

**STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
COMPLIANCE EXAMINATION**

For the Two Years Ended June 30, 2016

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
 COMPLIANCE EXAMINATION
 For the Two Years Ended June 30, 2016

TABLE OF CONTENTS

		<u>Page</u>
Agency Officials		1
Management Assertion Letter		2
Compliance Report:		
Summary		4
Independent Accountant’s Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes		5
Schedule of Findings		
Prior Findings Not Repeated		8
Supplementary Information for State Compliance Purposes:		
Summary		9
Fiscal Schedules and Analysis		
Schedule of Appropriations, Expenditures and Lapsed Balances - Fiscal Year 2016	1	10
Schedule of Appropriations, Expenditures and Lapsed Balances - Fiscal Year 2015	2	11
Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances	3	12
Schedule of Changes in State Property	4	13
Comparative Schedule of Cash Receipts and Reconciliation of Cash Receipts to Deposits Remitted to the State Comptroller	5	14
Analysis of Significant Variations in Expenditures	6	15
Analysis of Significant Variations in Receipts	7	16
Analysis of Significant Lapse Period Spending	8	17
Analysis of Operations (Not Examined)		
Agency Functions and Planning Program (Not Examined)		18
Budget Impasse Disclosures (Not Examined)		20
Alternative Financing in Lieu of Appropriations and Programs to Address Untimely Payments to Vendors (Not Examined)		21
Interest Costs on Fiscal Year 2016 Invoices (Not Examined)		22
Average Number of Employees (Not Examined)		23
Interagency Agreement (Not Examined)		24
Service Efforts and Accomplishments (Not Examined)		25

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2016

AGENCY OFFICIALS

Executive Director	Ms. Vicki Thomas
Deputy Director	Ms. Mary Craig
Office Manager	Ms. Crystal Woolard
Assistant Office Manager	Ms. Samantha Jostes

Agency offices are located at:

700 Stratton Office Building
Springfield, Illinois 62706

JOINT COMMITTEE ON ADMINISTRATIVE RULES

ILLINOIS GENERAL ASSEMBLY

CO-CHAIR:
SEN. DON HARMON

CO-CHAIR:
REP. KEITH WHEELER

EXECUTIVE DIRECTOR:
VICKI THOMAS



700 STRATTON BUILDING
SPRINGFIELD, ILLINOIS 62706
217/785-2254

SEN. BILL BRADY
SEN. KAREN MCCONNAUGHAY
SEN. TONY MUÑOZ
SEN. IRA SILVERSTEIN
SEN. CHUCK WEAVER
REP. PETER BREEN
REP. TOM DEMMER
REP. GREG HARRIS
REP. LOU LANG
REP. ANDRE' THAPEDI

March 1, 2017

MANAGEMENT ASSERTION LETTER

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

Dear Mr. 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 JCAR. 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 JCAR's compliance with the following assertions during the two-year period ended June 30, 2016. Based on this evaluation, we assert that during the years ended June 30, 2015 and June 30, 2016, JCAR has materially complied with the assertions below.

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

Yours truly,

Joint Committee on Administrative Rules

SIGNED ORIGINAL ON FILE

Vicki Thomas, Executive Director

SIGNED ORIGINAL ON FILE

Crystal Woolard, Office Manager

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2016

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>
Findings	0	1
Repeated findings	0	1
Prior recommendations implemented or not repeated	1	1

SCHEDULE OF FINDINGS

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

FINDINGS (STATE COMPLIANCE)

The Joint Committee on Administrative Rules did not have any current findings.

PRIOR FINDINGS NOT REPEATED

A	8	Property control weakness
---	---	---------------------------

EXIT CONFERENCE

The Joint Committee on Administrative Rules waived an exit conference in correspondence from Vicki Thomas, Executive Director, dated February 14, 2017.

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



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

OFFICE OF THE AUDITOR GENERAL
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, Joint Committee on Administrative Rules' 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, 2016. The management of the State of Illinois, Joint Committee on Administrative Rules is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois, Joint Committee on Administrative Rules' compliance based on our examination.

- A. The State of Illinois, Joint Committee on Administrative Rules 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, Joint Committee on Administrative Rules 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, Joint Committee on Administrative Rules 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, Joint Committee on Administrative Rules 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, Joint Committee on Administrative Rules on behalf of the State or held in trust by the State of

Illinois, Joint Committee on Administrative Rules 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, Joint Committee on Administrative Rules' 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, Joint Committee on Administrative Rules' compliance with specified requirements.

In our opinion, the State of Illinois, Joint Committee on Administrative Rules complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the two years ended June 30, 2016.

Internal Control

Management of the State of Illinois, Joint Committee on Administrative Rules 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, Joint Committee on Administrative Rules' 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, Joint Committee on Administrative Rules' internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Joint Committee on Administrative Rules' 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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, 2016, and June 30, 2015, in Schedules 1 through 8 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, 2016, and June 30, 2015, accompanying supplementary information in Schedules 1 through 8. However, we do not express an opinion on the accompanying supplementary information.

