 6,288
COAL MINING REGULATORY FUND- 147 STATE COMPTROLLER			
Appropriations (net of transfers)	\$ 145,700	\$ -	\$ -
<u>Expenditures:</u>			
Mine Officers	\$ 93,906	\$ -	\$ -
Miners' Examining Officers	51,624	-	-
Total Expenditures - Officers Salaries	\$ 145,530	\$ -	\$ -
Lapsed Balances	\$ 170	\$ -	\$ -
PARK AND CONSERVATION FUND- 962 STATE COMPTROLLER			
Appropriations (net of transfers)	\$ 257,900	\$ -	\$ -
<u>Expenditures:</u>			
Director	\$ 133,273	\$ -	\$ -
Assistant Director	-	-	-
Total Expenditures - Officers Salaries	\$ 133,273	\$ -	\$ -
Lapsed Balances	\$ 124,627	\$ -	\$ -

Note: The Fiscal Year 2012 expenditures and lapsed balances do not reflect interest payments approved and submitted after August.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
**COMPARATIVE SCHEDULE OF RECEIPTS, DISBURSEMENTS
AND FUND BALANCE (CASH BALANCE) - LOCALLY HELD FUNDS**
For the Two Years Ended June 30, 2014

	1204 Investigative Cash Fund	1332 Mines & Minerals Security Trust Fund
	<u> </u>	<u> </u>
Balance at July 1, 2012	\$ 7,500	\$ 3,833,866
Receipts	3,435	1,251,300
Disbursements	(935)	(503,826)
Balance at June 30, 2013	<u>\$ 10,000</u>	<u>\$ 4,581,340</u>
Balance at July 1, 2013	\$ 10,000	\$ 4,581,340
Receipts	-	769,166
Disbursements	-	(476,580)
Balance at June 30, 2014	<u><u>\$ 10,000</u></u>	<u><u>\$ 4,873,926</u></u>

Note: Amounts have been obtained from Reports of Receipts and Disbursements for Locally Held Funds prepared by the Department and submitted to the Office of the Comptroller.

STATE OF ILLINOIS
 DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF CHANGES IN STATE PROPERTY
 For the Two Years Ended June 30, 2014
 (Expressed in thousands)

	Land and Improvements	Site Improvements	Buildings and Improvements	Equipment	Capital Leases - Equipment	Construction in Progress	Totals
Balance at July 1, 2012	\$ 372,080	\$ 444,908	\$ 297,852	\$ 94,452	\$ 32	\$ 234	\$ 1,209,558
Additions	2,457	1,903	714	5,149	21	1,673	11,917
Deletions	-	(73)	(62)	(344)	(7)	-	(486)
Net Transfers	-	1,878	1,206	(2,358)	-	(1,456)	(730)
Balance at June 30, 2013	374,537	448,616	299,710	96,899	46	451	1,220,259
Additions	8,943	2,117	714	5,450	-	1,359	18,583
Deletions	-	(404)	(57)	(567)	(26)	-	(1,054)
Net Transfers	-	2,086	560	(2,704)	-	(109)	(167)
Balance at June 30, 2014	\$ 383,480	\$ 452,415	\$ 300,927	\$ 99,078	\$ 20	\$ 1,701	\$ 1,237,621

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

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
COMPARATIVE SCHEDULE OF CASH RECEIPTS

For the Fiscal Years Ended June 30,
(Expressed in Thousands)

Type	Fiscal Year		
	2014	2013	2012
Deposits by the Department:			
Licenses and fees	\$ 57,156	\$ 50,133	\$ 59,590
Federal government	51,832	51,129	54,931
Fines, penalties and violations	2,147	711	846
Rentals:			
Concession	796	800	817
Boat and dock fees	1,708	1,879	1,921
Other rental	7,538	6,734	6,164
Sales:			
Product	489	1,158	491
Publication	-	-	133
Advertising	-	-	2
Donations	293	158	424
Other revenue	13,545	7,845	7,402
Total per Department records	\$ 135,504	\$ 120,547	\$ 132,721
Deposits by other agencies and transfers:			
Motor fuel tax	\$ 5,040	\$ 5,040	\$ 5,040
Environmental license plates	957	998	1,024
Firearm owners I.D.	1,155	2,295	2,082
Real estate transfer tax	28,497	27,000	20,990
Sportsman's license plates	244	252	256
Wildlife Prairie Park License	18	17	20
Fees via State Treasurer	85	30	-
I&M Canal License Plate	7	8	8
All terrain vehicle titles	292	277	266
Vehicle registration fee	18,828	5,079	-
Certificate of title	8,216	5,873	5,238
M.E.A.O.B.	11,250	8,750	10,000
Build Illinois Bond	10,000	10,000	10,000
Non-game checkoff	155	147	383
Interest income	275	250	248
Total Deposits by other agencies and transfers	\$ 85,019	\$ 66,016	\$ 55,555
Combined total	\$ 220,523	\$ 186,563	\$ 188,276

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER

For the Fiscal Year Ended June 30, 2014
(Expressed in Thousands)

	General Revenue Fund 0001	State Boating Act Fund 0039	State Parks Fund 0040	Wildlife and Fish Fund 0041	Salmon Fund 0042	Mines and Minerals Underground Injection Fund 0077	Forest Reserve Fund 0086
Licenses and fees	\$ 57,156	\$ 4,282	\$ 6,236	\$ 38,357	\$ 256	\$ -	\$ -
Federal government	94	3,679	-	14,706	-	248	263
Fines, penalties and violations	201	134	85	375	-	-	-
Rentals:							
Concession	796	-	593	83	-	-	-
Boat and dock fees	1,708	-	1	2	-	-	-
Other rental	7,538	-	2,027	5,511	-	-	-
Sales:							
Product	489	-	-	405	-	-	-
Publication	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-
Donations	293	-	-	-	-	-	-
Other revenue	13,545	2	506	148	-	-	-
Total per Department records	135,504	8,097	9,448	59,587	256	248	263
Prior Year Refunds	602	5	5	8	-	-	-
Prior Year Receipts Transfers	-	-	-	-	-	-	-
Prior Year Expenditure Transfer	-	(2)	-	2	-	-	-
Prior Year Warrant Voids	10	-	-	-	-	-	-
Prior Year Adjustment	-	-	-	-	-	-	-
Deposits in transit to Comptroller:							
Add: Beginning of period	3,096	111	379	2,452	14	-	-
Less: End of period	1,805	97	312	1,183	6	-	-
Total per State Comptroller records	\$ 137,407	\$ 8,116	\$ 9,520	\$ 60,866	\$ 264	\$ 248	\$ 263

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER

For the Fiscal Year Ended June 30, 2014
(Expressed in Thousands)

	Plugging and Restoration Fund 0137	Capital Development Fund 0141	Explosives Regulatory Fund 0145	Aggregate Mining Fund 0146	Coal Mining Regulatory Fund 0147	CMS vs AFSCME Wages Trust Fund 0168	Mines and Minerals Regulatory Fund 0231	Blue Waters Ditch Flood Control Project Fund 0252
Licenses and fees	\$ 1,310	\$ -	\$ 168	\$ 245	\$ 182	\$ -	\$ -	\$ -
Federal government	-	-	-	-	-	-	500	8
Fines, penalties and violations	-	-	6	3	78	-	-	-
Rentals:								
Concession	-	-	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-	-	-
Other rental	-	-	-	-	-	-	-	-
Sales:								
Product	-	-	-	-	-	-	-	-
Publication	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-
Other revenue	28	-	-	-	3,700	-	-	-
Total per Department records	1,338	-	174	248	3,960	-	500	8
Prior Year Refunds	-	6	-	1	-	-	-	-
Prior Year Receipts Transfers	-	-	-	-	-	-	-	-
Prior Year Expenditure Transfer	-	-	-	-	-	-	-	-
Prior Year Warrant Voids	-	-	-	-	-	-	-	-
Prior Year Adjustment	-	-	-	-	-	-	-	-
Deposits in transit to Comptroller:								
Add: Beginning of period	-	-	1	1	2	-	-	-
Less: End of period	8	-	1	3	1	-	-	-
Total per State Comptroller records	\$ 1,330	\$ 6	\$ 174	\$ 247	\$ 3,961	\$ -	\$ 500	\$ 8

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER

For the Fiscal Year Ended June 30, 2014
(Expressed in Thousands)

	Abandoned Mined Land Reclamation Set-Aside Fund 0257	Fish and Wildlife Endowment Fund 0260	Underground Resource Conservation Trust Fund 0261	State Furbearer Fund 0293	Natural Areas Acquisition Fund 0298	Open Space Lands Acquisition and Development Fund 0299	State Pheasant Fund 0353	Illinois Habitat Fund 0391
Licenses and fees	\$ -	\$ 49	\$ 993	\$ 84	\$ 8	\$ -	\$ 419	\$ 893
Federal government	5,200	-	-	-	39	-	-	4
Fines, penalties and violations	-	-	1,214	-	-	-	-	-
Rentals:								
Concession	-	-	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-	-	-
Other rental	-	-	-	-	-	-	-	-
Sales:								
Product	-	-	-	-	-	-	-	-
Publication	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-
Other revenue	-	-	31	-	-	-	-	-
Total per Department records	5,200	49	2,238	84	47	-	419	897
Prior Year Refunds	-	-	-	-	-	133	33	15
Prior Year Receipts Transfers	-	-	-	-	-	-	-	-
Prior Year Expenditure Transfer	-	-	-	(10)	-	-	-	-
Prior Year Warrant Voids	-	-	-	-	-	-	-	-
Prior Year Adjustment	-	-	-	-	-	-	-	-
Deposits in transit to Comptroller:								
Add: Beginning of period	-	-	11	1	-	-	7	14
Less: End of period	-	-	25	1	4	-	3	6
Total per State Comptroller records	5,200	49	2,224	74	43	133	456	920

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER

For the Fiscal Year Ended June 30, 2014
(Expressed in Thousands)

	Flood Control Land Lease Fund 0443	Land and Water Recreation Fund 0465	Conservation Police Operations Fund 0547	Off Highway Vehicle Trails Fund 0574	Conservation 2000 Fund 0608	Federal Title Fire Protection Fund 0670	Federal Surface Mine Control Fund 0765	Natural Resources Restoration Trust Fund 0831
Licenses and fees	\$ -	\$ -	\$ 1,016	\$ 43	\$ -	\$ -	\$ -	\$ -
Federal government	228	641	-	-	-	567	3,473	-
Fines, penalties and violations	-	-	-	4	-	-	-	-
Rentals:								
Concession	-	-	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-	-	-
Other rental	-	-	-	-	-	-	-	-
Sales:								
Product	-	-	-	-	-	-	-	-
Publication	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-
Other revenue	-	-	8	-	-	-	-	598
Total per Department records	228	641	1,024	47	-	567	3,473	598
Prior Year Refunds	-	-	-	69	-	-	3	-
Prior Year Receipts Transfers	-	-	-	-	-	-	-	-
Prior Year Expenditure Transfer	-	-	-	-	-	-	-	-
Prior Year Warrant Voids	-	-	-	-	-	-	-	-
Prior Year Adjustment	-	-	-	-	-	-	-	-
Deposits in transit to Comptroller:								
Add: Beginning of period	-	-	27	-	-	-	-	37
Less: End of period	-	-	26	1	-	-	-	-
Total per State Comptroller records	\$ 228	\$ 641	\$ 1,025	\$ 115	\$ -	\$ 567	\$ 3,476	\$ 635

