

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
COMPLIANCE EXAMINATION**

For the Two Years Ended June 30, 2015

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2015

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STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
COMPLIANCE EXAMINATION  
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**COMMISSION OFFICIALS**

Chairman	Brien Sheahan (Effective 1/20/15) Doug Scott (Through 1/12/15)
Commissioner	Miguel del Valle
Commissioner	Sherina Maye Edwards
Commissioner	Ann McCabe
Commissioner	John Rosales (Effective 3/13/15) John Colgan (Through 1/19/15)
Executive Director	Cholly Smith (Effective 4/27/15) Steven Matrisch (Acting) (4/6/15 to 4/26/15) Jonathan Feipel (Through 4/3/15)
Deputy Executive Director	Steven Matrisch (Effective 5/1/15)
Bureau Chief Planning and Operations	Vacant (Effective 5/16/15) Ken Hundrieser (Through 5/15/15)
Bureau Chief Administrative Law Judges	Ethan Kimbrel (Effective 4/16/15) Mike Wallace (Through 4/15/15)
Bureau Chief Public Utilities	Gene Beyer
Bureau Chief External Affairs	Danisha Hall (Effective 10/16/15) Kelly Klopp (4/27/15 to 8/14/15) Randy Nehrt (Through 11/20/14)
Bureau Chief Transportation	Steven Matrisch
Director of Administrative Services	Jane Fields
Fiscal Manager	Sue McCormick
General Counsel	Jay Hines-Shah (Effective 4/27/15) Nora Naughton (Acting) (2/1/14 to 4/21/15) Mary Stephenson (Through 1/31/14)
Chief Internal Auditor	Aaron Rife

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2015

The Commission is located at:

527 East Capitol Avenue  
Springfield, Illinois 62701

160 North LaSalle Street  
Suite C-800  
Chicago, Illinois 60601

The Police Station is located at:

9511 West Harrison Street  
Des Plaines, Illinois 60016



## ILLINOIS COMMERCE COMMISSION

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### MANAGEMENT ASSERTION LETTER

March 25, 2016

Honorable Frank J. Mautino  
Auditor General  
740 East Ash Street  
Springfield, IL 62703

Auditor General Mautino:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Illinois Commerce Commission (Commission). 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 Commission's compliance with the following assertions during the two-year period ended June 30, 2015. Based on this evaluation, we assert that during the year(s) ended June 30, 2014 and June 30, 2015, the Commission has materially complied with the assertions below.

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

Yours very truly,

Illinois Commerce Commission

A handwritten signature in black ink, appearing to read "Cholly Smith", written over a horizontal line.

Cholly Smith, Executive Director

A handwritten signature in black ink, appearing to read "Jane K. Fields", written over a horizontal line.

Jane Fields, Director of Administrative Services

A handwritten signature in blue ink, appearing to read "Jay Hines-Shah", written over a horizontal line.

Jay Hines-Shah, General Counsel

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2015

**COMPLIANCE REPORT**

**SUMMARY**

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

**ACCOUNTANT'S REPORT**

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

**SUMMARY OF FINDINGS**

<u>Number of</u>	<u>Current</u>	<u>Prior</u>
	<u>Report</u>	<u>Report</u>
Findings	5	4
Repeated findings	2	0
Prior recommendations implemented or not repeated	2	7

**SCHEDULE OF FINDINGS**

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (STATE COMPLIANCE)			
2015-001	10	Inadequate controls over accounts receivable	Significant Deficiency and Noncompliance
2015-002	12	Inaccurate fee imposition reports	Significant Deficiency and Noncompliance
2015-003	13	Inadequate controls over employee time	Significant Deficiency and Noncompliance
2015-004	15	Inadequate controls over the administration of State vehicles	Significant Deficiency and Noncompliance
2015-005	17	Inadequate controls over grant documentation	Significant Deficiency and Noncompliance

STATE OF ILLINOIS  
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For the Two Years Ended June 30, 2015

PRIOR FINDINGS NOT REPEATED

- |   |    |   |
|---|----|---|
| A | 18 | Untimely filing of annual natural gas market report |
| B | 18 | Reconciliations not performed timely                |

**EXIT CONFERENCE**

The findings and recommendations appearing in this report were discussed with Commission personnel at an exit conference on March 8, 2016. Attending were:

**Illinois Commerce Commission**

Steve Matrisch, Deputy Executive Director  
Aaron Rife, Chief Internal Auditor  
Sue McCormick, Fiscal Manager  
Jane Fields, Director of Administrative Services  
Leigh Ann Myers, Human Resources Manager  
Dawn Denny, Human Resources Specialist

**Office of the Auditor General**

Peggy Hartson, Audit Manager  
Adam Ausmus, Audit Supervisor  
Lisa Kaigh, Auditor

The responses to the recommendations were provided by Mr. Aaron Rife in a letter dated March 15, 2016.

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OFFICE OF THE AUDITOR GENERAL  
FRANK J. MAUTINO

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

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

**Compliance**

We have examined the State of Illinois, Illinois Commerce Commission'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, 2015. The management of the State of Illinois, Illinois Commerce Commission is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois, Illinois Commerce Commission's compliance based on our examination.

- A. The State of Illinois, Illinois Commerce Commission 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, Illinois Commerce Commission 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, Illinois Commerce Commission 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, Illinois Commerce Commission 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, Illinois Commerce Commission on behalf of the State or held in trust by the State of Illinois, Illinois Commerce Commission 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, Illinois Commerce Commission's compliance with those requirements listed in the first paragraph of this report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the State of Illinois, Illinois Commerce Commission's compliance with specified requirements.

In our opinion, the State of Illinois, Illinois Commerce Commission complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the two years ended June 30, 2015. However, the results of our procedures disclosed instances of noncompliance with the requirements, which are required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of findings as items 2015-001 through 2015-005.

### **Internal Control**

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the requirements listed in the first paragraph of this report on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be

material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings as items 2015-001 through 2015-005, that we consider to be significant deficiencies.

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

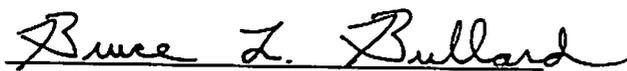
The State of Illinois, Illinois Commerce Commission's responses to the findings identified in our examination are described in the accompanying schedule of findings. We did not examine the State of Illinois, Illinois Commerce Commission's responses and, accordingly, we express no opinion on the responses.

### **Supplementary Information for State Compliance Purposes**

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information for the years ended June 30, 2015 and June 30, 2014 in Schedules 1 through 9 and the Analysis of Operations Section is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the June 30, 2015 and June 30, 2014 accompanying supplementary information in Schedules 1 through 9. However, we do not express an opinion on the accompanying supplementary information.

We have not applied procedures to the June 30, 2013 accompanying supplementary information in Schedules 3, 4, 5, 6, 7, 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, Illinois Commerce Commission's management, and the Commission's governing board 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  
March 25, 2016

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF FINDINGS**  
For the Two Years Ended June 30, 2015

2015-001.     **FINDING**     (Inadequate controls over accounts receivable)

The Illinois Commerce Commission (Commission) did not have adequate controls over the administration of its accounts receivables.

The Commission did not make adequate collection attempts on 10 of 10 (100%) accounts receivables tested. We noted the following:

- The Commission failed to refer 5 of 10 (50%) accounts receivable tested, totaling \$15,287, to the Office of the Comptroller's (Comptroller) Offset System. The Commission's procedures and the Statewide Accounting Management System (SAMS) (Procedure 26.40.20) require all debts over \$250 and more than 90 days past due to be placed in the Comptroller's Offset System.
- The Commission failed to refer 10 of 10 (100%) accounts receivable tested, totaling \$29,868, to the Department of Revenue Debt Collection Bureau. The Commission's procedures and the Illinois State Collections Act (30 ILCS 210/5(g)) require all debts that are 91 days or more past due to be referred to the Debt Collection Bureau.
- The Commission did not refer 8 of 10 (80%) accounts receivable tested, totaling \$28,687, to the Illinois Attorney General to be certified as uncollectible. The Commission's procedures and SAMS (Procedure 26.40.40) require, for uncollectible debts greater than or equal to \$1,000, the Commission to submit a request to the Illinois Attorney General to certify the debts as uncollectible.

During the prior and current engagements, Commission officials stated the lack of compliance was due to the loss of staff in various departments. Commission officials also stated the Commission did not have all the necessary information needed regarding some of the receivables in order to report to the Comptroller's Offset System.

Failure to attempt or document attempts to collect accounts receivable could result in lost revenues to the State. Failure to timely refer receivables to the Department of Revenue Debt Collection Bureau and to the Comptroller's Offset System increases the likelihood that past due amounts owed to the Commission will not be collected or the collection will be further delayed. (Finding Code No. 2015-001, 2013-001)

**RECOMMENDATION**

We recommend the Commission pursue all reasonable and appropriate procedures to collect on outstanding debts as required.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF FINDINGS**  
For the Two Years Ended June 30, 2015

**COMMISSION RESPONSE**

The Commission agrees with the finding. The Commission will resume monthly reporting requirements to the Department of Revenue's Debt Collection Bureau. The section that handles the referrals of accounts receivable is comprised of new employees. The Commission will evaluate workload of current staff and determine when these additional duties can be assigned.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF FINDINGS**  
For the Two Years Ended June 30, 2015

2015-002.     **FINDING**     (Inaccurate fee imposition reports)

The Illinois Commerce Commission (Commission) did not exercise adequate controls over its Agency Fee Imposition Reports (Reports).

During our testing, we noted the Commission included Miscellaneous Fees, totaling \$82,495, in its Fiscal Year 2015 Report, which should have been omitted. As a result, the Commission's Fiscal Year 2015 Report was overstated by \$82,495.

