



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

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**DEPARTMENT OF TRANSPORTATION**

Financial Audit  
 For the Year Ended June 30, 2021

Release Date: June 22, 2022

FINDINGS THIS AUDIT: 1	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
<b>Category 1:</b>	<b>0</b>	<b>0</b>	<b>0</b>	2020		21-1	
Category 2:	0	1	1				
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>				
<b>TOTAL</b>	<b>0</b>	<b>1</b>	<b>1</b>				
FINDINGS LAST AUDIT: 1							

**SYNOPSIS**

- (21-01) The Department did not have a reconciliation process to provide assurance census data submitted to its pension and other postemployment benefits (OPEB) plans was complete and accurate.

**Category 1:** Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).

**Category 2:** Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.

**Category 3:** Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

**DEPARTMENT OF TRANSPORTATION**

**FINANCIAL AUDIT**

**For the Year Ended June 30, 2021**

<b>STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES (expressed in thousands)</b>	<b>Fiscal Year 2021</b>	<b>Fiscal Year 2020</b>
Program Revenues		
Charges for Services.....	\$ 19,009	\$ 45,983
Operating Grants.....	721,266	202,050
Capital Grants.....	1,786,876	1,619,382
Total Revenues.....	<u>2,527,151</u>	<u>1,867,415</u>
Expenses		
Total Expenses.....	<u>6,521,162</u>	<u>5,657,020</u>
Net (Expenses) Revenues.....	(3,994,011)	(3,789,605)
Total General Revenues and Transfers.....	<u>4,597,600</u>	<u>4,094,033</u>
Change in Net Position.....	603,589	304,428
Net Position, July 1 ,(as restated).....	14,466,120	14,057,279
Net Position, June 30.....	<u>\$ 15,069,709</u>	<u>\$ 14,361,707</u>

<b>STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES (expressed in thousands)</b>	<b>Fiscal Year 2021</b>	<b>Fiscal Year 2020</b>
Cash Equity with State Treasurer.....	\$ 780,746	\$ 436,790
Cash and Cash Equivalents.....	58,146	57,091
Receivables, Net.....	446,134	394,395
Inventories.....	86,831	97,134
Capital Assets, Net.....	19,578,521	19,053,090
Other Assets.....	1,067,897	1,302,239
Total .....	<u>22,018,275</u>	<u>21,340,739</u>
Deferred Outflows of Resources - Pension.....	455,961	362,723
Deferred Outflows of Resources - Other postemployment benefits.....	748,250	120,915
Total Assets and Deferred Outflows of Resources.....	<u>23,222,486</u>	<u>21,824,377</u>
Accounts Payable.....	504,112	467,036
Long Term Obligations.....	61,154	55,500
Net Pension Liability.....	3,443,142	3,193,723
Other postemployment benefits.....	2,716,386	2,122,593
Other Liabilities.....	734,003	838,143
Total .....	<u>7,458,797</u>	<u>6,676,995</u>
Deferred Inflows of Resources - Pension.....	178,614	294,556
Deferred Inflows of Resources - Other postemployment benefits.....	515,366	491,119
Total Liabilities and Deferred Inflows of Resources.....	<u>8,152,777</u>	<u>7,462,670</u>
Net Position		
Net Investment in Capital Assets.....	19,550,049	19,036,411
Restricted for Transportation Programs.....	65,285	61,452
Restricted for Debt Service.....	-	-
Unrestricted.....	(4,545,625)	(4,736,156)
Total Net Position.....	<u>\$ 15,069,709</u>	<u>\$ 14,361,707</u>

**AGENCY SECRETARY**

During Examination Period: Omer Osman

Currently: Omer Osman



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

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**DEPARTMENT OF TRANSPORTATION**

Financial Audit  
 For the Year Ended June 30, 2021

Release Date: June 22, 2022

FINDINGS THIS AUDIT: 1	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	0	0	2020		21-1	
Category 2:	0	1	1				
Category 3:	0	0	0				
<b>TOTAL</b>	<b>0</b>	<b>1</b>	<b>1</b>				
FINDINGS LAST AUDIT: 1							

**SYNOPSIS**

- (21-01) The Department did not have a reconciliation process to provide assurance census data submitted to its pension and other postemployment benefits (OPEB) plans was complete and accurate.

**Category 1:** Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).

**Category 2:** Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.

**Category 3:** Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**LACK OF CENSUS DATA RECONCILIATIONS**

The Department of Transportation (Department) did not have a reconciliation process to provide assurance census data submitted to its pension and other post-employment benefits (OPEB) plans was complete and accurate.

During testing, we noted the following:

**No initial reconciliation of census data performed**

1. The Department had not performed an initial complete reconciliation of its census data recorded by the State Employees Retirement System (SERS) to its internal records to establish a base year of complete and accurate census data.

**No process developed to reconcile changes back to Department records**

2. After establishing a base year, the Department had not developed a process to annually obtain from SERS the incremental changes recorded by SERS in their census data records and reconcile these changes back to the Department's internal supporting records. (Finding 1, pages 62-63)

We recommended the Department work with SERS to develop an annual reconciliation process of its active members' census data from its underlying records to a report from each plan of census data submitted to each plan's actuary. We further recommended, after completing an initial full reconciliation, the Department may limit the annual reconciliations to focus on the incremental changes to the census data file from the prior actuarial valuation, provided no risks are identified that incomplete or inaccurate reporting of census data may have occurred during prior periods.

**Department stated they have completed reconciliation for FY21**

Department officials stated they received the Annual Census Data Reconciliation Guidance from SERS in FY22 on July 6, 2021, and a data encrypted file from SERS on August 9, 2021, for reconciliation of Department records and they completed its part of the Census Data Reconciliation for FY21 on March 31, 2022. Department officials further stated, they are awaiting finalization of guidance from SERS on conducting an annual reconciliation process of its active members' census data to focus on the incremental changes to the census data file from prior actuarial valuations.

**AUDITOR'S OPINION**

The auditors stated the financial statements of the Department as of and for the year ended June 30, 2021 are fairly stated in all material respects.

This financial audit was conducted by CliftonLarsonAllen LLP.

**SIGNED ORIGINAL ON FILE**

---

JANE CLARK  
Division Director

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

**SIGNED ORIGINAL ON FILE**

---

FRANK J. MAUTINO  
Auditor General

FJM:PH