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER

For the Fiscal Year Ended June 30, 2014
(Expressed in Thousands)

	National Flood Insurance Program Fund 0855	Land Reclamation Fund 0858	Snowmobile Trail Fund 0866	Drug Traffic Prevention Fund 0878	DNR Special Projects Fund 0884	DNR Federal Projects Fund 0894	Illinois Forestry Development Fund 0905	Illinois Wildlife Preservation Fund 0909
Licenses and fees	\$ -	\$ 215	\$ 145	\$ -	\$ -	\$ -	\$ 1,123	\$ -
Federal government	234	-	-	-	-	7,759	884	65
Fines, penalties and violations	-	-	-	5	-	-	42	-
Rentals:								
Concession	-	-	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-	-	-
Other rental	-	-	-	-	-	-	-	-
Sales:								
Product	-	-	-	-	-	-	84	-
Publication	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-
Donations	-	-	-	-	14	-	-	279
Other revenue	-	-	-	-	4,978	-	91	-
Total per Department records	234	215	145	5	4,992	7,759	2,224	344
Prior Year Refunds	-	-	-	-	118	1	-	-
Prior Year Receipts Transfers	-	-	-	-	-	-	-	-
Prior Year Expenditure Transfer	-	-	-	-	-	-	-	-
Prior Year Warrant Voids	-	-	-	-	-	-	-	-
Prior Year Adjustment	-	-	-	-	-	-	-	-
Deposits in transit to Comptroller:								
Add: Beginning of period	-	-	-	-	-	-	13	-
Less: End of period	-	-	-	-	-	-	4	-
Total per State Comptroller records	234	215	145	5	5,110	7,760	2,233	344

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER

For the Fiscal Year Ended June 30, 2014
(Expressed in Thousands)

	J.J. Wolf Memorial Fund 0931	State Migratory Waterfowl Stamp Fund 0953	Park and Conservation Fund 0962	Illinois Beach Marina Fund 0982	Abandoned Mined Lands Fund 0991
Licenses and fees	-	1,077	55	-	-
Federal government	-	-	-	-	13,240
Fines, penalties and violations	-	-	-	-	-
Rentals:					
Concession	-	-	-	120	-
Boat and dock fees	-	-	-	1,705	-
Other rental	-	-	-	-	-
Sales:					
Product	-	-	-	-	-
Publication	-	-	-	-	-
Advertising	-	-	-	-	-
Donations	-	-	-	-	-
Other revenue	-	-	3,412	35	-
Total per Department records	-	1,077	3,467	1,860	13,240
Prior Year Refunds	-	-	2	-	-
Prior Year Receipts Transfers	-	-	-	-	-
Prior Year Expenditure Transfer	-	-	10	-	-
Prior Year Warrant Voids	-	-	10	-	-
Prior Year Adjustment	-	-	-	-	-
Deposits in transit to Comptroller:					
Add: Beginning of period	-	11	-	15	-
Less: End of period	-	4	-	119	-
Total per State Comptroller records	-	1,084	3,489	1,756	13,240

STATE OF ILLINOIS
 DEPARTMENT OF NATURAL RESOURCES
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER
 For the Fiscal Year Ended June 30, 2013
 (Expressed in Thousands)

	General Revenue Fund 0001	State Boating Act Fund 0039	State Parks Fund 0040	Wildlife and Fish Fund 0041	Salmon Fund 0042	Mines and Minerals Underground Injection Fund 0077	Forest Reserve Fund 0086
Licenses and fees	\$ 50,133	\$ 2,748	\$ 4,923	\$ 37,207	\$ 234	\$ -	\$ -
Federal government	51,129	2,727	-	14,719	-	202	254
Fines, penalties and violations	74	124	88	294	-	-	-
Rentals:							
Concession	800	-	651	31	-	-	-
Boat and dock fees	1,879	-	1	2	-	-	-
Other rental	6,734	-	1,990	4,744	-	-	-
Sales:							
Product	1,158	-	-	650	-	-	-
Publication	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-
Donations	158	-	-	-	-	-	-
Other revenue	7,845	1	209	123	-	-	-
Total per Department records	120,547	5,600	7,862	57,770	234	202	254
Prior Year Refunds	203	-	-	20	-	-	-
Prior Year Receipts Transfers	-	-	-	-	-	-	-
Prior Year Expenditure Transfer	-	-	-	-	-	-	-
Prior Year Warrant Voids	-	-	-	-	-	-	-
Prior Year Adjustment	-	-	-	-	-	-	-
Deposits in transit to Comptroller:							
Add: Beginning of period	2,016	144	243	1,549	6	-	-
Less: End of period	3,096	111	379	2,452	14	-	-
Total per State Comptroller records	\$ 119,670	\$ 5,633	\$ 7,726	\$ 56,887	\$ 226	\$ 202	\$ 254

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER

For the Fiscal Year Ended June 30, 2013
(Expressed in Thousands)

	Plugging and Restoration Fund 0137	Capital Development Fund 0141	Explosives Regulatory Fund 0145	Aggregate Mining Fund 0146	Coal Mining Regulatory Fund 0147	CMS vs AFSCME Wages Trust Fund 0168	Abandoned Mined Land Reclamation Set-Aside Fund 0257	Fish and Wildlife Endowment Fund 0260
Licenses and fees	\$ 388	\$ -	\$ 100	\$ 219	\$ 145	\$ -	\$ -	\$ -
Federal government	-	-	-	-	-	4,475	5,881	-
Fines, penalties and violations	-	-	1	4	10	-	-	-
Rentals:								
Concession	-	-	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-	-	-
Other rental	-	-	-	-	-	-	-	-
Sales:								
Product	-	-	-	-	-	-	-	-
Publication	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-
Other revenue	6	-	-	-	3,700	-	-	-
Total per Department records	394	-	101	223	3,855	4,475	5,881	-
Prior Year Refunds	-	97	-	-	-	-	-	51
Prior Year Receipts Transfers	-	-	-	-	-	-	-	-
Prior Year Expenditure Transfer	-	-	-	-	-	-	-	-
Prior Year Warrant Voids	-	-	-	-	-	-	-	-
Prior Year Adjustment	-	-	-	-	-	-	-	-
Deposits in transit to Comptroller:								
Add: Beginning of period	-	-	1	16	-	-	-	11
Less: End of period	-	-	1	1	2	-	-	-
Total per State Comptroller records	394	97	101	238	3,853	4,475	5,881	62

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER

For the Fiscal Year Ended June 30, 2013
(Expressed in Thousands)

	Underground Resource Conservation Enforcement Trust Fund 0261	State Furbearer Fund 0293	Natural Areas Acquisition Fund 0298	State Pheasant Fund 0353	Illinois Habitat Fund 0391	Flood Control Land Lease Fund 0443	Land and Water Recreation Fund 0465	Conservation Police Operations Fund 0547
Licenses and fees	\$ 604	\$ 83	\$ -	\$ 417	\$ 889	\$ -	\$ -	\$ 223
Federal government	-	-	18	-	14	752	750	-
Fines, penalties and violations	109	-	-	-	-	-	-	-
Rentals:								
Concession	-	-	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-	-	-
Other rental	-	-	-	-	-	-	-	-
Sales:								
Product	-	-	-	-	-	-	-	-
Publication	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-
Other revenue	45	-	2	-	-	-	-	8
Total per Department records	758	83	20	417	903	752	750	231
Prior Year Refunds	-	-	-	-	7	-	-	-
Prior Year Receipts Transfers	-	-	-	-	-	-	-	-
Prior Year Expenditure Transfer	-	-	-	-	-	-	-	-
Prior Year Warrant Voids	-	-	-	-	-	-	-	-
Prior Year Adjustment	-	-	-	-	-	-	-	-
Deposits in transit to Comptroller:								
Add: Beginning of period	9	1	-	3	6	-	-	-
Less: End of period	11	1	-	7	14	-	-	27
Total per State Comptroller records	\$ 756	\$ 83	\$ 20	\$ 413	\$ 902	\$ 752	\$ 750	\$ 204

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER

For the Fiscal Year Ended June 30, 2013
(Expressed in Thousands)

	Off Highway Vehicle Trails Fund 0574	Conservation 2000 Fund 0608	Federal Title Fire Protection Fund 0670	Federal Surface Mine Control Fund 0765	Natural Resources Restoration Trust Fund 0831	National Flood Insurance Program Fund 0855	Land Reclamation Fund 0858	Snowmobile Trail Fund 0866
Licenses and fees	\$ 26	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 114
Federal government	-	-	129	2,765	-	414	-	-
Fines, penalties and violations	1	-	-	-	-	-	-	-
Rentals:								
Concession	-	-	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-	-	-
Other rental	-	-	-	-	-	-	-	-
Sales:								
Product	-	-	-	-	-	-	-	-
Publication	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	200	-	-	-
Total per Department records	27	-	129	2,765	200	414	1	114
Prior Year Refunds	17	4	-	-	-	-	-	-
Prior Year Receipts Transfers	-	-	-	-	-	-	-	-
Prior Year Expenditure Transfer	-	-	-	-	-	-	-	-
Prior Year Warrant Voids	-	-	-	-	-	-	-	-
Prior Year Adjustment	-	-	-	-	-	-	-	-
Deposits in transit to Comptroller:								
Add: Beginning of period	-	-	-	-	-	-	-	1
Less: End of period	-	-	-	-	37	-	-	-
Total per State Comptroller records	44	4	129	2,765	163	414	1	115

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER

For the Fiscal Year Ended June 30, 2013
(Expressed in Thousands)

	Drug Traffic Prevention Fund 0878	DNR Special Projects Fund 0884	DNR Federal Projects Fund 0894	Illinois Forestry Development Fund 0905	Illinois Wildlife Preservation Fund 0909	J.J. Wolf Memorial Fund 0931	State Migratory Waterfowl Stamp Fund 0953	Park and Conservation Fund 0962
Licenses and fees	\$ -	\$ -	\$ -	\$ 843	\$ -	\$ -	\$ 969	\$ -
Federal government	-	-	7,851	1,006	77	-	6	-
Fines, penalties and violations	3	-	-	1	1	1	-	-
Rentals:								
Concession	-	-	-	-	-	-	-	-
Boat and dock fees	-	-	-	-	-	-	-	-
Other rental	-	-	-	-	-	-	-	-
Sales:								
Product	-	-	-	508	-	-	-	-
Publication	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-
Donations	-	1	-	-	157	-	-	-
Other revenue	-	2,310	-	10	-	-	-	1,190
Total per Department records	3	2,311	7,851	2,368	235	1	975	1,190
Prior Year Refunds	-	1	-	-	-	-	-	6
Prior Year Receipts Transfers	-	-	-	-	-	-	-	-
Prior Year Expenditure Transfer	-	-	-	-	-	-	-	-
Prior Year Warrant Voids	-	-	-	-	-	-	-	-
Prior Year Adjustment	-	-	-	-	-	-	-	-
Deposits in transit to Comptroller:								
Add: Beginning of period	-	-	-	-	-	-	5	-
Less: End of period	-	-	-	13	-	-	11	-
Total per State Comptroller records	3	2,312	7,851	2,355	235	1	969	1,196