The State Comptroller Act (15 ILCS 405/16.2(a)) requires those agencies that impose fees to file a report with the Office of the Comptroller (Comptroller) at the time the Comptroller specifies by rule. The Statewide Accounting Management System (SAMS) (Procedure 33.16.20) requires State agencies to file the report by August 1<sup>st</sup> with the agency head's cover letter which certifies all the information provided is complete and accurate. The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls, to provide assurance that revenues and funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts, prepare reliable financial reports, and maintain accountability over the State's resources.

During the prior engagement, Commission officials stated the errors and untimely filing were due to a combination of oversight by staff and errors in its accounting system. During the current engagement, Commission officials stated they failed to adjust the account for transactions that were not fees.

Filing an inaccurate Agency Fee Imposition Report reduces the reliability of Statewide fee information. (Finding Code No. 2015-002, 2013-003)

**RECOMMENDATION**

We recommend the Commission review its Agency Fee Imposition Report before submission to the Comptroller to ensure it is accurate.

**COMMISSION RESPONSE**

The Commission agrees with the finding. The report file contains a note for the preparer and reviewer to review the miscellaneous revenue account and include amounts that represent fees in the Agency Fee Imposition Report.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF FINDINGS**  
For the Two Years Ended June 30, 2015

2015-003. **FINDING** (Inadequate controls over employee time)

The Illinois Commerce Commission (Commission) did not exercise adequate controls over its employees' accrual and use of benefit time, overtime, and equivalent earned time (EET).

We tested timekeeping records for four months and noted the following:

- Eight of 25 (32%) employees tested had discrepancies between the use of vacation/sick/personal time recorded on the employees' time records and the use recorded in the Commission's timekeeping system. Discrepancies ranged from 0.5 to 7.5 hours. Three of the employees' times recorded were misclassified and three of the employees' times recorded were entered on the wrong day. The errors were subsequently corrected. The Illinois Administrative Code (Code) (80 Ill. Adm. Code 303.340) requires each operating agency to maintain accurate daily attendance records.
- Five of 25 (20%) employees tested did not have documentation supporting prior approval of vacation time use. Fifteen requests for time off were submitted from 1 to 27 days after vacation time was used, and four requests for time off were not dated so timeliness could not be determined. The Commission's Employee Manual (Manual) Chapter 2, Section 7 requires employees to submit requests for vacation to the immediate supervisor in advance.

We also tested EET records and noted the following:

- One of six (17%) employees tested had a four hour discrepancy between the use of EET recorded on the employee's time record and the use recorded in the Commission's timekeeping system. The error was subsequently corrected. The Code (80 Ill. Adm. Code 303.340) requires each operating agency to maintain accurate daily attendance records.
- One of six (17%) employees tested did not have documentation supporting prior approval of the accrual of EET time and four of six (67%) employees tested did not have documentation supporting prior approval for the use of EET. Fifteen of the EET reporting/usage forms were submitted 1 to 36 days after the time was accrued or used, and two of the EET reporting/usage forms were not dated so timeliness could not be determined. The Manual Chapter 2, Section 7 requires employees to secure, in advance and in writing, their supervisors' approvals for work hours in excess of their regular hours and the use of EET must be approved in advance by their supervisors.
- One of six (17%) employees did not use EET in accordance with Commission Policy. Two transactions occurred where the employee used quarter-hour increments of EET. The Manual Chapter 2, Section 7 requires employees to only use EET in one-half hour increments after the first full hour has been used.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF FINDINGS**  
For the Two Years Ended June 30, 2015

We tested overtime records and noted seven of eight (88%) employees tested did not have documentation supporting prior approval to work overtime. Fifty-seven requests for overtime pay were submitted from 1 to 30 days after the overtime was worked. The Manual Chapter 2, Section 7 requires employees to work overtime only when it is authorized by the immediate supervisor and the Division Director.

Commission officials stated employees obtained verbal approval for the use of vacation time, EET, and overtime. Other issues noted were the result of human error and oversight.

Failure to ensure employee timekeeping records agree or are submitted according to Commission policy and the failure to document timely approval of employee leave time, EET, and overtime increases the risk the Commission will pay for services not rendered by employees and is noncompliance with Commission policy. (Finding Code No. 2015-003)

**RECOMMENDATION**

We recommend the Commission ensure leave time is accurately recorded and agrees with the use recorded by employees. We also recommend support is maintained to document compliance with leave, EET, and overtime policies.

**COMMISSION RESPONSE**

The Commission agrees that leave time must be accurately recorded and used by employees. We will continue to train our staff on timekeeping policies and procedures.

The Commission disagrees with part of the finding, specifically regarding documentation supporting prior approval of vacation time use, EET time use and prior approval to work overtime. Policies allow for the verbal approval of vacation time usage, EET time usage and the ability to work overtime. Employees verbally make the request and their supervisor verbally approves the request. Employees then document the time usage/worked on the appropriate form for timekeeping purposes. The supervisor's signature on the form verifies the vacation time, EET time or overtime was requested and approved according to our policy.

**AUDITORS' COMMENT**

The Commission's policy requires the use of vacation time, the accrual and use of EET, and the approval to work overtime to be approved before the time is accrued or used. The Commission could not provide documentation to support time was approved in advance. The documentation provided was signed after the time was accrued or used.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF FINDINGS**  
For the Two Years Ended June 30, 2015

2015-004. **FINDING** (Inadequate controls over the administration of State vehicles)

The Illinois Commerce Commission (Commission) did not properly certify license and automotive liability coverage for all employees assigned a State-owned vehicle during the examination period. In addition, the Commission's vehicle use policy (policy) did not contain all information as required by the State Vehicle Use Act (Act).

During testing, we noted the following:

- For 5 of 37 (14%) employees tested, the Commission did not ensure the individuals assigned an automobile had annual licensure and liability insurance certifications on file. The Illinois Vehicle Code (Code) (625 ILCS 5/7-601(c)) requires every employee of a State agency who is assigned a specific vehicle owned by the State to provide a liability insurance coverage certification annually to the director or chief executive officer of the agency. The certification is to be provided during the period of July 1<sup>st</sup> through July 31<sup>st</sup> of each calendar year, or within 30 days of any new assignment of a vehicle, whichever is later.
- The Commission's policy did not contain a policy concerning requirements for emergency use of take-home vehicles or procedures regarding daily vehicle use logs and mileage recording. The Act (30 ILCS 617/10) requires each State agency to draft a vehicle use policy which shall include a policy concerning take-home vehicles, including requirements for emergency use of take-home vehicles and restrictions on the use of take-home vehicles solely for commuting and procedures regarding daily vehicle use logs and mileage recording.

Commission officials stated the certifications were not maintained due to oversight and they were unaware their policy did not contain all requirements noted in the Act.

Failure to obtain certifications of employee licensure and automotive liability coverage is noncompliance with the Code and could result in an increased risk of loss to the State for injury or damage. Furthermore, a vehicle use policy is designed to facilitate and encourage accountability, monitor usage and costs, provide internal control, and serve as a management tool for oversight and decision making. Failure to include all required provisions increases the risk of unauthorized usage and is noncompliance with the Act. (Finding Code No. 2015-004)

**RECOMMENDATION**

We recommend the Commission obtain proper certifications of licensure and automotive liability coverage for employees assigned State vehicles as required by the Code. We also recommend the Commission update its vehicle use policy to include information as required by the Act.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF FINDINGS**  
For the Two Years Ended June 30, 2015

**COMMISSION RESPONSE**

The Commission agrees with the finding. The Commission will require employees with Individually Assigned Vehicles to certify annually in July that they are maintaining the required additional insurance coverage. The Commission will revise the vehicle use policy to expand on the current coverage regarding the emergency use of vehicles and daily vehicle use logs.

STATE OF ILLINOIS  
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**SCHEDULE OF FINDINGS**  
For the Two Years Ended June 30, 2015

2015-005.     **FINDING**     (Inadequate controls over grant documentation)

The Illinois Commerce Commission (Commission) did not maintain documentation to substantiate compliance with a grant.

We noted for one of three (33%) Railroad-Highway Grade Crossing Mitigation grants tested, the Commission reimbursed the local government more than the maximum amount as set forth in the written grant agreement. The grant agreement allowed residential property owners to apply, through their local government, for grant reimbursement funding up to 100% of the costs for necessary improvements, or \$5,040, whichever was less. Ninety percent of the reimbursable expenses, \$4,536, would be reimbursed by the Commission and 10% by the local government. The Commission obtained reimbursement from the federal government and submitted the funding to the local government for distribution. During the examination period, the Commission reimbursed a local government \$313,782, which was \$22,245 above the maximum allowed based on the properties noted. We also could not determine if the local government provided the 10% matching funds as required.

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

Commission officials stated although the changes among the parties were not formally documented in writing, the Commission and federal and local officials were aware and in agreement with the changes.

Failure to ensure compliance with written grant agreements could result in improper payments. (Finding Code No. 2015-005)

**RECOMMENDATION**

We recommend the Commission maintain documentation to demonstrate its compliance with all provisions of its grant agreements.

**COMMISSION RESPONSE**

The Commission agrees with the finding. The Commission will review its procedures to ensure compliance with all provisions of its grant agreements.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**PRIOR FINDINGS NOT REPEATED**  
For the Two Years Ended June 30, 2015

A. **FINDING** (Untimely filing of annual natural gas market report)

During the prior period, the Illinois Commerce Commission (Commission) did not prepare or file the annual report regarding the development of competitive retail natural gas markets in Illinois pursuant to the Public Utilities Act (Act).

During the current period, the Act was amended to extend the due date and we noted the Commission prepared and filed the report as required. (Finding Code No. 2013-002)

B. **FINDING** (Reconciliations not performed timely)

During the prior period, the Commission did not timely complete monthly reconciliations of agency receipts to the Illinois Office of the Comptroller's (Comptroller) records.

