



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

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**ILLINOIS POWER AGENCY**

**Financial Audit  
 For the Year Ended June 30, 2022**

**Release Date: June 13, 2023**

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>1</b>	<b>0</b>	<b>1</b>	<b>No Repeat Findings</b>			
<b>Category 2:</b>	<b>0</b>	<b>0</b>	<b>0</b>				
<b>Category 3:</b>	<b>0</b>	<b>0</b>	<b>0</b>				
<b>TOTAL</b>	<b>1</b>	<b>0</b>	<b>1</b>				
<b>FINDINGS LAST AUDIT: 0</b>							

**INTRODUCTION**

The Illinois Power Agency’s (Agency) goals and objectives are (1) to oversee the electricity planning and procurement processes to ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest cost over time for the residential and small commercial customers of power utility companies; (2) to procure renewable energy using the resources of the Illinois Power Agency Renewable Energy Resources Fund; (3) to develop and implement a Zero Emission Standard Procurement Plan; and (4) to develop a Long-Term Renewable Resources Procurement Plan and implement the programs and procurements contained in the Plan, including the Adjustable Block Program and the Illinois Solar for All Program.

**SYNOPSIS**

- **(22-01)** The Agency did not complete the final closing of its accounting records accurately or timely.

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

**ILLINOIS POWER AGENCY  
FINANCIAL AUDIT  
For the Year Ended June 30, 2022**

NONSHARED GOVERNMENTAL FUNDS (in thousands)	FY 2022	FY 2021
<b>Illinois Power Agency Operations Fund</b>		
Revenues.....	\$ 5,519	\$ 3,222
Expenditures.....	11,441	5,990
Other sources(uses) of financial resources.....	5,439	1,657
Net change in fund balance.....	<u>\$ (483)</u>	<u>\$ (1,111)</u>
Assets and deferred outflows of resources.....	\$ 5,903	\$ 4,661
Liabilities and deferred inflows of resources.....	2,875	1,150
Committed fund balance.....	<u>\$ 3,028</u>	<u>\$ 3,511</u>
<b>Illinois Power Agency Renewable Energy Resources Fund</b>		
Revenues.....	\$ 141	\$ -
Expenditures.....	11,926	16,524
Other sources(uses) of financial resources.....	-	-
Net change in fund balance.....	<u>\$ (11,785)</u>	<u>\$ (16,524)</u>
Assets and deferred outflows of resources.....	\$ 130,056	\$ 142,259
Liabilities and deferred inflows of resources.....	3,455	3,873
Committed fund balance.....	<u>\$ 126,601</u>	<u>\$ 138,386</u>
<b>Illinois Power Agency Trust Fund</b>		
Revenues.....	\$ (2,913)	\$ 10,126
Expenditures.....	-	-
Other sources(uses) of financial resources.....	(3,439)	(1,682)
Net change in fund balance.....	<u>\$ (6,352)</u>	<u>\$ 8,444</u>
Assets and deferred outflows of resources.....	\$ 41,621	\$ 47,872
Liabilities and deferred inflows of resources.....	101	-
Nonspendable fund balance.....	41,520	46,215
Committed fund balance.....	-	1,657
Total fund balance.....	<u>\$ 41,520</u>	<u>\$ 47,872</u>

**AGENCY DIRECTOR**

During Audit Period: Anthony Star (through September 30, 2022)

Currently: Brian Granahan (Acting) (Effective October 1, 2022)

**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**INADEQUATE CONTROLS OVER FINANCIAL  
STATEMENT CLOSE PROCESS**

The Agency did not complete the final closing of its accounting records timely or within the timelines established by the Statewide Accounting Management System (SAMS) manual. In addition, the financial statements provided to the auditors were initially not accurate.

**Agency's year-end close process was completed over six months after year-end**

The Agency's year-end close process was completed over six months after year-end. The delayed procedures included delayed reconciliations of subsidiary ledgers to the general ledger for accounts receivable, accounts payable, revenue, and expenses. General ledger account balances were not appropriately stated on the trial balance and financial statements provided to auditors at the start of the audit process. The Agency's Generally Accepted Accounting Principles (GAAP) reporting packages were submitted to the Comptroller's Office on August 19, 2022 for Fund 424, Fund 425, and Fund 836, and on September 28, 2022 for Fund 1408. A complete set of GAAP basis financial statements were submitted on October 17, 2022. (Finding 1, pages 23-24)

**Agency provided trial balance and financial statements were not accurate at the start of audit**

We recommended the Agency timely prepare and submit GAAP basis reporting packages and financial statements to the Comptroller in accordance with the SAMS manual. Further, we recommended the trial balances and financial statements, when provided to auditors in a timely manner, are complete and accurate.

**Agency agreed with finding**

Agency agreed with the finding.

**AUDITOR'S OPINION**

The auditors stated the financial statements of the Agency as of and for the year ended June 30, 2022, are fairly stated in all material respects.

This financial audit was conducted by Plante & Moran, PLLC

**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**

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FRANK J. MAUTINO  
Auditor General

FJM:JGR