STATE OF ILLINOIS
 DEPARTMENT OF NATURAL RESOURCES
RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS
REMITTED TO THE STATE COMPTROLLER
 For the Fiscal Year Ended June 30, 2013
 (Expressed in Thousands)

	Illinois Beach Marina Fund 0982	Abandoned Mined Lands Fund 0991
Licenses and fees	-	-
Federal government	-	9,089
Fines, penalties and violations	-	-
Rentals:		
Concession	118	-
Boat and dock fees	1,876	-
Other rental	-	-
Sales:		
Product	-	-
Publication	-	-
Advertising	-	-
Donations	-	-
Other revenue	36	-
Total per Department records	2,030	9,089
Prior Year Refunds	-	-
Prior Year Receipts Transfers	-	-
Prior Year Expenditure Transfer	-	-
Prior Year Warrant Voids	-	-
Prior Year Adjustment	-	-
Deposits in transit to Comptroller:		
Add: Beginning of period	20	-
Less: End of period	15	-
Total per State Comptroller records	\$ 2,035	\$ 9,089

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2014

The Department of Natural Resources' (Department) analysis of significant variances in total expenditures by fund exceeding \$150,000 and 20% between fiscal years as presented in the "Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances, Schedule 3" is detailed below:

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEAR 2013 AND 2014

State Boating Act Fund - 039

The expenditures increased by \$3,866,857 (31%) due to an increase in staffing levels in Fiscal Year 2014.

State Parks Fund - 040

The expenditures increased by \$3,404,205 (44%) due to more cash being available in the fund during Fiscal Year 2014 from camping fees and permits, property rentals and Secretary of State license plates.

Plugging and Restoration Fund - 137

The expenditures increased by \$137,323 (62%) due to personal services expenditures being paid out of the Plugging and Restoration Fund in Fiscal Year 2014. These expenditures were paid out of the General Revenue Fund in Fiscal Year 2013.

Illinois Fisheries Management Fund - 199

The expenditures increased by \$969,391 (100%) due to the fund being established at the end of Fiscal Year 2013 to collect fees related to certificates of title. Fiscal Year 2014 reflects the first full year of receipts available to spend for the operation of the Division of Fisheries within the Office of Resource Conservation.

Underground Resources Conservation Enforcement Fund - 261

The expenditures increased by \$648,242 (264%) due to personal services expenditures being paid out of the Underground Resources Conservation Enforcement Fund in Fiscal Year 2014. These expenditures were paid out of the General Revenue Fund in Fiscal Year 2013.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2014

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEAR 2013 AND 2014 (CONTINUED)

Open Space Lands Acquisition and Development Fund - 299

The expenditures decreased by \$4,879,562 (31%) due to reduced grant appropriation amounts beginning in Fiscal Year 2010. At that time, the grant program changed to a reimbursement basis where grantees are reimbursed following completion of a project. The expenditures are dependent on the timing of projects completed and the subsequent reimbursement request from grantees.

State Pheasant Fund - 353

The expenditures increased by \$213,266 (107%) due to the rollover of Fiscal Year 2013 appropriations.

Illinois Habitat Fund - 391

The expenditures increased by \$592,692 (181%) due to a land acquisition in Fiscal Year 2014.

Conservation Police Operations Assistance Fund - 547

The expenditures increased by \$265,453 (543%) due to the fund being created in late Fiscal Year 2013 making Fiscal Year 2014 the first full year of operation for the fund.

Partners for Conservation Fund - 608

The expenditures increased by \$776,555 (29%) due to new grant activity for the Illinois Recreational Access Program.

Federal Title IV Fire Protection Assistance Fund - 670

The expenditures increased by \$333,598 (201%) due to contracts being executed with local fire departments, the University of Illinois and the United States Forest Service in Fiscal Year 2014. No contracts with the local fire departments or the United States Forest Service were executed in Fiscal Year 2013.

Land Reclamation Fund - 858

The expenditures decreased by \$542,474 (98%) due to no projects being completed in Fiscal Year 2014.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2014

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEAR 2013 AND 2014 (CONTINUED)

DNR Federal Projects Fund - 894

The expenditures increased by \$519,972 (37%) due to the implementation of a new Asian Carp management program.

Illinois Wildlife Preservation Fund - 909

The expenditures increased by \$362,131 (122%) due to a land acquisition during Fiscal Year 2014.

State Migratory Waterfowl Stamp Fund - 953

The expenditures decreased by \$365,276 (30%) due to onetime expenditures in Fiscal Year 2013 for water pumps.

Park and Conservation Fund - 962

The expenditures increased by \$11,277,436 (50%) due to an increase in project and staffing expenditures as a result of the new sustainability funds revenue stream.

Build Illinois Bond Fund - 971

The expenditures increased by \$8,277,159 (81%) due to ongoing Park and Recreational Facility Construction Act grant programs incurring more expenditures as projects neared completion.

Adeline Jay Geo-Karis Illinois Beach Marina Fund - 982

The expenditures decreased by \$508,284 (37%) due to a decrease in cash flows of support costs for the Marina that resulted in personal services expenditures being paid out of the General Revenue Fund in Fiscal Year 2014.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2014

The Department of Natural Resources' (Department) analysis of significant variances in total expenditures by fund exceeding \$150,000 and 20% between fiscal years as presented in the "Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances, Schedule 3" is detailed below:

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEAR 2012 AND 2013

State Parks Fund - 040

The expenditures decreased by \$2,500,272 (25%) due to personal services expenditures being paid out of other funds during Fiscal Year 2013 due to a low cash balance in the fund as a result of decreased revenues from camping fees and permits, property rental and license plate fees.

Forest Reserve Fund - 086

The expenditures increased by \$161,742 (176%) due to increased grant allocations from the United States Forest Service.

Plugging and Restoration Fund - 137

The expenditures decreased by \$456,750 (67%) due to personal services expenditures being paid out of the General Revenue Fund during Fiscal Year 2013 due to a low cash balance in the fund as a result of decreased revenues from well fees.

Capital Development Fund - 141

The expenditures increased by \$14,354,828 (220%) due to appropriations made in the Fiscal Year 2010 Capital Program being executed and completed in Fiscal Year 2013.

Underground Resources Conservation Enforcement Fund - 261

The expenditures decreased by \$583,949 (70%) due to personal services expenditures being paid out of the General Revenue Fund during Fiscal Year 2013 due to a low cash balance in the fund as a result of decreased revenues from well fees and fines.

Land and Water Recreation Fund - 465

The expenditures decreased by \$375,000 (33%) due to no land acquisitions and only one grant being completed during Fiscal Year 2013. One land parcel was acquired by the Department in Fiscal Year 2012.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2014

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEAR 2012 AND 2013 (CONTINUED)

Partners for Conservation Fund - 608

The expenditures increased by \$547,955 or (26%) due to new grant activity for the Illinois Recreational Access Program.

Federal Title IV Fire Protection Assistance Fund - 670

The expenditures decreased by \$703,291 (81%) due to no contracts being executed with local fire departments during Fiscal Year 2013.

Land Reclamation Fund - 858

The expenditures increased by \$492,490 (776%) due to reclamation projects being completed at three former mine sites, as well as aerial mapping conducted for future sites, during Fiscal Year 2013.

DNR Federal Projects Fund - 894

The expenditures increased by \$853,029 (159%) due to the implementation of a new Asian Carp management program.

Illinois Forestry Development Fund - 905

The expenditures decreased by \$649,078 (27%) due to no Urban Forestry Council Program and no land acquisitions during Fiscal Year 2013.

State Migratory Waterfowl Stamp Fund - 953

The expenditures increased by \$457,354 (60%) due to onetime expenditures for water pumps in Fiscal Year 2013.

Park and Conservation Fund - 962

The expenditures increased by \$6,838,226 (44%) due to an increase in project and staffing expenditures as a result of the new sustainability funds revenue stream.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2014

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEAR 2012 AND 2013 (CONTINUED)

Build Illinois Bond Fund - 971

The expenditures increased by \$6,303,355 (162%) due to ongoing Mud to Parks and Park and Recreational Facility Construction Act grant programs incurring more expenditures as projects neared completion.

Adeline Jay Geo-Karis Illinois Beach Marina Fund - 982

The expenditures increased by \$417,683 (44%) during Fiscal Year 2013 as the Department reallocated personal services costs. When the fund's cash balance became low during Fiscal Year 2012, the Department moved personal services costs back to this fund as the cash balance permitted.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2014

The Department of Natural Resources' (Department) analysis of significant fluctuations in cash receipts exceeding \$150,000 and 15% between fiscal years as presented in the "Comparative Schedule of Cash Receipts, Schedule 6" is detailed below (amounts expressed in thousands):

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEAR 2013 AND 2014

Fines, penalties and violations

Fines, penalties and violations increased \$1,436 (202%) from Fiscal Year 2013 to 2014 due to fines and penalties being based largely on judges' rulings on the amount of the fine and type of payment to be made. Fines, penalties, and violations are expected to fluctuate from year to year.

Product Sales

Product sales decreased \$669 (58%) from Fiscal Year 2013 to 2014 due to the fluctuation of grain sales prices.

Other revenue

Other revenue increased \$5,700 (73%) from Fiscal Year 2013 to 2014 due to the Sustainability Bill (SB1566) going into effect, which created new revenue for the Department, such as application fees, consulting fees, and award fees.

Firearm owners I.D. (FOID)

FOID revenue decreased \$1,140 (50%) from Fiscal Year 2013 to 2014 due to the FOID card expiration date changing from 5 years to 10 years.

Vehicle registration fee

Vehicle registration fees increased \$13,749 (271%) from Fiscal Year 2013 to 2014 due to a \$2 surcharge that was collected in addition to license fees for motor vehicles beginning in 2014.

Certificate of title

Certificate of title revenue increased \$2,343 (40%) from Fiscal Year 2013 to 2014 due to the fees collected from the certificate of title, duplicated and corrected titles increasing from \$2.00 to \$3.25 after the adoption of SB1566.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2014

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEAR 2013 AND 2014 (CONTINUED)

Metropolitan Exposition Auditorium Office Building Fund (M.E.A.O.B.)