During the current period, our sample testing showed fewer instances where the Commission did not timely complete its monthly reconciliations of agency receipts to the Comptroller records; therefore, the issue was reported in the Letter of Immaterial Findings. (Finding Code No. 2013-004)

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

**SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

**SUMMARY**

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

- Fiscal Schedules and Analysis:
  - Schedule of Appropriations, Expenditures and Lapsed Balances – Fiscal Year 2015
  - Schedule of Appropriations, Reappropriations, Expenditures and Lapsed Balances – Fiscal Year 2014
  - Comparative Schedule of Net Appropriations, Reappropriations, Expenditures and Lapsed Balances
  - Schedule of Changes in State Property
  - Comparative Schedule of Cash Receipts and 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 Accounts Receivable
- Analysis of Operations (Not Examined):
  - Agency Functions and Planning Program (Not Examined)
  - Average Number of Employees (Not Examined)
  - Memorandums of Understanding (Not Examined)
  - Service Efforts and Accomplishments (Not Examined)

The accountant's report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the accountants have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the June 30, 2015 and June 30, 2014 supplementary information in Schedules 1 through 9. 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  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
Appropriations for Fiscal Year 2015

Fourteen Months Ended August 31, 2015

P.A. 98-0679 P.A. 99-0001	Appropriations (Net After Transfers)	Expenditures Through 6/30/15	Lapse Period Expenditures 07/01-8/31/15	Total Expenditures	Balances Lapsed
<b>APPROPRIATED FUNDS</b>					
<b>Transportation Regulatory Fund - 0018</b>					
<b>Chairman and Commissioner's (Division 20)</b>					
Personal Services	\$ 68,800	\$ 66,758	\$ -	\$ 66,758	\$ 2,042
State Contribution to State Employees' Retirement System	29,200	28,266	-	28,266	934
State Contributions to Social Security	5,300	4,845	-	4,845	455
Group Insurance	28,600	24,375	-	24,375	4,225
Contractual Services	1,000	-	-	-	1,000
Travel	1,500	341	-	341	1,159
Equipment	500	-	-	-	500
Telecommunications	4,000	1,839	1,008	2,847	1,153
<b>Total Division 20</b>	<b>\$ 138,900</b>	<b>\$ 126,424</b>	<b>\$ 1,008</b>	<b>\$ 127,432</b>	<b>\$ 11,468</b>
<b>Transportation (Division 40)</b>					
Personal Services	\$ 6,605,400	\$ 5,228,666	\$ 269,303	\$ 5,497,969	\$ 1,107,431
State Contribution to State Employees' Retirement System	2,796,700	2,217,578	114,177	2,331,755	464,945
State Contributions to Social Security	502,000	334,549	14,936	349,485	152,515
Group Insurance	1,899,700	1,133,671	58,259	1,191,930	707,770
Contractual Services	884,000	562,088	21,715	583,803	300,197
Travel	98,500	28,959	2,769	31,728	66,772
Commodities	41,000	10,054	3,033	13,087	27,913
Printing	75,000	10,237	17,738	27,975	47,025
Equipment	61,600	51,506	6,527	58,033	3,567
Electronic Data Processing	240,000	115,041	6,861	121,902	118,098
Telecommunications	210,000	107,168	13,796	120,964	89,036
Operation of Auto Equipment	222,600	61,511	5,517	67,028	155,572
Refunds	24,700	3,210	1,427	4,637	20,063
Single State Insurance Registration Program and/or Unified Carrier Registration System	4,240,000	2,801,990	42,298	2,844,288	1,395,712
<b>Total Division 40</b>	<b>\$ 17,901,200</b>	<b>\$ 12,666,228</b>	<b>\$ 578,356</b>	<b>\$ 13,244,584</b>	<b>\$ 4,656,616</b>
<b>Total Transportation Regulatory Fund</b>	<b>\$ 18,040,100</b>	<b>\$ 12,792,652</b>	<b>\$ 579,364</b>	<b>\$ 13,372,016</b>	<b>\$ 4,668,084</b>

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
Appropriations for Fiscal Year 2015

Fourteen Months Ended August 31, 2015

P. A. 98-0679 P. A. 99-0001	Appropriations (Net After Transfers)	Expenditures Through 6/30/15	Lapse Period Expenditures 07/01-8/31/15	Total Expenditures	Balances Lapsed
<b>Public Utility Fund - 0059</b>					
<b>Chairman and Commissioner's (Division 20)</b>					
Personal Services	\$ 855,800		\$ 24,805	\$ 710,653	\$ 145,147
State Contribution to State Employees' Retirement System	362,400		10,505	301,120	61,280
State Contributions to Social Security	65,500		1,829	52,873	12,627
Group Insurance	237,900		6,044	116,977	120,923
Contractual Services	24,600		4,585	1,080	18,935
Travel	59,900		21,677	1,022	37,201
Commodities	1,500		-	-	1,500
Equipment	500		-	-	500
Telecommunications	14,000		6,910	1,239	5,851
Operation of Auto Equipment	1,000		-	-	1,000
<b>Total Division 20</b>	<b>\$ 1,623,100</b>		<b>\$ 46,524</b>	<b>\$ 1,218,136</b>	<b>\$ 404,964</b>
<b>Public Utilities (Division 30)</b>					
Personal Services	\$ 16,452,900		\$ 751,118	\$ 14,787,934	\$ 1,664,966
State Contribution to State Employees' Retirement System	6,966,000		318,556	6,274,671	691,329
State Contributions to Social Security	1,254,600		54,893	1,080,345	174,255
Group Insurance	4,442,300		142,372	3,178,780	1,263,520
Contractual Services	1,622,300		121,379	1,387,862	234,438
Travel	100,000		4,935	64,128	35,872
Commodities	24,000		558	14,468	9,532
Printing	22,000		-	8,590	13,410
Equipment	46,000		-	-	46,000
Electronic Data Processing	538,000		31,921	165,793	372,207
Telecommunications	260,000		109,437	18,053	132,510
Operation of Auto Equipment	68,500		17,111	18,722	49,778
Refunds	26,500		-	-	26,500
<b>Total Division 30</b>	<b>\$ 31,823,100</b>		<b>\$ 1,445,396</b>	<b>\$ 27,108,783</b>	<b>\$ 4,714,317</b>
<b>Total Public Utility Fund</b>	<b>\$ 33,446,200</b>		<b>\$ 1,491,920</b>	<b>\$ 28,326,919</b>	<b>\$ 5,119,281</b>

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
Appropriations for Fiscal Year 2015

Fourteen Months Ended August 31, 2015

P. A. 98-0679 P. A. 99-0001	Appropriations (Net After Transfers)	Expenditures Through 6/30/15	Lapse Period Expenditures 07/01-8/31/15	Total Expenditures	Balances Lapsed
<b>Underground Utility Facilities Damage Prevention Fund - 0127</b>					
Statewide One-call Notice System	\$ 400,000	\$ 372,543	\$ -	\$ 372,543	\$ 27,457
Refunds	1,000	-	-	-	1,000
<b>Total Underground Utility Facilities Damage Prevention Fund</b>	<b>\$ 401,000</b>	<b>\$ 372,543</b>	<b>\$ -</b>	<b>\$ 372,543</b>	<b>\$ 28,457</b>
<b>Wireless Service Emergency Fund - 0612</b>					
Grants to Emergency Telephone System Boards, Qualified Government Entities, or Department of State Police	\$ 77,130,000	\$ 54,552,139	\$ 11,489,064	\$ 66,041,203	\$ 11,088,797
<b>Total Wireless Service Emergency Fund</b>	<b>\$ 77,130,000</b>	<b>\$ 54,552,139</b>	<b>\$ 11,489,064</b>	<b>\$ 66,041,203</b>	<b>\$ 11,088,797</b>
<b>Wireless Carrier Reimbursement Fund - 0613</b>					
Reimbursement of Wireless Carriers and Administrative Costs	\$ 9,689,800	\$ 9,689,118	\$ -	\$ 9,689,118	\$ 682
<b>Total Wireless Carrier Reimbursement Fund</b>	<b>\$ 9,689,800</b>	<b>\$ 9,689,118</b>	<b>\$ -</b>	<b>\$ 9,689,118</b>	<b>\$ 682</b>
<b>TOTAL - ALL APPROPRIATED FUNDS -</b>	<b>\$ 138,707,100</b>	<b>\$ 104,241,451</b>	<b>\$ 13,560,348</b>	<b>\$ 117,801,799</b>	<b>\$ 20,905,301</b>
<b>NON-APPROPRIATED FUND</b>					
<b>Federal Grants Trust Fund - 0379</b>					
Federal Railroad Association Grant	\$ 857,818	\$ -	\$ -	\$ 857,818	
Federal Energy Regulatory Commission Settlement	5,069	-	-	5,069	
<b>Total Federal Grants Trust Fund</b>	<b>\$ 862,887</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 862,887</b>	
<b>TOTAL - NON-APPROPRIATED FUND</b>	<b>\$ 862,887</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 862,887</b>	
<b>GRAND TOTAL - ALL FUNDS</b>	<b>\$ 105,104,338</b>	<b>\$ 105,104,338</b>	<b>\$ 13,560,348</b>	<b>\$ 118,664,686</b>	

Appropriations, expenditures, and lapsed balances were obtained from State Comptroller records and have been reconciled to the Commission's records. Expenditure amounts are vouchers approved for payment by the Commission and submitted to the State Comptroller for payment to the vendor.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, REAPPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
Appropriations for Fiscal Year 2014

Fourteen Months Ended August 31, 2014

P.A. 98-0064 P.A. 98-0050	Appropriations (Net of Transfers)	Expenditures Through 6/30/14	Lapse Period Expenditures 7/01-8/31/14	Total Expenditures	Balances Reappropriated 7/01/14	Balances Lapsed
<b>APPROPRIATED FUNDS</b>						
<b>Transportation Regulatory Fund - 0018</b>						
<b>Chairman and Commissioner's (Division 20)</b>						
Personal Services	\$ 64,800	\$ 62,229	\$ -	\$ 62,229	\$ -	\$ 2,571
State Contribution to State Employees' Retirement System	26,100	25,096	-	25,096	-	1,004
State Contributions to Social Security	5,000	4,511	-	4,511	-	489
Group Insurance	28,600	24,040	-	24,040	-	4,560
Contractual Services	1,000	-	-	-	-	1,000
Travel	1,500	508	-	508	-	992
Equipment	500	-	-	-	-	500
Telecommunications	4,000	1,925	984	2,909	-	1,091
<b>Total Division 20</b>	<b>\$ 131,500</b>	<b>\$ 118,309</b>	<b>\$ 984</b>	<b>\$ 119,293</b>	<b>\$ -</b>	<b>\$ 12,207</b>
<b>Transportation (Division 40)</b>						
Personal Services	\$ 6,528,100	\$ 5,530,180	\$ 228,974	\$ 5,759,154	\$ -	\$ 768,946
State Contribution to State Employees' Retirement System	2,631,600	2,233,189	92,466	2,325,655	-	305,945
State Contributions to Social Security	497,000	361,941	14,522	376,463	-	120,537
Group Insurance	1,899,700	1,333,277	53,804	1,387,081	-	512,619
Contractual Services	908,000	545,192	94,873	640,065	-	267,935
Travel	98,500	52,291	7,513	59,804	-	38,696
Commodities	41,000	23,400	802	24,202	-	16,798
Printing	80,900	13,395	-	13,395	-	67,505
Equipment	279,200	5,779	85,496	91,275	-	187,925
Electronic Data Processing	357,400	125,543	7,666	133,209	-	224,191
Telecommunications	226,600	115,503	17,134	132,637	-	93,963
Operation of Auto Equipment	222,600	97,959	9,936	107,895	-	114,705
Refunds	24,700	14,867	3,039	17,906	-	6,794
Single State Insurance Registration Program and/or Unified Carrier Registration System Railroad Crossing Improvements Initiatives	4,240,000 400,000	2,548,334 -	53,551 -	2,601,885 -	-	1,638,115 400,000
<b>Total Division 40</b>	<b>\$ 18,435,300</b>	<b>\$ 13,000,850</b>	<b>\$ 669,776</b>	<b>\$ 13,670,626</b>	<b>\$ -</b>	<b>\$ 4,764,674</b>
<b>Total Transportation Regulatory Fund</b>	<b>\$ 18,566,800</b>	<b>\$ 13,119,159</b>	<b>\$ 670,760</b>	<b>\$ 13,789,919</b>	<b>\$ -</b>	<b>\$ 4,776,881</b>

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, REAPPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
Appropriations for Fiscal Year 2014

Fourteen Months Ended August 31, 2014

P.A. 98-0064 P.A. 98-0050	Appropriations (Net of Transfers)	Expenditures Through 6/30/14	Lapse Period Expenditures 7/01-8/31/14	Total Expenditures	Balances Reappropriated 7/01/14	Balances Lapsed
<b>Public Utility Fund - 0059</b>						
<b>Chairman and Commissioner's (Division 20)</b>						
Personal Services	\$ 789,000	\$ 669,708	\$ 31,655	\$ 701,363	\$ -	\$ 87,637
State Contribution to State Employees' Retirement System	318,100	270,242	12,774	283,016	-	35,084
State Contributions to Social Security	60,300	49,677	2,350	52,027	-	8,273
Group Insurance	237,900	126,583	6,720	133,303	-	104,597
Contractual Services	24,600	17,427	2,215	19,642	-	4,958
Travel	59,900	31,809	3,384	35,193	-	24,707
Commodities	1,500	35	-	35	-	1,465
Equipment	500	-	-	-	-	500
Telecommunications	14,000	8,232	1,029	9,261	-	4,739
Operation of Auto Equipment	1,000	35	-	35	-	965
<b>Total Division 20</b>	<b>\$ 1,506,800</b>	<b>\$ 1,173,748</b>	<b>\$ 60,127</b>	<b>\$ 1,233,875</b>	<b>\$ -</b>	<b>\$ 272,925</b>
<b>Public Utilities (Division 30)</b>						
Personal Services	\$ 15,379,800	\$ 13,942,674	\$ 604,422	\$ 14,547,096	\$ -	\$ 832,704
State Contribution to State Employees' Retirement System	6,199,900	5,635,195	244,134	5,879,329	-	320,571
State Contributions to Social Security	1,173,700	1,016,419	44,124	1,060,543	-	113,157
Group Insurance	4,442,300	3,338,764	164,670	3,503,434	-	938,866
Contractual Services	1,665,500	1,249,298	110,024	1,359,322	-	306,178
Travel	100,000	62,963	4,384	67,347	-	32,653
Commodities	24,000	9,126	1,419	10,545	-	13,455
Printing	22,000	10,724	2,068	12,792	-	9,208
Equipment	46,000	210	-	210	-	45,790
Electronic Data Processing	773,400	273,593	15,423	289,016	-	484,384
Telecommunications	260,000	151,025	28,542	179,567	-	80,433
Operation of Auto Equipment	68,500	26,939	2,536	29,475	-	39,025
Refunds	26,500	6,451	-	6,451	-	20,049
<b>Total Division 30</b>	<b>\$ 30,181,600</b>	<b>\$ 25,723,381</b>	<b>\$ 1,221,746</b>	<b>\$ 26,945,127</b>	<b>\$ -</b>	<b>\$ 3,236,473</b>
<b>Total Public Utility Fund</b>	<b>\$ 31,688,400</b>	<b>\$ 26,897,129</b>	<b>\$ 1,281,873</b>	<b>\$ 28,179,002</b>	<b>\$ -</b>	<b>\$ 3,509,398</b>
<b>Underground Utility Facilities Damage Prevention Fund - 0127</b>						
Statewide One-call Notice System	\$ 125,000	\$ 62,744	\$ -	\$ 62,744	\$ -	\$ 62,256
Refunds	1,000	-	-	-	-	1,000
<b>Total Underground Utility Facilities Damage Prevention Fund</b>	<b>\$ 126,000</b>	<b>\$ 62,744</b>	<b>\$ -</b>	<b>\$ 62,744</b>	<b>\$ -</b>	<b>\$ 63,256</b>

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, REAPPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
Appropriations for Fiscal Year 2014

Fourteen Months Ended August 31, 2014

P.A. 98-0064 P.A. 98-0050	Appropriations (Net of Transfers)	Expenditures Through 6/30/14	Lapse Period Expenditures 7/01-8/31/14	Total Expenditures	Balances Reappropriated 7/01/14	Balances Lapsed
<b>Capital Development Fund - 0141</b>						
Train Whistle Abatement	\$ 52,857	-	-	-	\$ 52,857	-
<b>Total Capital Development Fund</b>	<u>\$ 52,857</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 52,857</u>	<u>-</u>
<b>Wireless Service Emergency Fund - 0612</b>						
Grants to Emergency Telephone System Boards, Qualified Government Entities, or Department of State Police	\$ 77,130,000	\$ 53,005,004	\$ 10,042,961	\$ 63,047,965	-	\$ 14,082,035
<b>Total Wireless Service Emergency Fund</b>	<u>\$ 77,130,000</u>	<u>\$ 53,005,004</u>	<u>\$ 10,042,961</u>	<u>\$ 63,047,965</u>	<u>-</u>	<u>\$ 14,082,035</u>
<b>Wireless Carrier Reimbursement Fund - 0613</b>						
Transfer to Public Utility Fund	\$ 9,000,000	\$ 9,000,000	-	\$ 9,000,000	-	-
Reimbursement of Wireless Carriers and Administrative Costs	5,689,800	1,787,964	821,570	2,609,534	-	3,080,266
<b>Total Wireless Carrier Reimbursement Fund</b>	<u>\$ 14,689,800</u>	<u>\$ 10,787,964</u>	<u>\$ 821,570</u>	<u>\$ 11,609,534</u>	<u>-</u>	<u>\$ 3,080,266</u>
<b>TOTAL - ALL APPROPRIATED FUNDS</b>	<u>\$ 142,253,857</u>	<u>\$ 103,872,000</u>	<u>\$ 12,817,164</u>	<u>\$ 116,689,164</u>	<u>\$ 52,857</u>	<u>\$ 25,511,836</u>
<b>NON-APPROPRIATED FUND</b>						
<b>Federal Grants Trust Fund - 0379</b>						
Federal Railroad Association Grant	\$ 42,969	-	-	\$ 42,969	-	-
Federal Energy Regulatory Commission Settlement	106,188	-	-	106,188	-	-
<b>Total Federal Grants Trust Fund</b>	<u>\$ 149,157</u>	<u>-</u>	<u>-</u>	<u>\$ 149,157</u>	<u>-</u>	<u>-</u>
<b>TOTAL - NON-APPROPRIATED FUND</b>	<u>\$ 149,157</u>	<u>-</u>	<u>-</u>	<u>\$ 149,157</u>	<u>-</u>	<u>-</u>
<b>GRAND TOTAL-ALL FUNDS</b>	<u>\$ 104,021,157</u>	<u>\$ 104,021,157</u>	<u>\$ 12,817,164</u>	<u>\$ 116,838,321</u>	<u>\$ 116,838,321</u>	<u>\$ 116,838,321</u>

Appropriations, reappropriations, expenditures, and lapsed balances were obtained from State Comptroller records and have been reconciled to the Commission's records. Expenditure amounts are vouchers approved for payment by the Commission and submitted to the State Comptroller for payment to the vendor. Balances lapsed represents lapsed appropriations less reappropriations to subsequent fiscal years for the Commission.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, REAPPROPRIATIONS, EXPENDITURES  
AND LAPSED BALANCES**