M.E.A.O.B. revenue increased \$2,500 (29%) from Fiscal Year 2013 to 2014 due to a transfer of \$1,250 being missed by error in Fiscal Year 2013, which was included in Fiscal Year 2014 along with a regular transfer.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2014

The Department of Natural Resources' (Department) analysis of significant fluctuations in cash receipts exceeding \$150,000 and 15% between fiscal years as presented in the "Comparative Schedule of Cash Receipts, Schedule 6" is detailed below (amounts expressed in thousands):

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEAR 2012 AND 2013

Licenses and fees

Licenses and fees decreased \$9,457 (16%) from Fiscal Year 2012 to 2013 due to a decrease in boat renewals and fishing licenses.

Product Sales

Product sales increased \$667 (136%) from Fiscal Year 2012 to 2013 due to the fluctuation of grain sales prices.

Donations

Donations decreased \$266 (63%) from Fiscal Year 2012 to 2013 due to the Division of Resource and Conservation receiving a \$400 donation in Fiscal Year 2012, which did not occur in Fiscal Year 2013.

Real estate transfer tax

Real estate transfer tax increased \$6,010 (29%) from Fiscal Year 2012 to 2013 due to improvements in the real estate market upon which the transfer is based.

Vehicle registration fee

Vehicle registration fees increased \$5,079 (100%) from Fiscal Year 2012 to 2013 due to a \$2 surcharge that was collected beginning in February of 2013.

Non-game check-off

Non-game check-off revenue decreased \$236 (62%) from Fiscal Year 2012 to 2013 due to the decrease of donations designated on tax returns.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2014

The Department of Natural Resources' (Department) significant lapse period spending exceeding \$15,000 and 20% in Fiscal Year 2014 as reported in the "Schedule of Appropriations, Expenditures and Lapsed Balances, Schedule 1" is detailed below:

FISCAL YEAR 2014

Salmon Fund - 042

Lapse period expenditures totaling \$53,701 (21%) were due to invoices received and processed during the lapse period.

Plugging and Restoration Fund - 137

Lapse period expenditures totaling \$108,643 (30%) were due to invoices received and processed during the lapse period.

Illinois Fisheries Management Fund - 199

Lapse period expenditures totaling \$414,691 (43%) were due to invoices received and processed during the lapse period.

Flood Control Land Lease Fund - 443

Lapse period expenditures totaling \$564,785 (75%) were due to receipts from the US Army Corps of Engineers occurring late in the year and therefore, vouchers could not be processed until lapse period to expend the funds.

Conservation Police Operations Assistance Fund - 547

Lapse period expenditures totaling \$220,730 (70%) were due to invoices received and processed during the lapse period.

Natural Resources Restoration Trust Fund - 831

Lapse period expenditures totaling \$21,276 (25%) were due to invoices received and processed during the lapse period.

Adeline Jay Geo-Karis Illinois Beach Marina Fund - 982

Lapse period expenditures totaling \$194,400 (22%) were due to invoices received and processed during the lapse period.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2014

The Department of Natural Resources' (Department) significant lapse period spending exceeding \$15,000 and 20% in Fiscal Year 2013 as reported in the "Schedule of Appropriations, Expenditures and Lapsed Balances, Schedule 2" is detailed below:

FISCAL YEAR 2013

Salmon Fund - 042

Lapse period expenditures totaling \$65,024 (24%) were due to American Federation of State, County, and Municipal Employees (AFSCME) Union back wages being paid out.

Plugging and Restoration Fund - 137

Lapse period expenditures totaling \$45,875 (21%) were due to AFSCME Union back wages being paid out.

Aggregate Operations Regulatory Fund - 146

Lapse period expenditures totaling \$25,573 (37%) were due to AFSCME Union back wages being paid out.

Conservation Police Operations Assistance Fund - 547

Lapse period expenditures totaling \$23,488 (48%) were due to invoices received and processed during the lapse period.

Natural Resources Restoration Trust Fund - 831

Lapse period expenditures totaling \$24,457 (22%) were due to invoices received and processed during the lapse period.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
For the Fiscal Years Ended June 30, 2014 and 2013
(Expressed in Thousands)

INVENTORIES

Inventories of commodities, per Department records, were as follows:

	Fiscal Year <u>2014</u>	Fiscal Year <u>2013</u>
Fish Hatcheries	\$ 881	\$ 821
Farm Commodities	190	119
Game Farms	293	324
Law Uniforms	88	65
Havana Warehouse	347	269
Office Postage and Paper Supplies	63	136
Targets	45	105
Museum Publications	169	170
Fuel	320	306
Pawnee Warehouse	56	55
Clearinghouse	<u>167</u>	<u>185</u>
Total per Department records	<u>\$ 2,619</u>	<u>\$ 2,555</u>

Note: Inventories are valued at cost, on a first-in, first-out basis.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
ANALYSIS OF ACCOUNTS RECEIVABLE

For the Fiscal Years Ended June 30,
(Expressed in Thousands)

	Fiscal Year 2014	Fiscal Year 2013
	<hr/>	<hr/>
<u>Age</u>		
Current	\$ 420	\$ 3,520
1-30 days	2,811	8,861
31-90 days	85	126
91-180 days	420	8
181 days - 1 year	1,240	1,837
Over 1 year	<hr/> 1,596	<hr/> 1,025
Total	<hr/> <hr/> \$ 6,572	<hr/> <hr/> \$ 15,377

Aging of accounts receivable was prepared based on Department provided Aging of Total Gross Receivable Reports (C-98s) filed with the Illinois Office of the Comptroller. However, we noted problems with the C-98s during testing and cannot determine the accuracy of the figures above. Also, per Statewide Accounting Management System (SAMS) (Procedure 26.40.10), we were unable to determine whether collection efforts were being made on accounts. See Finding 2014-009 for details on problems noted.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
AGENCY FUNCTIONS AND PLANNING PROGRAM (NOT EXAMINED)
For the Two Years Ended June 30, 2014

Agency Functions

The Illinois Department of Natural Resources (Department) was established on July 1, 1995 when the functions of the former Department of Conservation, Department of Mines and Minerals, the Abandoned Mined Lands Reclamation Council, portions of the Department of Energy and Natural Resources and the Division of Water Resources from the Department of Transportation were merged by an Executive Order of the Governor. The Department is headquartered at the Joel D. Brunsvold Building, located at the State Fairgrounds.

The Department currently manages more than 474,000 acres of publicly owned and leased land. In addition, the Department manages a variety of other public sites such as museums, boat access areas, marinas, and trails. The Department also maintains concessions that are leased to or operated by private concessionaires or local communities.

The mission of the Department is to manage, conserve, and protect Illinois' natural, recreational and cultural resources, further the public's understanding and appreciation of those resources, and promote the education, science and public safety of Illinois' natural resources for present and future generations.

In order to carry out its mission, the Department conducts executive and selected technical staff conferences periodically to update the Department's strategic plan.

Strategic Priorities

The Department's strategic priorities are as follows:

1. Maintain and meet the outdoor educational and recreational demands of Illinois' citizens in a manner that preserves and protects fish, wildlife, natural areas and other natural resources of our State.
2. Pursue direct acquisition of property to meet the Department's ecosystem based management and resource compatible recreation objectives.
3. Improve the quality of life for Illinois' citizens through the proper management of the water resources of the State, including water supply, flood damage reduction, watershed planning, and regulation of development within the floodplains.
4. Effectively integrate Information Technology into the Department's operations to increase productivity and enhance service delivery.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
AGENCY FUNCTIONS AND PLANNING PROGRAM (NOT EXAMINED)
For the Two Years Ended June 30, 2014

5. Repair, reclaim, and restore land and water resources that were degraded by mining activities prior to the passage of the Surface Mining Control Reclamation Act of 1977.
6. Encourage the public's safe use of recreational and natural resources.
7. Work together with conservation partners to conserve wildlife and plant species before they become rarer and more costly to protect.

Key Initiatives

The Department's key initiatives are as follows:

1. Implement a new invasive species control, research and development program to address the most pressing invasive species problems on State lands and waters to prevent further degradation of those resources.
2. Continue to monitor sales and improve customer service with the Department's Direct and Point of Sale network to facilitate the purchase of licenses and permits.
3. Continue development, marketing and promotion of all events at the World Shooting and Recreational Complex near Sparta in southwest Illinois.
4. Make multiple years of data available through publications, the Internet, maps, and other materials.
5. Continue work begun on the Federal Emergency Management Agency (FEMA) grant to create floodplain maps of Illinois.
6. Implement key components of the Wildlife Action Plan through coordination of field level efforts and improved technology.
7. Illinois Natural Areas Inventory Update - the Department will work with a contractor over a 3-year period to develop an accurate and comprehensive up-to-date catalog of natural areas in Illinois.
8. Work on the Water Quantity Management Plan - Pursuant to Executive Order 2006 continues on a major budget initiative for a three year, \$5 million effort, to develop a comprehensive water quality planning initiative in two regional pilot areas in Illinois.
9. The Department is revising Administrative Rules for implementation and management of the Conservation Stewardship Program initiated by the passage of Senate Bill 17.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
AGENCY FUNCTIONS AND PLANNING PROGRAM (NOT EXAMINED)
For the Two Years Ended June 30, 2014

10. The Department is in the process of developing and implementing a long-term management plan for the complicated issues surrounding the preservation and management of lakeshore at Illinois Beach State Park for a wide range of natural resources and recreational purposes. This effort is being conducted with the review of state and federal regulatory officials.
11. Expanding the Department's Office of Water Resources (OWR) operations and capital programs for safety enhancements at the State owned dams located on public waters by upgrading and rehabilitating spillways and supporting facilities including dam removal, dam modifications, and safety signage and markings to reduce the risk of injury to the waterway using public.
12. Implement the Tech Academy, a new 2 year program through the IL State Museum for low-income students. The program encourages them to pursue careers in environmental sciences and natural resources. This program, piloted through a National Science Foundation grant, is a national model to attract students into the sciences.

Organization

The Department is organized into the following offices:

- Office of Director (which includes the Offices of Legal Counsel, Legislation, Compliance, Equal Employment Opportunity and Ethics)
- Office of Architecture, Engineering and Grants
- Office of Land Management
- Office of Law Enforcement
- Office of Mines and Minerals
- Office of Oil and Gas
- Office of Realty and Environmental Planning
- Office of Resource Conservation
- Office of State Museums
- Office of Strategic Services (formerly the Office of Administration, Public Service, and Public Events, Programs and Promotions)
- Office of Water Resources

The Office of Director directs and manages the Department through the Director, Assistant Director and three Deputy Directors. The Office is responsible for the overall performance of all other Offices. Activities under the Office of the Director include: Office of Compliance, Equal Employment Opportunities & Ethics, Human Resources, Legal Counsel, Legislation, Fiscal Management, and Internal Audit.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
AGENCY FUNCTIONS AND PLANNING PROGRAM (NOT EXAMINED)
For the Two Years Ended June 30, 2014

The Office of Architecture, Engineering and Grants (OAEG) manages, coordinates, and executes the Department's capital construction program and grants to local government entities. The Office staff generates and submits the annual capital budget requests and acts as the Department's liaison with the Capital Development Board (CDB) and the Governor's Office of Management and Budget (GOMB). Office staff also provides project reviews and management, ensuring public health, safety, and ADA accessibility requirements are met. The Office is comprised of two divisions. The Division of Architecture and Engineering executes the Department's capital construction program, coordinates work with CDB, coordinates the Park Road Program with the Illinois Department of Transportation (IDOT) and provides design review and construction management on these projects, provides design and construction management of the waterfowl development program and manages the Department's heavy equipment construction and dredging programs. The Division insures public health and safety codes are met at Department facilities and provides technical expertise on emergency declarations as defined by the Procurement code. It provides in-house design and technical assistance for all Department facilities, such as dams, bridges, water and sewer systems, bikeways, canals, roads, boat access areas, lodges, concessions, campgrounds and day use areas and hazardous material storage. It undertakes special studies and investigations to define scopes of work, and evaluate and propose alternative solutions for problematic occurrences and future planning needs. The Division of Grant Administration is responsible for managing and coordinating the various recreational grant programs to local government entities and other designated organizations. These programs provide federal and State funds to enhance and improve recreational facilities through a competitive selection process. Division staff also provides oversight for completed grant projects to ensure program compliance. Program activities include Open Space Land Acquisition and Development (OSLAD) purchases and development of public lands and waters, boat access area development and acquisition, bike path development and acquisition, snowmobile programs, off-highway vehicle trails, recreational trails, public museum, capital grants, development and acquisition, and various other programs.

The Office of Land Management has one division. The Division of Parks and Recreation is responsible for the management and maintenance of State owned or leased sites. Types of sites managed include State parks, fish and wildlife areas, recreation areas, forests, natural areas, marinas, boat accesses, and habitat areas. It functions to provide quality resource compatible recreation opportunities to site visitors, such as camping, day use, trail use, fishing, boating, and hunting. It provides interpretive programs at sites including visitor centers, wildlife viewing platforms, and amphitheatres. The Division is also responsible for maintaining a variety of facilities, equipment, and infrastructure so that sites are kept in a safe, clean, and attractive condition for visitor use. Management activities at sites include habitat plantings, controlled burnings, and control of exotic plant species.

The Office of Law Enforcement supports the Department's programs designed to protect Illinois' natural and recreational resources through enforcement of those portions of the Illinois Compiled

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
AGENCY FUNCTIONS AND PLANNING PROGRAM (NOT EXAMINED)
For the Two Years Ended June 30, 2014

Statutes enacted for that purpose. Conservation Police Officers (CPOs) are vested with full State-wide police authority and are trained to the highest standards for law enforcement professionals. In addition to these enforcement responsibilities, CPOs serve as an important link between the Department and its various constituencies (civic groups, sportsmen's groups, sport shows, etc.). The Field Operations Section is responsible for planning, scheduling, and execution of enforcement and public service programs through CPOs stationed statewide. Throughout the State, there are five regions further divided into districts. Each officer is assigned to a district. In addition, the Operations Section also includes an Investigation Unit which conducts covert and overt investigation operations statewide. The Support Services Section assists with the following responsibilities: forensic research and utilization; officer training and development; public inquiries, complaints; responses to the poacher hot-line; compilation of boating accident data; production of an annual report; purchase, issuance, and maintenance of all vehicles, equipment, and uniforms; collection and disposal of confiscated property, including firearms; and the fine monies imposed by the courts related to conservation citations.

The Office of Mines and Minerals (Office) regulates mining and oil and gas operations throughout the State and enforces various acts that govern these industries. It is also responsible for ensuring the health and safety of workers in the mining industry. The Office delivers health and safety training programs and regulates the working conditions and atmospheres in the State's underground and surface coal and metal/non-metal mines. This includes inspection, maintenance of mine rescue stations, and operation of an analytical laboratory to conduct necessary testing. It also regulates possession, use, and storage of explosives. The Office is comprised of four divisions: The Abandoned Mined Land Reclamation Division, the Land Reclamation Division, the Division of Oil and Gas, and the Mine Safety/Blasting and Explosives Division. The Abandoned Mined Land Reclamation Division reclaims lands and waters adversely affected by mining prior to 1977 and restore them to productive use. It maintains an emergency program to respond to life-threatening situations, such as gas leaks, mine subsidence, and refuse fires. This program is part of the Federal Surface Mining Control and Reclamation Act of 1977 (SMCRA). The Land Reclamation Division has the responsibility of ensuring that active surface mining operations are properly reclaimed and lands affected by mining are restored to productive use. It regulates the repair to land and structures damaged by mine subsidence as a result of underground coal mining. It also issues permits for all coal mining operations in the State. The Division of Oil and Gas' purpose is to regulate the permitting, drilling, operation and plugging oil and gas production wells. In addition, the division regulates the injection of fluids into underground injection wells and cleans up abandoned well sites. Through its programs, the division ensures the protection and proper development of Illinois' oil and gas resources, while protecting the State's environment, land, and water resources. The Mine Safety/Blasting and Explosives Division is charged with the health and safety concerns of the state's coal mines and their employees. In addition, the division now regulates the blasting, explosives and aggregate programs for Illinois, which were previously administered by the Blasting and Explosives Division that was consolidated with Mine Safety and Training on October 15, 2004. One way the

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
AGENCY FUNCTIONS AND PLANNING PROGRAM (NOT EXAMINED)
For the Two Years Ended June 30, 2014

Mine Safety and Training completes this is to conduct health and safety training programs throughout the year for mining employees. The division trains and certifies State Mine Inspectors to monitor safety conditions at the mine sites, and operates a state laboratory for analysis of mine gas and dust particles, coal composition, and water and soil. The Division also trains licensed and certified blasters, as well as others who handle, store or use explosive products in Illinois.

The Office of Realty and Environmental Planning is responsible for the Department's land acquisition programs. It is also responsible for coordinating the analysis of the State's natural resources, reviews the environmental impact of Departmental activities, and evaluates environmental contaminant concerns on Department property and other natural resources. It is comprised of three divisions: Ecosystems and Environment, Realty and Planning, and Administration - Concession and Lease Management. The Division of Ecosystems and Environment provides quantitative and empirical analysis regarding the natural resources of the State and the conditions surrounding their use and management, including environmental and socioeconomic factors and trends. This information is integrated into the Illinois Natural Resource Information Network. This Division also directs state-wide environmental analysis functions of the Department to ensure preservation and protection of natural resource values. This includes consultation processes required by the Endangered Species Act and Interagency Wetland Policy Act. The Division of Realty and Planning carries out a variety of outdoor recreation and natural resource planning, which includes program development and coordination initiatives for the Department, including a Greenways and Trails section and a Site Planning section. It expedites the Department's annual capital construction program to ensure stewardship of the State's natural resources while maximizing compatible recreational opportunities. The Division of Realty and Planning is responsible for the acquisition of all real estate for use in the Department's recreational, bikeway, natural areas, wildlife habitat, waterfowl, and greenways programs. It is also responsible for accepting land donations, performing legislative transfers, and jurisdictional transfers of Department property. It provides technical assistance to other Department offices, as well as other State agencies. This Division administers all land owner incentive programs pertaining to real property. The Division of Administration - Concession and Lease Management handles general legal agreement negotiations, coordination, and maintenance; general land leasing; rights of way; special land permits; and State park lodges and concessions.

The Office of Resource Conservation is responsible for protecting and enhancing the State's fish, wildlife, forestry, and natural heritage resources; directing resource management activities on more than 400,000 acres of public land; and providing outdoor recreational opportunities compatible with these resources. It is comprised of four divisions: Wildlife Resources, Natural Heritage, Forestry, and Fisheries. The Division of Wildlife Resources has the mission of restoring, maintaining, and enhancing wildlife habitat and populations, as well as to provide for optimum enjoyment and compatible use of these resources by the citizens and visitors of Illinois. Divisional biologists survey and manage wildlife populations and habitats, as well as develop

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
AGENCY FUNCTIONS AND PLANNING PROGRAM (NOT EXAMINED)
For the Two Years Ended June 30, 2014

state-wide and site specific management plans for both private and public lands. The Division also offers educational programs to improve public awareness and appreciation of wildlife. The Division of Natural Heritage has the mission of locating, preserving, protecting, and managing for future generations, lands which contain elements of Illinois' rich natural heritage, and native plant and bird conservation. District biologists work to preserve and restore forests, prairies, and wetlands and all Illinois habitats. The Division of Forestry has the mission of providing stewardship of Illinois forests for the long term sustainability of wood products, wildlife habitat, urban and community enhancement and recreational areas. District foresters provide forestry programs, services, and activities to assist private landowners, governmental agencies and other Departmental offices. These activities include conservation and protection of forests, reforestation woodland management, fire management, and forest marketing utilization. The Division of Fisheries is responsible for utilizing education and scientifically-based management for the protection, restoration, and enhancement of fisheries and other aquatic resources, including Lake Michigan (976,640 acres), reservoirs (54,580 acres), impoundments (257,560 acres), and streams (325,000 acres). The fish hatchery system consists of three hatcheries that annually stock about 30 million fish of 19 species into waters state-wide.

The Office of State Museums (the Museum) collects and preserves objects of scientific and artistic value representing past and present fauna and flora, the life and works of humans, geological history, natural resources, and interprets and educates the public concerning these items. These responsibilities are accomplished by utilizing the collections and staff resources to provide quality research, exhibitions, publications, and educational programs to enhance the experiences, aesthetic values, and quality of life for the people of Illinois. The Museum conducts research and educational programming related to the Illinois landscape; its organisms, both living and extinct; and its art and cultural heritage, both past and present. The Museum maintains extensive anthropology, art, botany, geology, and zoology collections, recognized both nationally and internationally. It operates a museum in Springfield, the Dickson Mounds museum, and various galleries located throughout the state.

The Office of Strategic Services consists of three offices, Administration, Public Service, and the Office of Public Events, Programs & Promotions: The Office of Administration provides internal support through two divisions. The Division of Administrative Support is responsible for maintaining the central warehouse and shop facilities, messenger services, and vehicle fleet management, as well as the documentation clearinghouse, mail room, and copy center. The Division of Systems and Licensing issues various licenses, stamps, or permits for regulated outdoor activities such as hunting, fishing, and registration/titles for boats or snowmobiles. It is also responsible for the Department's information systems. The Office of Public Service addresses the coordination of public involvement with the day-to-day operations of the Department. The Office of Public Service achieves this through various sections including the Marketing, Publications, Resource Education, and the James R. Thompson Center Office of Public Services. The Office informs the public about the Department's programs and activities

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
AGENCY FUNCTIONS AND PLANNING PROGRAM (NOT EXAMINED)
For the Two Years Ended June 30, 2014

via publications, podcasts and marketing programs. The Office serves as the headquarters for the Department's graphics, photography and coordinates printing. The Division of Education is responsible for the development, training, and dissemination of educational programs and materials; providing environmental awareness through the promotion of Departmental programs and events; and for providing hands-on outdoor education. The Division works closely with educators, State agencies, and other groups to ensure environmental goals are being met. The Office of Public Events, Programs and Promotions manages both mandated safety programs and special educational safety programs, e.g. Hunter Safety and Wing-shooting clinics.