For the Fiscal Years Ended June 30,

	2015	2014	2013
	P.A. 98-0679 P.A. 99-0001	P.A. 98-0064 P.A. 98-0050	P.A. 97-0725 P.A. 97-0727
<b>APPROPRIATED FUNDS</b>			
<b>Transportation Regulatory Fund - 0018</b>			
Appropriations (Net of Transfers)	\$ 18,040,100	\$ 18,566,800	\$ 18,233,400
Expenditures			
Personal Services	\$ 5,564,727	\$ 5,821,383	\$ 5,876,642
State Contribution to State Employees' Retirement System	2,360,021	2,350,751	2,235,857
State Contributions to Social Security	354,330	380,974	389,644
Group Insurance	1,216,305	1,411,121	1,641,684
Contractual Services	583,803	640,065	541,288
Travel	32,069	60,312	69,980
Commodities	13,087	24,202	23,344
Printing	27,975	13,395	53,639
Equipment	58,033	91,275	8,376
Electronic Data Processing	121,902	133,209	83,356
Telecommunications	123,811	135,546	128,982
Operation of Auto Equipment	67,028	107,895	106,020
Railroad Crossing Improvements Initiatives	-	-	13,056
Single State Insurance Registration Program and/or Unified Carrier Registration System	2,844,288	2,601,885	1,841,337
Refunds	4,637	17,906	9,305
Total Expenditures	\$ 13,372,016	\$ 13,789,919	\$ 13,022,510
Lapsed Balances	\$ 4,668,084	\$ 4,776,881	\$ 5,210,890

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, REAPPROPRIATIONS, EXPENDITURES  
AND LAPSED BALANCES**

For the Fiscal Years Ended June 30,

	2015	2014	2013
	P.A. 98-0679 P.A. 99-0001	P.A. 98-0064 P.A. 98-0050	P.A. 97-0725 P.A. 97-0727
<b>Public Utility Fund - 0059</b>			
Appropriations (Net of Transfers)	\$ 33,446,200	\$ 31,688,400	\$ 31,243,100
Expenditures			
Personal Services	\$ 15,498,587	\$ 15,248,459	\$ 15,146,699
State Contribution to State Employees' Retirement System	6,575,791	6,162,345	5,767,387
State Contributions to Social Security	1,133,218	1,112,570	1,115,093
Group Insurance	3,295,757	3,636,737	4,231,525
Contractual Services	1,393,527	1,378,964	1,264,333
Travel	86,827	102,540	101,013
Commodities	14,468	10,580	8,618
Printing	8,590	12,792	11,241
Equipment	-	210	-
Electronic Data Processing	165,793	289,016	175,205
Telecommunications	135,639	188,828	189,890
Operation of Auto Equipment	18,722	29,510	27,801
Refunds	-	6,451	1,418
Total Expenditures	\$ 28,326,919	\$ 28,179,002	\$ 28,040,223
Lapsed Balances	\$ 5,119,281	\$ 3,509,398	\$ 3,202,877
<b>Underground Utility Facilities Damage Prevention Fund - 0127</b>			
Appropriations (Net of Transfers)	\$ 401,000	\$ 126,000	\$ 126,000
Expenditures			
Statewide One-call Notice System	\$ 372,543	\$ 62,744	\$ 65,170
Total Expenditures	\$ 372,543	\$ 62,744	\$ 65,170
Lapsed Balances	\$ 28,457	\$ 63,256	\$ 60,830

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, REAPPROPRIATIONS, EXPENDITURES  
AND LAPSED BALANCES**

For the Fiscal Years Ended June 30,

	2015	2014	2013
	P.A. 98-0679 P.A. 99-0001	P.A. 98-0064 P.A. 98-0050	P.A. 97-0725 P.A. 97-0727
<b>Capital Development Fund - 0141</b>			
Appropriations (Net of Transfers)	\$ -	\$ 52,857	\$ 52,857
Expenditures			
Train Whistle Abatement	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -
Reappropriated Balances	\$ -	\$ 52,857	\$ 52,857
Lapsed Balances	\$ -	\$ -	\$ -
<b>Wireless Service Emergency Fund - 0612</b>			
Appropriations (Net of Transfers)	\$ 77,130,000	\$ 77,130,000	\$ 76,000,000
Expenditures			
Grants to Emergency Telephone System Boards, Qualified Government Entities, or Department of State Police	\$ 66,041,203	\$ 63,047,965	\$ 68,610,269
Total Expenditures	\$ 66,041,203	\$ 63,047,965	\$ 68,610,269
Lapsed Balances	\$ 11,088,797	\$ 14,082,035	\$ 7,389,731
<b>Wireless Carrier Reimbursement Fund - 0613</b>			
Appropriations (Net of Transfers)	\$ 9,689,800	\$ 14,689,800	\$ 17,300,000
Expenditures			
Transfer to Public Utility Fund	\$ -	\$ 9,000,000	\$ 6,000,000
Transfer to Communications Revolving Fund	-	-	4,000,000
Reimbursement of Wireless Carriers and Administrative Costs	9,689,118	2,609,534	3,453,386
Total Expenditures	\$ 9,689,118	\$ 11,609,534	\$ 13,453,386
Lapsed Balances	\$ 682	\$ 3,080,266	\$ 3,846,614

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, REAPPROPRIATIONS, EXPENDITURES  
AND LAPSED BALANCES**

For the Fiscal Years Ended June 30,

	2015 P.A. 98-0679 P.A. 99-0001	2014 P.A. 98-0064 P.A. 98-0050	2013 P.A. 97-0725 P.A. 97-0727
<b><u>TOTAL - ALL APPROPRIATED FUNDS</u></b>			
<b>Appropriations (Net of Transfers)</b>	\$ 138,707,100	\$ 142,253,857	\$ 142,955,357
<b>Total Expenditures</b>	\$ 117,801,799	\$ 116,689,164	\$ 123,191,558
<b>Reappropriated Balances</b>	\$ -	\$ 52,857	\$ 52,857
<b>Lapsed Balances</b>	\$ 20,905,301	\$ 25,511,836	\$ 19,710,942
<b>NON - APPROPRIATED FUND</b>			
<b>Federal Grants Trust Fund - 0379</b>			
Expenditures			
Federal Railroad Association Grant	\$ 857,818	\$ 42,969	\$ -
Federal Energy Regulatory Commission Settlement	5,069	106,188	58,699
ARRA - Department of Energy	-	-	267,131
<b>Total Expenditures</b>	\$ 862,887	\$ 149,157	\$ 325,830
<b><u>TOTAL NON-APPROPRIATED FUND</u></b>	\$ 862,887	\$ 149,157	\$ 325,830
<b><u>GRAND TOTAL - ALL FUNDS</u></b>			
<b>Total Expenditures</b>	\$ 118,664,686	\$ 116,838,321	\$ 123,517,388
<b>STATE OFFICERS' SALARIES</b>			
Appropriations			
Commission Chairman	\$ 134,100	\$ 134,100	\$ 134,100
Four Commission Members	468,200	468,200	468,200
<b>Total Appropriations</b>	\$ 602,300	\$ 602,300	\$ 602,300
Expenditures			
Commission Chairman	\$ 127,260	\$ 134,022	\$ 134,022
Four Commission Members	471,596	468,172	467,584
<b>Total Expenditures</b>	\$ 598,856	\$ 602,194	\$ 601,606
<b>Lapsed Balances</b>	\$ 3,444	\$ 106	\$ 694

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF CHANGES IN STATE PROPERTY**  
For the Two Years Ended June 30, 2015

	<u>Equipment</u>
Balance at July 1, 2013	\$ 5,015,400
Additions	257,132
Deletions	(10,466)
Net Transfers	<u>(508,761)</u>
Balance at June 30, 2014	<u>\$ 4,753,305</u>
Balance at July 1, 2014	\$ 4,753,305
Additions	205,059
Deletions	(11,120)
Net Transfers	<u>(359,591)</u>
Balance at June 30, 2015	<u>\$ 4,587,653</u>

Note: The above schedule has been derived from property records of the Commission and year end property balances have been reconciled to reports submitted to the Office of the Comptroller.

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

	2015	2014	2013
<b>General Revenue Fund - 0001</b>			
QSWEF Tax Credit Repayment	\$ 2,784,840	\$ 3,305,160	\$ 4,967,608
WETSA Penalties	375	2,051	14,316
Fines, Penalties or Violations	1,409,200	245,000	9,000
Total cash receipts per Agency	4,194,415	3,552,211	4,990,924
Less - In transit at End of Year	(351,715)	(87,756)	(427,225)
Plus - In transit at Beginning of Year	87,756	427,225	345,351
Total cash receipts per State Comptroller's Records	<u>\$ 3,930,456</u>	<u>\$ 3,891,680</u>	<u>\$ 4,909,050</u>
<b>Transportation Regulatory Fund - 0018</b>			
Franchise Fees	\$ 2,443,423	\$ 2,695,418	\$ 2,507,671
Transportation Carrier Tax	576,950	519,423	446,267
Unified Carrier Registration	6,361,281	6,118,878	5,805,157
Civil Penalties	795,391	828,795	588,611
Railroad Crossing Reimbursement (IDOT)	-	13,057	-
Recovery Act - Repossession Towing Companies	1,200,039	783,650	541,476
Miscellaneous	82,495	45	295
Total cash receipts per Agency	11,459,579	10,959,266	9,889,477
Less - In transit at End of Year	(171,051)	(178,543)	(253,014)
Plus - In transit at Beginning of Year	178,543	253,014	323,850
Returned Checks	11,057	6,469	(2,760)
Total cash receipts per State Comptroller's Records	<u>\$ 11,478,128</u>	<u>\$ 11,040,206</u>	<u>\$ 9,957,553</u>
<b>Public Utility Fund - 0059</b>			
Gross Revenue Tax	\$ 8,390,964	\$ 7,238,845	\$ 6,193,961
US Department of Transportation	1,902,000	1,832,817	1,632,089
Securities Issuance Fees	1,996,043	6,002,364	2,285,863
Copy Fees	2,933	3,230	2,622
Telephone Utilities	-	10,855	3,562
Returned Petty Cash Fund	100	-	-
WETSA Administrative Fees	883,655	966,284	805,788
Miscellaneous	34,258	4,522	2,870
Expedited Transmission Filing	300,000	100,000	200,000
Fund Transfer	-	9,000,000	6,000,000
Distributed Generation Installer Certification Fee	2,100	3,000	-
Electric Vehicle Charging Station Certification Fee	1,800	1,900	-
QSWEF Tax Credit Repayment	-	457	-
Total cash receipts per Agency	13,513,853	25,164,274	17,126,755
Less - In transit at End of Year	(335,304)	(545,281)	(142,397)
Plus - In transit at Beginning of Year	545,281	142,397	477,744
Total cash receipts per State Comptroller's Records	<u>\$ 13,723,830</u>	<u>\$ 24,761,390</u>	<u>\$ 17,462,102</u>