The Office of Water Resources administers regulatory programs over construction in the flood ways of rivers, lakes, and streams. It is also responsible for construction in the shore waters of Lake Michigan, construction and operation of dams, construction in public bodies of water, and diversion of water from Lake Michigan, and withdrawal of water from three State lakes (Shelbyville, Carlyle, and Rend Lakes). The Office serves as the lead State agency for water resource planning, navigation, floodplain management, the National Flood Insurance Program, and interstate organizations on water resources. Duties also include the State Water Plan, drought response, flood emergency situation reports, and the comprehensive review of Illinois Water Use law. The Office gathers water resource data related to disasters and disseminates the information to other agencies. It also cooperates with the United States Geological Survey for summaries of river stage information. The Office consists of five divisions: Planning, Project Implementation, Resource Management, Program Development, and Administrative Services. The Division of Planning is responsible for hydraulic engineering activities; preparation of authorized flood control, drainage and other water resource projects; preparation of reports, charts, maps, and graphs; and response for local assistance and emergency flooding situations. The Division of Project Implementation is responsible for preparation of design plans and specifications for Office construction projects, supervision of these projects, and acquisition of all necessary rights-of-way or flood prone property, and the administration and maintenance of State-owned dams and facilities on waterways throughout the State. The Division of Resource Management is responsible for regulating construction activities within the floodways of Illinois' rivers, lakes, and streams; protecting public interest in public waters; allocating and monitoring the usage of Lake Michigan water; reviewing floodplain studies to ensure compliance with regulations; and assisting with the National Flood Insurance program. The Division of Program Development is responsible for compiling and analyzing physical and economic data to determine present and projected future water problems and formulating the most economical solutions to water problems. The Division of Administrative Services provides administrative functions for the Office, such as fiscal management, property control, record retention, and coordination with other Department Offices.

The World Shooting and Recreational Complex (WSRC) is located in Southern Illinois near the city of Sparta, close to three airports and less than 50 miles from three metropolitan areas including St. Louis, Missouri. Visitors have access to a variety of amenities from local

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
AGENCY FUNCTIONS AND PLANNING PROGRAM (NOT EXAMINED)
For the Two Years Ended June 30, 2014

restaurants and shops to the activities of the St. Louis area. WSRC is a premier destination for recreational vehicle enthusiasts. It offers camping areas as well as standard sites with electric, water and sewer. Its activities include cowboy action shooting, fishing, rifle/pistol, skeet shooting, sporting clays and trapshooting. On-site fishing is the newest recreational opportunity available at the WSRC. East Lake is located on the northeast side of the Complex on a 117 acre strip pit and Derby Lake located to the southeast of the Events Center. Each are loaded with largemouth and smallmouth bass, bluegill, redear sunfish, channel catfish, trout and white, black and hybrid crappie.

Management

The Director is assisted by three Deputy Directors and a Chief of Staff. An Assistant Director was employed through February 15, 2013, but the position has been vacant since that time. These Deputy Directors are supported by an extensive staff of Office Directors and Division managers. The Director is involved in key personnel decisions and in the budget process. The Director meets with the senior management team weekly and executive staff meetings are scheduled for every other week. Additional meetings with appropriate staff are held as needed to address a particular concern or issue relevant to the Department.

Compliance with Rules and Regulations

The Policy and Procedure Manual documents the basis for overall operations within the Department and serves as the official manual governing Agency processes. In addition, some offices have internal policies and procedures that may address specific operations (i.e. Office of Law Enforcement). The policies and procedures that may exist within a specific office/division are consistent with the official Manual but may also provide office-specific operations that do not apply to other offices. Work began on reviewing and updating the Department's official policies and procedures to be consistent with current operations, laws, the impact of technology, etc., towards the end of the current audit period. The review and update process of all policies and procedures, including office specific policies and procedures, is ongoing. Once finalized, all changes to the official Policy and Procedure Manual will be distributed to all employees with employees required to verify their receipt of the updated policies and procedures.

The Department uses the Office of Legislation to identify laws and regulations that are applicable to its mission. The Office of Legislation acts as the Department's intermediary to the General Assembly. The Office of Legislation tracks both substantive and budget bills in both chambers. The Office of Legislation coordinates the collection of information requested by the Legislature.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
AGENCY FUNCTIONS AND PLANNING PROGRAM (NOT EXAMINED)
For the Two Years Ended June 30, 2014

The Office of Legislation is responsible for implementing the passage of substantive legislative changes to existing statutes as well as creating new statutes. The Legislative Director reports directly to the Agency Director and coordinates with executive staff and senior managers to maintain a working relationship with members of the General Assembly, other departments of State government, private entities, and citizens of the State of Illinois.

The Office of Legal Counsel provides counsel, guidance, and advice to the Director and other executive staff how to comply with rules and regulations, to the legality of existing or proposed rules, regulations, and policies, and to whether rules, regulations, and policies should be enacted, repealed, or modified. This office's counsel, guidance, and advice are primarily in response to request from the Director or other staff. Under current Department policy, the Office of Legal Counsel review is formalized with respect to reviewing proposed legislation and administrative rules, as well as proposed changes to internal Department policies and procedures, and structured opportunity for some larger policy discussion has been periodic. The establishment of an online channel for Department requests to Office of Legal Counsel in 2013 facilitated an increased leveraging of the Office's capacities. Since the Office of Legal Counsel has a dual reporting channel to the Governor's Legal Counsel, and because all government attorneys owe an overarching duty to the public as well as to the rule of law, regular Department utilization of Office of Legal Counsel assists the Department to recognize the needs of the public and to provide a united voice for Illinois' natural resources.

The Chief Fiscal Officer (CFO) serves as Director of the Office of Fiscal Management. The CFO's role in monitoring operations includes reviewing fiscal procedures to ensure compliance with all rules, regulations, and accounting standards.

The Office of Internal Audit provides management with insight into the adequacy of the established internal control environment, highlights risks within that environment, and makes recommendations to management to improve the control environment and limit risks. Internal Audit activities focus on determining: compliance with laws, regulations, and policies and procedures; the accuracy of data and information to ensure its reliability and integrity; that assets are adequately safeguarded; the effectiveness and efficiency of operations; and, the accomplishment of goals and objectives. The primary objective is to assist Department management in the effective discharge of their responsibilities.

Strategic Planning

The Department first established a strategic planning function in Fiscal Year 1996, shortly after the Department's creation. The Department's most recent update of its strategic plan occurred in October 2008. It identifies seven priorities with associated initiative. The Department also has developed performance measures and goals which are annually reported to the Comptroller for inclusion in the State's Public Accountability Report (PAR).

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
AGENCY FUNCTIONS AND PLANNING PROGRAM (NOT EXAMINED)
For the Two Years Ended June 30, 2014

Strategic planning activities are coordinated by the Director's Office, while the Office of Fiscal Management coordinates the collection and reporting of PAR information to the Comptroller.

The Department has several formal, ongoing planning programs. These are discussed below.

The Illinois Coastal Management Program (ICMP) has done several levels of strategic planning as a part of initiating this new state program. Planning has included reviewing program priorities, coordinating with other agency staff on shared priorities; and extensive outreach to coastal constituents and stakeholders for feedback on identified needs. ICMP developed an Illinois Lake Michigan Implementation plan based on information and feedback, and used that information to select projects for funding and decide program priorities. ICMP also used a strategic planning effort to develop a non-point source pollution program and identify the key roles where our program can add significant and strategic value. ICMP is also working with State-owned coastal sites to plan strategic projects and activities at these sites.

The Illinois State Museum strategic goals are to engage larger and more diverse audiences in discovery, learning, and stewardship of the natural and cultural resources and heritage of Illinois; make all of the Museum's resources and educational offerings more relevant and accessible to the public; maintain a firm foundation of nationally acclaimed research and collections preservation programs to ensure up-to-date interpretations for the public, public trust, and availability for future generations; expand public and government recognition of the Museum as an essential educational institution.

The Office of Oil and Gas Resource Management conducts internal planning activities to evaluate whether it is efficiently allocating its limited resources in order to ensure the orderly development of oil and gas and environmental protection of the State's land and water resources during the exploration, development and production of the State's oil and gas resources.

The Office of Realty and Environmental Planning carries out a variety of outdoor recreation and natural resource planning activities, such as site plans and economic analysis of feasibility of improvements such as campgrounds, cabins, and marinas.

The Office of Water Resources is the State's lead agency for water resources planning. It prepares the State Water Plan and is involved in other planning and regulatory activities related to the Management of the State's water resources.

The Department prepares an Annual Capital Improvement Plan, which is presented to the GOMB, CDB, and provided to the General Assembly as part of the annual budget package.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
AVERAGE NUMBER OF EMPLOYEES (NOT EXAMINED)
For the Years Ended June 30,

	Fiscal Year		
	2014	2013	2012
Regular:			
General Office	73	71	60
Architecture, Engineering & Grants	21	20	24
Realty and Environmental Planning	43	47	50
Business Services/Strategic Services	67	64	74
Sparta World Shooting Complex	11	10	11
Resource Conservation	227	206	227
Law Enforcement	150	144	142
Land Management	367	313	352
Mines & Minerals	113	100	106
Water Resources	54	48	57
Museums	62	58	60
Total Regular	<u>1,188</u>	<u>1,081</u>	<u>1,163</u>
Part-Time and Seasonal:			
General Office	2	2	1
Architecture, Engineering & Grants	-	-	1
Realty and Environmental Planning	-	-	-
Business Services/Strategic Services	2	1	2
Sparta World Shooting Complex	1	3	3
Resource Conservation	20	20	23
Law Enforcement	1	1	1
Land Management	129	20	73
Mines & Minerals	6	3	2
Water Resources	1	1	2
Museums	3	4	3
Illinois Youth Recreation Corp	-	98	65
Total Part-Time and Seasonal	<u>165</u>	<u>153</u>	<u>176</u>
Total			
General Office	75	73	61
Architecture, Engineering & Grants	21	20	25
Realty and Environmental Planning	43	47	50
Business Services/Strategic Services	69	65	76
Sparta World Shooting Complex	12	13	14
Resource Conservation	247	226	250
Law Enforcement	151	145	143
Land Management	496	333	425
Mines & Minerals	119	103	108
Water Resources	55	49	59
Museums	65	62	63
Illinois Youth Recreation Corp	-	98	65
Grand Total	<u>1,353</u>	<u>1,234</u>	<u>1,339</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
AVERAGE NUMBER OF EMPLOYEES (NOT EXAMINED)
For the Years Ended June 30,

Note: During the examination period, the Department changed the way it compiled its average number of employees. The average number of employees during Fiscal Year 2012 was then recomputed to ensure consistency across all years presented in the table on the preceding page.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
EMERGENCY PURCHASES (NOT EXAMINED)
For the Two Years Ended June 30, 2014

The Department reported the following emergency purchases to the Office of the Auditor General during Fiscal Year 2014:

<u>Vendor/Description</u>	<u>Cost</u>
Chuck Kinsel Trucking and Excavating Emergency purchase to eliminate safety hazards of a failed mine shaft in Hanna City in Fulton County	\$ 38,377
Lake Contracting, LLC Emergency repairs for water damage at Rend Lake Resort located at Wayne Fitzgerald State Park	205,122
Several Vendors Emergency purchase to acquire expertise assistance for the drafting of administrative rules for Hydraulic Fracturing	35,475
Green Golf Partners Emergency concession services to manage the golf course at Eagle Creek State Recreational Area	30,000
DSI Underground Systems Emergency purchase to acquire 24 re-breathers to replace antiquated units at Springfield and Harrisburg Mine Rescue Stations	<u>240,406</u>
Total Fiscal Year 2014 Cost	<u>\$ 549,380</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
EMERGENCY PURCHASES (NOT EXAMINED)
For the Two Years Ended June 30, 2014

The Department reported the following emergency purchases to the Office of the Auditor General during Fiscal Year 2013:

<u>Vendor/Description</u>	<u>Cost</u>
D. Construction, Inc.	
Emergency to restore water to the upstream section of the I & M Canal as a result from flood damage	\$ 48,750
Berryman Equipment Company	
Emergency replacement of equipment at the Sanitary Plant at Starved Rock State Park	44,780
Gasvoda and Associates	
Emergency purchase of sewage pump equipment for the sewage treatment plant at Starved Rock State Park	52,000
Keeley and Sons	
Emergency construction services to eliminate the public safety hazards of mine subsidence impacting IL Route 15	18,517
Linden & Co.	
Emergency purchase of a portable pump to provide adequate water levels in the transmission water ditch at Rice Lake	36,347
Triple K Konstruction Co.	
Emergency roofing repair services for the Clinton Lake State Recreation Area	<u>13,752</u>
Total Fiscal Year 2013 Cost	<u>\$ 214,146</u>

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
MEMORANDUMS OF UNDERSTANDING (NOT EXAMINED)
For the Two Years Ended June 30, 2014

Parties Involved Other Than The Illinois Department of Natural Resources (IDNR)	Dates Involved	Memorandum Requirements Description
Illinois Environmental Protection Agency (IEPA) and United States Fish & Wildlife Service (USFW)	7/11/2012*	For natural resource damage assessment activities at West Shore/Buckeye Pipeline Site in Lockport, IL as a result of a crude oil leak due to a ruptured pipeline
IEPA	8/20/2012*	For use of IDNR facilities in Springfield, IL to conduct a training course
Lewis & Clark Community College and DeWitt County Soil and Water Conservation Districts (SWCD)	3/15/2013-3/15/2015	For placement of a Land Conservation Specialist to assist the District and other Soil and Water Conservation Districts in facilitating the Conservation Reserve Enhancement Program (CREP) grant award process
Lewis & Clark Community College and Fayette County SWCD	3/31/2013-3/31/2015	For placement of a Land Conservation Specialist to assist the District and other Soil and Water Conservation Districts in facilitating the CREP grant award process
St. Louis District of the United States Army Corps of Engineers (USACE) and Carlyle Lake/Kaskaskia River Project Office	2013**	To establish a cooperative relationship between the St. Louis District of the USACE, Carlyle Lake/Kaskaskia River Project Office, and the IDNR regarding the establishment of a Biological Research Station at Carlyle Lake to improve management and protection of public lands and waters at Carlyle Lake
Chicago Academy of Sciences and its Peggy Notebaert Nature Museum	4/30/2013*	For the development of the Project Squirrel mobile phone educational application and promotion of the mobile application through appropriate media outlets
IEPA and USFW	1/3/2013*	For coordination and cooperation of the parties involved in support of negotiations and/or litigation pertaining to any Natural Resource Damage claims against Potentially Responsible Parties at the Sauget Area 1 and Area 2 Superfund Sites in St. Clair County, Illinois
Forest Preserve District of DuPage County	3/15/2013-3/15/2018	Three year renewal of MOU to continue performing the "Endangered Species Consultation Process" concerning impacts on State endangered and threatened species
City of Metropolis	9/1/2013-8/31/2018	For the purpose of allowing the City of Metropolis to promote and enhance recreational use of State owned lands

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
MEMORANDUMS OF UNDERSTANDING (NOT EXAMINED)
For the Two Years Ended June 30, 2014

Parties Involved Other Than The Illinois Department of Natural Resources (IDNR)	Dates Involved	Memorandum Requirements Description
U.S. Forest Service and Multiple Other Entities	11/4/2013*	To continue the framework of cooperation between the parties of the Middle Mississippi River Partnership to achieve the common goal of restoring and enhancing the natural resources of the Mississippi River
Illinois State Toll Highway Authority	12/10/2013-12/10/2016	To set forth the framework for an expedited review process to examine potential impacts to protected natural resources for proposed State Toll Highway Authority Projects
Illinois Department of Transportation (IDOT)	1/10/2013-1/10/2016	To set forth the framework for an expedited review process to examine potential impacts to protected natural resources for proposed IDOT projects

*Initial date of MOU - specific termination date not defined in agreement. The agreement will remain in effect until it is modified and/or terminated by the participants.

**MOU began in 2013. Specific date not defined in the agreement. The agreement will remain in effect until it is modified and/or terminated by the participants.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SERVICE EFFORTS AND ACCOMPLISHMENTS (NOT EXAMINED)
For the Two Years Ended June 30, 2014

The Illinois Department of Natural Resources' (Department) mission is to manage, conserve and protect Illinois' natural, recreational and cultural resources, further the public's understanding and appreciation of those resources and promote the education, science and public safety of Illinois' natural resources for present and future generations.

The Department is organized into 11 main operating offices. These offices administer activities in four core program areas: Resource Compatible Recreation, Natural and Cultural Resource Protection, Resource-Related Public Safety, and Science, Education and Culture.

Resource Compatible Recreation

The mission of the Resource Compatible Recreation program is to provide safe, accessible, high quality and resource-compatible outdoor recreation opportunities to the public so it can enjoy the State's natural and cultural resources.

The Resource Compatible Recreation program goals are as follows: 1) meet the public's outdoor recreation needs in a resource-compatible manner, 2) develop and maintain Department facilities and infrastructure to provide meaningful outdoor recreation experiences for Illinois' residents and visitors and 3) establish and maintain partnerships to expand resource-compatible recreation opportunities.

The Department owns or manages land and water and offers a wide range of recreational opportunities, including camping, picnicking, sightseeing, fishing, hunting, boating, swimming and trail use. In Fiscal Year 2014, 39,511,182 people visited these sites.

A key objective of the Resource Compatible Recreation program is to maintain a high level of visitor satisfaction with the overall quality of Department sites. In Fiscal Year 2014, 84 percent of park visitors expressed high satisfaction (i.e., visitor survey scores of 4 or more on a 5 point scale, with 5 equaling excellent) with overall park facilities and operations.

The Department provides funding to local Illinois governments for outdoor recreation facilities and land for open space. In Fiscal Year 2014, the Department awarded 246 grants totaling \$129,290,000. With financial assistance provided by the Department, local grant recipients acquired 193 acres and acquired and developed 89 miles of bike trails.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SERVICE EFFORTS AND ACCOMPLISHMENTS (NOT EXAMINED)
For the Two Years Ended June 30, 2014

Resource Compatible Recreation (Continued)

The following are the Resource Compatible Recreation program's Input, Output and Outcome Indicators:

	<u>Fiscal Year 2014</u>	<u>Fiscal Year 2013</u>	<u>Fiscal Year 2012</u>
<u>Input Indicators</u>			
Total expenditures (in thousands)	\$85,955	\$114,145	\$106,972
Average monthly full-time employee equivalents	511	472	451
<u>Output Indicators</u>			
Acreage owned and managed	469,870	474,813	473,761
Number of grants awarded	246	133	52
Total dollar amount of grants awarded (in thousands)	\$129,290	\$20,479	\$12,726
Fishing licenses issued	567,577	530,335	627,201
Hunting licenses issued	197,625	197,085	188,576
Site attendance	39,511,182	40,058,032	40,603,635
<u>Outcome Indicators</u>			
Amount of grantee acquired acreage	193	269	521
Miles of bike trails acquired/developed through grants	89	80	44
Percentage of highly satisfied park visitors	84%	78%	89%
<u>Efficiency/Cost Effectiveness</u>			
Cost per acre managed (in dollars)	\$120.91	\$99.77	\$117.00
Cost per visitor (in dollars)	\$1.40	\$1.18	\$1.30

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SERVICE EFFORTS AND ACCOMPLISHMENTS (NOT EXAMINED)
For the Two Years Ended June 30, 2014

Natural and Cultural Resource Protection

The mission of the Natural and Cultural Resource Protection program is to manage, conserve and protect Illinois' natural, recreational and cultural resources, further the public's understanding and appreciation of those resources and promote the education, science and public safety of natural resources for present and future generations.

The Natural and Cultural Resource Protection program goals are as follows: 1) restore, enhance and sustain Illinois' natural and cultural resources for present and future generations, 2) acquire interest in land to meet the public's open space and resource protection needs, 3) maximize the effectiveness of laws, statutes and administrative rules to better protect resources 4) balance resource consumption and use with resource protection and 5) avoid, minimize and mitigate adverse impacts to Illinois' lands and waters that result from mining and mineral extraction activities.

As part of the Natural and Cultural Resource Protection program, the Department manages land and water resources, enforces resource laws, acquires resource-rich lands, reclaims mine sites and manages the State's mineral resources.

The Department owns or manages less than five percent of the State's vast natural resources. As a result, a key goal of the Department's Natural and Cultural Resource Protection program is to protect, manage and enhance natural resources not under ownership or direct management of the department. The Department offers a number of programs to assist landowners and local entities in the management of resources under their control. For example, in Fiscal Year 2014, the Department produced 958,000 seedlings and reforested 2,976 acres.

Improvement in air quality is an important outcome of the Department's reforestation efforts, as the photosynthetic process of planted trees removes carbon generated by fossil fuel consumption from the atmosphere. The Department's reforestation activities in Fiscal Year 2014 resulted in the annual absorption of an additional 4,385 tons of carbon from the atmosphere.