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

**Underground Utility Facilities Damage Prevention Fund - 0127**

Fines, Penalties or Violations	\$ 373,335	\$ 56,096	\$ 66,105
Total cash receipts per Agency	<u>373,335</u>	<u>56,096</u>	<u>66,105</u>
Less - In transit at End of Year	(2,093)	(2,903)	(2,565)
Plus - In transit at Beginning of Year	<u>2,903</u>	<u>2,565</u>	<u>2,003</u>
Total cash receipts per State Comptroller's Records	<u><u>\$ 374,145</u></u>	<u><u>\$ 55,758</u></u>	<u><u>\$ 65,543</u></u>

**Illinois Commerce Commission Federal Grants Fund - 0379**

Federal Railroad Association	\$ 857,818	\$ 42,969	\$ 4,957
ARRA	-	-	267,606
Grants Trust Fund	<u>-</u>	<u>-</u>	<u>233,417</u>
Total cash receipts per Agency	857,818	42,969	505,980
Less - In transit at End of Year	-	-	-
Plus - In transit at Beginning of Year	<u>-</u>	<u>-</u>	<u>15,342</u>
Total cash receipts per State Comptroller's Records	<u><u>\$ 857,818</u></u>	<u><u>\$ 42,969</u></u>	<u><u>\$ 521,322</u></u>

**Wireless Service Emergency Fund - 0612**

Wireless 911 Surcharge	\$ 59,992,126	\$ 51,833,915	\$ 51,975,336
WETSA Penalties	<u>2,896</u>	<u>-</u>	<u>-</u>
Total cash receipts per Agency	59,995,022	51,833,915	51,975,336
Less - In transit at End of Year	(4,127,440)	(3,602,740)	(3,914,913)
Plus - In transit at Beginning of Year	<u>3,602,740</u>	<u>3,916,006</u>	<u>3,500,718</u>
Less - Adjustments <sup>1</sup>	<u>-</u>	<u>-</u>	<u>(1,094)</u>
Total cash receipts per State Comptroller's Records	<u><u>\$ 59,470,322</u></u>	<u><u>\$ 52,147,181</u></u>	<u><u>\$ 51,561,141</u></u>

**Wireless Carrier Reimbursement Fund - 0613**

Wireless 911 Surcharge	\$ 5,275,865	\$ 13,125,327	\$ 13,161,138
Total cash receipts per Agency	<u>5,275,865</u>	<u>13,125,327</u>	<u>13,161,138</u>
Less - In transit at End of Year	(303,178)	(912,282)	(991,330)
Plus - In transit at Beginning of Year	<u>912,282</u>	<u>991,607</u>	<u>886,448</u>
Less - Adjustments <sup>1</sup>	<u>-</u>	<u>-</u>	<u>(277)</u>
Total cash receipts per State Comptroller's Records	<u><u>\$ 5,884,969</u></u>	<u><u>\$ 13,204,652</u></u>	<u><u>\$ 13,056,256</u></u>

**Illinois Power Agency Renewable Energy Resources - 0836**

Agency Renewable Energy Resources	\$ 77,172,263	\$ 38,382,346	\$ 2,156,778
Total cash receipts per Agency	<u>77,172,263</u>	<u>38,382,346</u>	<u>2,156,778</u>
Less - In transit at End of Year	-	-	-
Plus - In transit at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Total cash receipts per State Comptroller's Records	<u><u>\$ 77,172,263</u></u>	<u><u>\$ 38,382,346</u></u>	<u><u>\$ 2,156,778</u></u>

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

**GRAND TOTAL - ALL FUNDS**

Total cash receipts per Agency	\$ 172,842,150	\$ 143,116,404	\$ 99,872,493
Less - In transit at End of Year	(5,290,781)	(5,329,505)	(5,731,444)
Plus - In transit at Beginning of Year	5,329,505	5,732,814	5,551,456
Less - In transit at End of Year Adjustments	-	-	(1,371)
Returned Checks	11,057	6,469	(2,760)
Total cash receipts per State Comptroller's Records	<u>\$ 172,891,931</u>	<u>\$ 143,526,182</u>	<u>\$ 99,688,374</u>

Note 1: Fiscal Year 2013 records did not reflect companies for which the Commission did not have a FEIN number at the time of deposit.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2015

Significant variances were determined to be changes of at least \$20,000 and 20% between fiscal years as reported in the Comparative Schedule of Net Appropriations, Reappropriations, Expenditures and Lapsed Balances, and are explained below.

**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2015 AND 2014**

**Transportation Regulatory Fund - 0018**

Travel

The decrease was due to costs related to training in Fiscal Year 2014 and the retirement of staff in Fiscal Year 2015. Three new officers went through training in Fiscal Year 2014 with travel costs totaling \$6,600, and two railroad staff retired in Fiscal year 2015 who had travel totaling \$16,300 in Fiscal Year 2014.

Equipment

The decrease was due to the purchase of four police vehicles and emergency lighting in Fiscal Year 2014 totaling \$85,000 while the largest purchases made in Fiscal Year 2015 were for two vehicles totaling \$50,408.

Operations of Auto Equipment

The decrease was due to the decrease in the average price of gas and the reduction of police and railroad staff.

**Public Utility Fund - 0059**

Electronic Data Processing

The decrease was due to the purchase of a storage network in Fiscal Year 2014 totaling \$106,606.

Telecommunications

The decrease was due to a reduction in services during Fiscal Year 2014. The Commission eliminated unused cell phones, voicemail capabilities for the majority of staff, and removed phones and phone lines from vacant offices and conference rooms. Also, the Commission's new call distributor reduced the amount paid by \$7,000.

**Underground Utility Facilities Damage Prevention Fund - 0127**

Statewide One-Call Notice System

The increase was due to a penalty assessed by a communications company. The \$300,000 penalty was paid in Fiscal Year 2015.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2015

**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2015 AND 2014 (CONTINUED)**

**Wireless Carrier Reimbursement Fund - 0613**

Reimbursement of Wireless Carriers and Administrative Costs

The increase was due to a statutory change eliminating the reimbursement cap on a wireless carrier's ability to recover its 9-1-1 costs. Previously, the carriers that had sought cost recovery typically had more in costs than the 100% cap allowed.

Transfer to Public Utility Fund

The decrease was due to a statutory change removing the allowance for the transfer of funds.

**Federal Grants Trust Fund - 0379**

Federal Railroad Association Grant

The increase was due to an increase in the amounts of reimbursements made to grantees for construction to enhance areas around rail lines. This is a reimbursement grant and expenditures depend on the amount of requests for reimbursements submitted by grantees. Reimbursements for four of the five grantees ranged from \$147,000 to \$308,000 in Fiscal Year 2015.

Federal Energy Regulatory Commission Settlement

The decrease was due to only one purchase being made in Fiscal Year 2015. This purchase was for a \$5,000 copier. In Fiscal Year 2014, the Commission purchased a call distributor totaling \$106,000.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2015

Significant variances were determined to be changes of at least \$20,000 and 20% between fiscal years as reported in the Comparative Schedule of Net Appropriations, Reappropriations, Expenditures and Lapsed Balances, and are explained below.

**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2014 AND 2013**

**Transportation Regulatory Fund - 0018**

Printing

The decrease was due to the printing of collateral recovery tickets totaling \$30,388 when the program initially started. This printing expense was not necessary in Fiscal Year 2014.

Equipment

The increase was due to the purchase of four vehicles for police staff.

Electronic Data Processing

The increase was due to the purchase of a storage area network.

Single State Insurance Registration Program and/or Unified Carrier Registration System

The increase was due to the correction of an overpayment. All revenue amounts collected for each Unified Carrier Registration year (which does not correspond with the fiscal year) over a \$3.5 million cap are forwarded to the federal government. There were overpayments totaling \$460,000 made in Fiscal Year 2012 with a corresponding credit taken in Fiscal Year 2013 due to a reporting issue that was corrected. There was also an additional \$300,000 collected in Fiscal Year 2014 that was forwarded to the federal government.

**Public Utility Fund - 0059**

Electronic Data Processing

The increase was due to the purchase of a storage area network.

**Wireless Carrier Reimbursement Fund - 0613**

Reimbursement of Wireless Carriers and Administrative Costs

The decrease was due to fewer wireless carrier expenses being eligible for reimbursement and less wireless carriers requesting reimbursement during Fiscal Year 2014.

Transfer to Public Utility Fund

The increase was due to a larger statutory transfer to the Public Utility Fund to alleviate cash flow issues in the Public Utility Fund.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2015

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

Transfer to Communications Revolving Fund

The decrease was due to the statutory transfer in Fiscal Year 2013 to the Communications Revolving Fund for operating and administrative costs for the Broadband Network. No statutory transfer was made in Fiscal Year 2014.