The Conservation Reserve Enhancement Program (CREP) is a unique State and Federal Partnership to assist landowners in protecting lands along the Illinois River Watershed through the implementation of resource management practices such as the planting of trees and grasses and the development of wetlands. CREP is a voluntary program whose objective is to enhance water quality and habitats for threatened and endangered species through the restoration of 232,000 acres along the Illinois and Kaskaskia River and its tributaries. Enrollment in CREP began in Fiscal Year 1999 and at the end of Fiscal Year 2014 approximately 86,055 acres had been enrolled in the program.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SERVICE EFFORTS AND ACCOMPLISHMENTS (NOT EXAMINED)
For the Two Years Ended June 30, 2014

Natural and Cultural Resource Protection (Continued)

The following are the Natural and Cultural Resource Protection program's Input, Output and Outcome Indicators:

	Fiscal Year 2014	Fiscal Year 2013	Fiscal Year 2012
<u>Input Indicators</u>			
Total expenditures (in thousands)	\$119,229	\$65,476	\$62,240
Average monthly full-time employee equivalents	384	355	357
<u>Output Indicators</u>			
Number of acres reforested	2,976	2,097	2,040
Number of acres annually enrolled in CREP	2,947	2,854	2,277
Amount of seedlings produced for reforestation	958,000	1,519,180	1,512,220
<u>Outcome Indicators</u>			
Tons of carbon removed from the atmosphere by reforestation	4,385	3,090	3,000
Protected natural area acreage	106,741	104,815	99,866
Acquired land (in acres)	778	1,115	288

Resource-Related Public Safety

The mission of the Resource-Related Public Safety program is to ensure the safe and enjoyable use of the State's lands, water and resources, ensure safety in mining and blasting activities and to protect the public's interest in public waters and floodways.

The Resource-Related Public Safety program goals are as follows: 1) ensure the safety of the public visiting State-managed sites or participating in State-regulated outdoor recreation, 2) protect workers in the extraction industry from mining and explosive accidents and 3) manage dams and floodways to protect people and property in floodplains.

Through its Resource-Related Public Safety program, the Department offers safety education classes for hunters, boaters, trappers and snowmobilers, certifying 19,503 students in Fiscal Year 2014. The Department's Conservation Police Office enforce State laws pertaining to boating, hunting and snowmobile safety and assist park staff in ensuring the safe use of facilities and resources at Department sites.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SERVICE EFFORTS AND ACCOMPLISHMENTS (NOT EXAMINED)
For the Two Years Ended June 30, 2014

Resource-Related Public Safety (Continued)

The Department's Resource-Related Public Safety program includes programs to ensure the safety of the State's coal and aggregate miners and others involved in the use of blasting and explosives. Department staff works to protect the public from mine subsidence and other abandoned mine emergencies and enforce safety standards for dam and floodplain construction.

The following are the Resource-Related Public Safety program's Input, Output and Outcome Indicators:

	<u>Fiscal Year 2014</u>	<u>Fiscal Year 2013</u>	<u>Fiscal Year 2012</u>
<u>Input Indicators</u>			
Total expenditures (in thousands)	\$51,335	\$28,449	\$27,129
Average monthly full-time employee equivalents	207	191	185
<u>Output Indicators</u>			
Number of safety education classes held	548	545	554
Number of mine safety certifications issued	777	1,020	1,043
Number of mine safety accident prevention contracts	19,939	17,757	16,465
Number of blasting and explosive licenses and certifications issued	1,564	1,408	1,563
Number of blasting and explosives inspections performed	1,380	1,417	1,353
Number of dams inspected	490	277	231
<u>Outcome Indicators</u>			
Number of students certified by safety education classes	19,503	23,033	20,300

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SERVICE EFFORTS AND ACCOMPLISHMENTS (NOT EXAMINED)
For the Two Years Ended June 30, 2014

Science, Education, and Culture

The mission of the Science, Education and Culture program is to collect and analyze data on the State's natural and cultural resources and to provide objectives, scientific information and education programs on these resources to government agencies, businesses, other scientists, education institutions, teachers, students and the general public to advance their understanding and appreciation of the State's natural and cultural resources.

The Science, Education and Culture program goals are as follows: 1) educate the public on the diversity and value of the State's natural and cultural resources, 2) preserve and showcase the State's natural, cultural and artistic heritage and 3) acquire and provide natural history information that can be used to promote the common understanding of the sustainable conservation of Illinois' living natural resources.

The Department offers a wide range of interpretative and environmental education opportunities as part of the Science, Education and Culture program. Illinois ENTICE (Environment and Nature Training Institute for Conservation Education) is a teacher training program designed to incorporate long-term, standards-based natural resource education into Illinois classrooms. The Department has been certified by the Illinois State Board of Education (Board) as a certificate renewal credit provider as part of the Board's recertification requirements for teachers. In Fiscal Year 2014, 285 teachers completed ENTICE training and the Department awarded teachers 1,644 continuing professional education hours.

The Department's science institution is the Illinois State Museum. Department scientists work on cutting-edge issues and apply the latest technologies available to them. The scientific knowledge that they provide is key to making up-to-date decisions on the appropriate use, effective management and protection of all of Illinois' resources.

The Department's State Museum and its branch facilities use its collections and applied research findings in order to serve as an informal education resource and provide learning opportunities for people of all ages. In Fiscal Year 2014, the State Museum facilities had over 360,363 visitors.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SERVICE EFFORTS AND ACCOMPLISHMENTS (NOT EXAMINED)
For the Two Years Ended June 30, 2014

Science, Education, and Culture (Continued)

The following are the Science, Education and Culture program's Input, Output and Outcome Indicators:

	<u>Fiscal Year 2014</u>	<u>Fiscal Year 2013</u>	<u>Fiscal Year 2012</u>
<u>Input Indicators</u>			
Total expenditures (in thousands)	\$22,281	\$21,857	\$18,150
Average monthly full-time employee equivalents	148	137	128
<u>Output Indicators</u>			
Number of user session on Illinois State Museum's websites (in thousands)	1,991,094	1,781,192	2,250,662
Number of teachers completing ENTICE training	171	225	285
Number of educational publications ordered & shipped	1,033,074	1,079,369	909,032
<u>Outcome Indicators</u>			
Number of continuing profession education (CPE) hours awarded to teacher via ENTICE and other programs	1,644	1,255	1,002
Attendance at Museum facilities	360,363	398,820	374,122

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
SCHEDULE OF INDIRECT COST REIMBURSEMENTS (NOT EXAMINED)
For the Two Years Ended June 30, 2014
(Expressed in Thousands)

The indirect cost reimbursements are based on rates negotiated with the U.S. Department of the Interior, National Business Center. These indirect cost reimbursements provide funding for allowable program costs that are incurred for a common purpose and are not assignable to specific cost objectives. Indirect cost reimbursements are deposited into Federal Trust Funds: Abandoned Mined Lands Reclamation Council Federal Trust, Federal Surface Mining Control and Reclamation, Mines and Minerals Underground Injection Control, and National Flood Insurance Program. Following are reimbursements deposited during Fiscal Years 2014 and 2013.

Federal Programs/Grants	Fiscal Year 2014	Fiscal Year 2013
OFFICE OF MINES & MINERALS		
Abandoned Mined Lands Reclamation (AML)	\$ 366	\$ 331
Federal Surface Mining Control (LRD)	867	744
Mine Safety & Health (MS&T)	18	5
Underground Injection Control (O&G)	6	4
OFFICE OF WATER RESOURCES		
National Flood Insurance/CAP-SSSE	136	61
Total Indirect Cost Reimbursements	\$ 1,393	\$ 1,145

The indirect cost rates established with the U.S. Department of the Interior, National Business Center for allocating indirect costs to federal award programs for Fiscal Years 2014 and 2013 are 22.16% and 20.08% for the Office of Resource Conservation; 24.8% and 25.79% for the Office of Mines and Minerals; 35.32% and 44.33% for the Office of Water Resources and 44.04% and 37.67% for the Office of Scientific Research and Analysis, respectively.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
OPEN SPACE LANDS ACQUISITION DEVELOPMENT GRANT PROGRAM
(NOT EXAMINED)

For the Two Years Ended June 30, 2014

The Illinois Open Space Lands Acquisition and Development (OSLAD) Program is a grant program that provides up to 50% funding assistance to eligible units of local government for approved land acquisition and/or development projects for public outdoor recreation purposes. Actual grant payment is provided on a reimbursement basis after the approved project is satisfactorily completed and actual, eligible costs determined. The Illinois Department of Natural Resources (Department) is the State agency responsible for administering the OSLAD program. Allocation of grant funds to local projects from this program are made in accordance with priorities identified through the Department's statewide outdoor recreation planning process.

Project applications from local agencies requesting OSLAD assistance must be submitted to the Department for evaluation and consideration of project merit. Project applications are received by the Department no sooner than May 1 and no later than July 1 of each year. Applications are objectively evaluated and awarded on a competitive basis, in relation to the following priorities and evaluation criteria:

- 1) Statewide Outdoor Recreation Priorities and Project Need (60%)
- 2) Local Planning (10%)
- 3) Site Characteristics and Development Plan (25%)
- 4) Project Special Considerations (5%)

Project approvals are made on a priority basis. The following local government agencies are eligible for OSLAD assistance 1) municipalities, townships and counties; 2) park districts; 3) conservation districts; and 4) forest preserve districts. Other local government agencies having statutory authority to acquire and develop lands for public park and outdoor recreation purposes may also be eligible for OSLAD consideration. Except for jurisdictions with a population exceeding 2 million residents, the maximum grant funding for approved acquisition projects is limited to \$750,000, approved development projects is limited to \$400,000, and approved combination projects is limited to \$400,000. Counties serving a population exceeding 2 million residents shall be eligible for up to \$1.15 million in annual OSLAD funding for approved acquisition and/or development projects. Municipalities with a population exceeding 2 million residents shall be eligible for up to \$2.3 million in annual OSLAD funding for approved projects. However, no more than 10% of the annual OSLAD appropriation can be allocated to one project.

All project costs incurred prior to the Department's approval, with the exception of eligible project architectural/engineering costs, are ineligible for OSLAD assistance. Only proposed acquisition and development projects are eligible for grant assistance.

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES
OPEN SPACE LANDS ACQUISITION DEVELOPMENT GRANT PROGRAM
(NOT EXAMINED)
For the Two Years Ended June 30, 2014

During Fiscal Years 2014, 2013, and 2012, the Department awarded grants under the OSLAD program as follows:

	Fiscal Year 2014	Fiscal Year 2013	Fiscal Year 2012
Total Grants Requested	80	69	63
Total Grants Awarded	41	40	40
Total Projects Awarded	\$13,986,600	\$13,896,500	\$10,842,719
 <u>2014 Grant Projects</u>			
Total Expenditures	\$ -	\$ -	\$ -
 <u>2013 Grant Projects</u>			
Total Expenditures	\$ 22,400	\$ -	\$ -
 <u>2012 Grant Projects</u>			
Total Expenditures	\$ 2,732,846	\$ 126,553	\$ -
 <u>2011 Grant Projects</u>			
Total Expenditures	\$ 4,114,584	\$ 3,952,290	\$ 203,700