**Federal Grants Trust Fund - 0379**

Federal Railroad Association Grant

The increase was due to timing. This is a reimbursement grant and expenditures depend on the amount of requests for reimbursements submitted by grantees. The grant covered all of Fiscal Year 2014 and there were no expenditures in Fiscal Year 2013.

Federal Energy Regulatory Commission Settlement

The increase was due to the purchase of a call distributor totaling \$106,000 in Fiscal Year 2014. No such purchases were made in Fiscal Year 2013.

ARRA - Department of Energy

The decrease was due to the depletion of the ARRA funding during Fiscal Year 2013.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS**  
For the Two Years Ended June 30, 2015

Significant variances in receipts were determined to be changes of at least \$25,000 and 20% between fiscal years, and are explained below.

**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2014 AND 2015**

**General Revenue Fund - 0001**

Fines, Penalties, or Violations

The increase was mainly due to receipt of a fine from a utility company totaling \$1,400,000.

**Transportation Regulatory Fund - 0018**

Recovery Act – Repossession Towing Companies

The increase was due to a full year of collections of the increased recovery ticket fee from \$10 to \$15 and an increase in the number of tickets sold by approximately 1,500.

Miscellaneous

The increase was due to a \$60,000 grant reimbursement from the Illinois Emergency Management Agency for computer equipment, \$7,800 received from the Treasurer for unclaimed property, and a court fee from a local government.

**Public Utility Fund - 0059**

Securities Issuance Fees

The decrease was due to lower amounts received for security authorizations during Fiscal Year 2015 ranging from \$15,000 to \$720,000. In Fiscal Year 2014, two security authorizations totaled \$2,400,000 and \$1,920,000.

Miscellaneous

The increase was due to funds received from the Illinois Finance Authority for subletting office space at the Chicago location.

Expedited Transmission Filing

The increase was due to three expedited cases filed during Fiscal Year 2015 totaling \$100,000 each.

Fund Transfer

The decrease was due to no appropriated transfer received from the Wireless Carrier Reimbursement Fund.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS**  
For the Two Years Ended June 30, 2015

**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2014 AND 2015 (CONTINUED)**

**Underground Utility Facilities Damage Prevention Fund - 0127**

Fines, Penalties, or Violations

The increase was due to a fine totaling \$300,000 from a communications company received during Fiscal Year 2015.

**Illinois Commerce Commission Federal Grants Fund – 0379**

Federal Railroad Association

The increase was due to an increased number of grant reimbursement payments to local governments for improvements around railroad crossings. There were 15 payments processed to six grantees and three of these payments ranged from \$129,000 to \$154,000.

**Wireless Carrier Reimbursement Fund – 0613**

Wireless 911 Surcharge

The decrease was due to Public Act 98-0634, which reduced the statutorily required amount to be deposited into the Fund on or after July 1, 2014 from \$0.1475 per surcharge collected to \$0.05 per surcharge collected.

**Illinois Power Agency Renewable Energy Resources Fund - 0836**

Agency Renewable Energy Resources (ARES)

The increase was due to the ARES sales increasing and the Alternative Compliance Payment rates increased by 119% and 64% for two large utilities.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS**  
For the Two Years Ended June 30, 2015

Significant variances in receipts were determined to be changes of at least \$25,000 and 20% between fiscal years, and are explained below.

**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2013 AND 2014**

**General Revenue Fund - 0001**

Qualified Solid Waste to Energy Facilities (QSWEF) Tax Credit Repayment

The decrease was due to a repayment of tax credits taken 10 years ago. There was an error in a report the QSWEF facility was using to determine the monthly credits taken. They had repaid \$1,100,000 in credits that were not taken and the company stopped making payments until the overpayment was exhausted.

Fines, Penalties, or Violations

The increase was due to penalties issued by the Gas Pipeline Safety Program to two utilities for \$100,000 and \$135,000.

**Transportation Regulatory Fund - 0018**

Civil Penalties

The increase was due to three new officers who wrote more citations and there were collections of past due amounts directly from the motor carriers primarily at the weigh stations.

Recovery Act – Repossession Towing Companies

There was an increase in the cost of recovery tickets from \$10 to \$15 in March of 2014 and also in the number of tickets purchased.

**Public Utility Fund - 0059**

Securities Issuance Fees

The increase was due to two large security authorizations received during Fiscal Year 2014 totaling \$2,400,000 and \$1,920,000.

WETSA Administrative Fees

The increase was due to a timing difference of when payments were processed. The one cent surcharge for the Fiscal Year 2013 totaled \$889,000 and \$892,000 for Fiscal Year 2014; however, \$225,000 from Fiscal Year 2013 was received during Fiscal Year 2014.

Expedited Transmission Filing Fees

The decrease was due to two fees filed in Fiscal Year 2013 and only one fee filed in Fiscal Year 2014.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS**  
For the Two Years Ended June 30, 2015

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

Fund Transfer

The increase was due to the General Assembly approving an increase in the appropriation transfer from \$6,000,000 in Fiscal Year 2013 to \$9,000,000 in Fiscal Year 2014.

**Illinois Commerce Commission Federal Grants Trust Fund - 0379**

Federal Railroad Association

The increase was due to the grant starting in Fiscal Year 2013. There were four reimbursements made in Fiscal Year 2013 totaling \$5,000, and there were four reimbursements totaling \$43,000 in Fiscal Year 2014.

Grants Trust Fund

The decrease was due to a one time settlement paid pursuant to a consent agreement that was approved in March of 2012 and received during Fiscal Year 2014.

American Recovery and Reinvestment Act (ARRA)

The decrease was due to the ARRA grant funds being fully expended in Fiscal Year 2013.

**Illinois Power Agency Renewable Energy Resources Fund - 0836**

Agency Renewable Energy Resources

The increase was due to an increase in service territories. During Fiscal Year 2014, payments were received from 10 additional providers.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING**  
For the Two Years Ended June 30, 2015

The following explanations were obtained for lapse period spending, which exceeded \$20,000 and 20% of the line item expenditures.

**FISCAL YEAR 2015**

There was no significant lapse period spending during Fiscal Year 2015.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING**  
For the Two Years Ended June 30, 2015

The following explanations were obtained for lapse period spending, which exceeded \$20,000 and 20% of the line item expenditures.

**FISCAL YEAR 2014**

**Transportation Regulatory Fund – 0018**

Equipment

The Commission purchased four police vehicles near the end of the fiscal year that were not delivered until the lapse period.

**Wireless Carrier Reimbursement Fund - 0613**

Reimbursement of Wireless Carriers and Administrative Costs

The Commission made the fourth quarterly payments to wireless carriers during the lapse period.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF ACCOUNTS RECEIVABLE**  
For the Fiscal Years Ended June 30,  
(Amounts Expressed in Thousands)

Aging of Accounts Receivable, per Commission records, were as follows:

	<b>General Revenue Fund 0001</b>		
	<b>2015</b>	<b>2014</b>	<b>2013</b>
Current	\$ 20,359	\$ 22,251	\$ 26,514
1-30 days	117	85	-
31-90 days	330	183	-
91-180 days	621	298	-
181 days - 1year	731	239	-
Over 1 year	960	5	5
Accounts Receivable Gross Balance	<u>23,118</u>	<u>23,061</u>	<u>26,519</u>
Less: Estimated Uncollectibles	(1,691)	(243)	(5)
Accounts Receivable Net Balance	<u><u>\$ 21,427</u></u>	<u><u>\$ 22,818</u></u>	<u><u>\$ 26,514</u></u>

These amounts represent receivables related to public utility taxes, miscellaneous receipts, and penalties.

	<b>Transportation Regulatory Fund 0018</b>		
	<b>2015</b>	<b>2014</b>	<b>2013</b>
Current	\$ 10	\$ 21	\$ 32
1-30 days	45	52	34
31-90 days	49	108	52
91-180 days	45	63	41
181 days - 1year	123	81	87
Over 1 year	1,317	1,159	1,052
Accounts Receivable Gross Balance	<u>1,589</u>	<u>1,484</u>	<u>1,298</u>
Less: Estimated Uncollectibles	(1,437)	(1,240)	(1,139)
Accounts Receivable Net Balance	<u><u>\$ 152</u></u>	<u><u>\$ 244</u></u>	<u><u>\$ 159</u></u>

These amounts represent receivables related to transportation taxes, including fees, civil penalties, and administrative citations.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF ACCOUNTS RECEIVABLE**  
For the Fiscal Years Ended June 30,  
(Amounts Expressed in Thousands)

	<b>Public Utility Fund 0059</b>		
	<b>2015</b>	<b>2014</b>	<b>2013</b>
Current	\$ 104	\$ 197	\$ -
1-30 days	3	12	-
31-90 days	5	1	4
91-180 days	2	1	-
181 days - 1 year	1	1	2
Over 1 year	26	23	18
Accounts Receivable Gross Balance	<u>141</u>	<u>235</u>	<u>24</u>
Less: Estimated Uncollectibles	(26)	(24)	(20)
Accounts Receivable Net Balance	<u>\$ 115</u>	<u>\$ 211</u>	<u>\$ 4</u>

These amounts represent receivables related to gross revenue taxes on public utilities, federal grants, civil penalties, securities issuance fees, and copy fees.

	<b>Underground Utility Facilities Damage Prevention Fund 0127</b>		
	<b>2015</b>	<b>2014</b>	<b>2013</b>
Current	\$ 8	\$ 14	\$ 13
1-30 days	3	-	2
31-90 days	5	6	3
91-180 days	16	22	1
181 days - 1 year	2	282	2
Over 1 year	97	87	83
Accounts Receivable Gross Balance	<u>131</u>	<u>411</u>	<u>104</u>
Less: Estimated Uncollectibles	(99)	(87)	(85)
Accounts Receivable Net Balance	<u>\$ 32</u>	<u>\$ 324</u>	<u>\$ 19</u>

These amounts represent receivables related to penalties authorized by the Illinois Underground Facilities Damage Protection Act.

The Commission utilizes internal control techniques, the Comptroller Offset System, the Attorney General, and private collection agencies to collect unpaid receivables.

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

**AGENCY FUNCTIONS**

The Illinois Commerce Commission (Commission) regulates investor-owned telecommunications, electricity, natural gas, and water and sewer utilities, and competitive providers. In addition, the Commission also regulates and oversees household movers, towing companies which relocate trespassing vehicles, the enforcement of certain trucking insurance coverage laws, railroad grade crossing standards, rail movement of hazardous materials, and gas pipeline safety. The structure and some of the major functions of the Commission are derived from the Public Utilities Act, which states that the policy of the State shall be to continue the effective and comprehensive regulation of public utilities. The Illinois Commercial Transportation Law, which regulates the commercial transportation of persons and property within the State; and other public acts of the Illinois General Assembly delegating specific responsibilities to the Commission, including the Electric Suppliers Act, the Illinois Power Agency Act, the Illinois Gas Pipeline Safety Act, the Gas Storage Act, the Gas Transmission Facilities Act, the Emergency Telephone Systems Act, the Wireless Emergency Telephone Safety Act, the Prepaid 9-1-1 Surcharge Act, the Underground Utility Facilities Damage Prevention Act, the Carbon Dioxide Transportation and Sequestration Act, the Illinois Commercial Relocation of Trespassing Vehicles Law, the Illinois Commercial Safety Towing Law, the Personal Property Storage Act, and the Collateral Recovery Act.

The Public Utilities Act (220 ILCS 5/1 et seq.) requires the Commission to maintain general supervision over all public utilities and to ensure public utility companies' compliance with this Act. The Act also requires the Commission to establish the governing rules and regulations of all proceedings before the Commission that are either instituted by the Commission on its own motion or brought before the Commission by utilities and consumers. In fulfilling its statutory mandate, the Commission holds regular hearings and conducts technical investigations for the purpose of adjudicating legal and factual issues.

The funds which are used to administer the Public Utilities Act are primarily derived from four sources, including: 1) a gross revenue tax imposed upon all regulated telecommunications carriers (excluding wireless and voice over Internet protocol services) and public utilities (excluding electric utilities), 2) transfers from Wireless Carrier Reimbursement Fund, 3) fees levied for the authorization to issue securities of all regulated public utilities and those telecommunications carriers subject to the Public Utilities Act, and 4) the electricity excise tax that is collected by the Department of Revenue, of which 3% of the funds received, the Department of Revenue shall pay \$416,667 into the General Revenue Fund on a monthly basis and the balance into the Public Utility Fund.

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For the Two Years Ended June 30, 2015  
(Not Examined)

Under the authority of the Illinois Commercial Transportation Law (625 ILCS 5/18c-1101 et seq.) the Commission administers and enforces financial responsibility, insurance and safety requirements for all public trucking companies in Illinois, regulates intrastate household goods carriers to assure compliance with filed rates and service territory, assesses various fees to be used solely for the administration of transportation programs, and registers all intrastate and interstate trucking companies in Illinois. The Commission protects consumers through the administration and enforcement of a program to assure the legal and ethical operation of household goods movers Statewide. The Commission also directs safety improvements at railroad grade crossings, inspects registered rail carriers' track, inspects railroad cars and facilities involved in the movement of hazardous materials, and assures railroad company compliance with operating practice standards. The Personal Property Storage Act gives the Commission the jurisdiction to regulate personal property warehouses in the State. The Collateral Recovery Act (225 ILCS 422) gives the Commission the jurisdiction to regulate individuals and agencies engaged in the business of collateral recovery.

The Electric Supplier Act (220 ILCS 30/1 et seq.) directs the Commission to act as administrative decision-maker in territorial service area disputes and to consider negotiated agreements, as to service areas, between electric cooperatives and investor-owned public utilities.

The Gas Pipeline Safety Act (220 ILCS 20/1 et seq.) grants the Commission safety jurisdiction of all pipeline facilities within Illinois which transport natural gas, except for most facilities of interstate natural gas pipelines. The Act authorizes the Commission to implement minimum safety standards embodied in federal law.

The Emergency Telephone System Act (50 ILCS 750/1 et seq.) gives the Commission the responsibility of coordinating the implementation of the 9-1-1 emergency telephone systems on a Statewide basis.

This Wireless Emergency Telephone System Act (50 ILCS 751/1 et seq.) has charged the Commission with the following responsibilities: to set standards consistent with the Federal Communications Commission for directing calls to the authorized public safety answering point, to maintain a current list of all wireless 9-1-1 systems and providers, to determine distributions from Funds 612 and 613 (Funds), to adopt rules governing reimbursements to wireless carriers, to make monthly grants to eligible providers, to review and process presented carriers requests for reimbursement in accordance with the Act, to account for all surcharges remitted to and moneys disbursed from the Funds, to annually review and transfer excess fund balances between the funds, to provide an annual accounting of all receipts and disbursements to the Auditor General, and to resolve disputes as required by the Act. Public Act 99-0006 amended the Act, effective January 1, 2016, to transfer the rights, functions, powers, and duties of the Commission

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**AGENCY FUNCTIONS AND PLANNING PROGRAM**  
For the Two Years Ended June 30, 2015  
(Not Examined)

with respect to administration of the program and Funds to the Department of State Police (Department) and also removed the annual examination requirement.

**PLANNING PROGRAM**

The Commission is a regulatory agency which is obligated to fulfill its responsibilities under various enabling legislation. A majority of the Commission's agenda and, therefore, the allocation of resources, is affected by the timing, frequency, and nature of many of the substantive filings before the Commission by various regulated entities.

The planning and subsequent program development is carried out by promulgating rules and regulations that affect the companies under the Commission's jurisdiction. The Commission's efforts and activities are directed to administer and implement rules and regulations that are applicable to the regulated industries in the public interest. Related efforts also include participation in the proceedings before the Federal Energy Regulatory Commission, the Interstate Commerce Commission, and the Federal Communications Commission. The aforementioned proceedings directly or indirectly affect Illinois utilities, telecommunications carriers and motor carriers, respectively, and their customers, by means consistent with the position developed by the State of Illinois' executive and legislative policy-makers. In addition, the Commission also frequently offers comments to members of the State's Congressional delegation and submits testimony, written or oral, to Congressional committees to further the interest of the people in Illinois.

Legislative mandate requires the Commission to set annual goals to be primarily developed through the Commission's Strategic Plan. It is the Executive Director's responsibility, in cooperation with the Commission, to establish the objectives and criteria used to measure progress towards attaining the Commission's goals in areas under its jurisdiction.

STATE OF ILLINOIS  
 ILLINOIS COMMERCE COMMISSION  
**AVERAGE NUMBER OF EMPLOYEES**  
 For the Fiscal Years Ended June 30,  
 (Not Examined)

The following table, prepared from Commission records, presents the average number of employees, by division, for the Fiscal Years ended June 30,

<u>Division</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Chairman & Commissioners	9	10	8
Executive Director's Office	10	10	11
Bureau of External Affairs	23	24	25
Bureau of Transportation	44	51	52
Office of the General Counsel	17	18	22
Bureau of Public Utilities	71	73	71
Administrative Law Judges	17	18	19
Bureau of Planning & Operations	35	37	37
Total Average Full-Time Employees	<u>226</u>	<u>241</u>	<u>245</u>

STATE OF ILLINOIS  
 ILLINOIS COMMERCE COMMISSION  
**MEMORANDUMS OF UNDERSTANDING**  
 For the Two Years Ended June 30, 2015  
 (Not Examined)

The Commission reported the following Memorandums of Understanding with other State agencies to the Office of the Auditor General during Fiscal Year 2014 and Fiscal Year 2015:

<u>Description of Requirements</u>	<u>Effective Dates</u>	<u>Amount</u>
A Memorandum of Understanding was entered into between the Commission and the Office of the Comptroller. The purpose of the Agreement was to arrange the terms by which the Commission would obtain access to the Comptroller's Information Warehouse.	5/14/03 - Open Ended	N/A
A Memorandum of Understanding was entered into between the Commission and the Illinois Emergency Management Agency. The purpose of the Agreement was for mutual aid when emergencies exceed the resources, equipment and/or law enforcement personnel of a law enforcement agency.	4/29/03 - Open Ended	N/A

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SERVICE EFFORTS AND ACCOMPLISHMENTS**  
For Fiscal Years Ended June 30,  
(Not Examined)

	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>PUBLIC UTILITIES PROGRAM</b>			
Cases filed	729	735	700
Hearings	1,820	1,867	1,985
Cases resolved	782	777	746
Number of outage inquiries and complaints	140	231	208
Percent of consumer inquiries and complaints resolved in a single call	48%	49%	55%
Number of non-compliance's written by pipeline safety inspectors*	148	278	68
Total Wireless 911 systems	191	190	186
	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>TRANSPORTATION REGULATORY PROGRAM</b>			
Administrative citations	1,781	2,694	2,629
Investigations	1,273	1,598	1,725
Track inspections (miles)**	2,819	7,040	7,569
Number of collisions at public crossings	111	101	96
Grade crossing projects ordered	192	203	129

\*Number of non-compliance's written by pipeline safety inspectors increased significantly during Fiscal Year 2014 due to four new pipeline inspectors being hired in May 2013.

\*\* Track inspections (miles) decreased significantly during Fiscal Year 2015 due to the resignation of 2 of 3 railroad track inspectors in May 2014. Only one inspector was left to conduct inspections in 2015.