We have not applied procedures to the June 30, 2014, accompanying supplementary information in Schedules 3 through 7 and in the Analysis of Operations Section, and accordingly, we do not express an opinion or provide any assurance on it.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, and the State of Illinois, Joint Committee on Administrative Rules' members and management, and is not intended to be and should not be used by anyone other than these specified parties.

SIGNED ORIGINAL ON FILE

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

Springfield, Illinois
March 1, 2017

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
PRIOR FINDING NOT REPEATED
For the Two Years Ended June 30, 2016

A. **FINDING** (Property control weakness)

During the prior engagement, the Joint Committee on Administrative Rules (Committee) did not exercise adequate control over the recording of its property and equipment. Equipment items observed were not recorded on the Committee's property records and were not properly tagged. In addition, items tested were not found in the locations noted on the property listing.

During the current engagement, the auditors' sample testing results indicated the Committee properly recorded and tagged its equipment. In addition, the auditors noted fewer instances of items tested in a different location than noted on the property listing. Therefore, this issue was reported in the Committee's *Report of Immaterial Findings*. (Finding Code No. 2014-001, 12-1, 10-1, 08-1, 06-2)

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2016

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 2016
 - Schedule of Appropriations, Expenditures and Lapsed Balances – Fiscal Year 2015
 - Comparative Schedule of Net Appropriations, 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 Operations (Not Examined):
 - Agency Functions and Planning Program (Not Examined)
 - Budget Impasse Disclosures (Not Examined)
 - Alternative Financing in Lieu of Appropriations and Programs to Address Untimely Payments to Vendors (Not Examined)
 - Interest Costs on Fiscal Year 2016 Invoices (Not Examined)
 - Average Number of Employees (Not Examined)
 - Interagency Agreement (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, 2016, and June 30, 2015, accompanying supplementary information in Schedules 1 through 8. 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
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
 Expenditure Authority for Fiscal Year 2016

For the Fourteen Months Ended August 31, 2016

Continuing Appropriations FISCAL YEAR 2016	Expenditure Authority	Lapse Period		Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
		Expenditures Through June 30	Expenditures July 1 to August 31		
General Revenue Fund - 001					
Operational Expenses	\$ 1,140,700	\$ 972,263	\$ 19,347	\$ 991,610	\$ 149,090
Total General Revenue Fund	\$ 1,140,700	\$ 972,263	\$ 19,347	\$ 991,610	\$ 149,090

Note 1: Expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the State Comptroller's records as of September 30, 2016, and have been reconciled to Committee records.

Note 2: Expenditure amounts are vouchers approved for payment by the Committee and submitted to the State Comptroller for payment to the vendor.

Note 3: The Civil Administrative Code (State Budget Law) (15 ILCS 20/50-22(b)) provides aggregate appropriations available for legislative operations for all funds for each fiscal year shall not be less than the aggregate appropriations made available for legislative operations during the immediately preceding fiscal year. The Circuit Court of Cook County in *People v. Mungler* (15 CH 10243) ordered the State Comptroller, in the absence of enacted annual appropriations, to process and pay certified invoice vouchers from the State's legislative branch agencies pursuant to this statute. Therefore, the Committee's Fiscal Year 2015 appropriation for Fund 001 was carried forward to become the Committee's Fiscal Year 2016 expenditure authority for Fund 001.

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
 Appropriations for Fiscal Year 2015

For the Fourteen Months Ended August 31, 2015

P.A. 98-0679 FISCAL YEAR 2015	Lapse Period		Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
	Expenditures Through June 30	Expenditures July 1 to August 31		
General Revenue Fund - 001				
Operational Expenses	\$ 1,140,700	\$ 1,005,375	\$ 1,011,525	\$ 129,175
Total General Revenue Fund	\$ 1,140,700	\$ 1,005,375	\$ 1,011,525	\$ 129,175

Note 1: Appropriations, expenditures, and lapsed balances were obtained from Committee records and have been reconciled to records of the State Comptroller.
 Note 2: Expenditure amounts are vouchers approved for payment by the Committee and submitted to the State Comptroller for payment to the vendor.

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
 AND LAPSED BALANCES**

For the Fiscal Years Ended June 30, 2016, 2015, and 2014

	Fiscal Year		
	2016	2015	2014
	Continuing Appropriations	P.A. 98-0679	P.A. 98-0064
General Revenue Fund - 001			
Appropriations (Net of Transfers)	\$ 1,140,700	\$ 1,140,700	\$ 1,140,700
<u>Expenditures</u>			
Operational Expenses	\$ 991,610	\$ 1,011,525	\$ 1,082,676
Total Expenditures	\$ 991,610	\$ 1,011,525	\$ 1,082,676
Lapsed Balances	\$ 149,090	\$ 129,175	\$ 58,024

Note 1: Expenditure authority, appropriations, expenditures, and lapsed balances for Fiscal Year 2016 were obtained from the State Comptroller's records as of September 30, 2016, and have been reconciled to Committee records. Appropriations, expenditures, and lapsed balances for Fiscal Year 2015 were obtained from Committee Records as of August 31, 2015, and have been reconciled to the State Comptroller's records.

Note 2: Expenditure amounts are vouchers approved for payment by the Committee and submitted to the State Comptroller for payment to the vendor.

Note 3: The Civil Administrative Code (State Budget Law) (15 ILCS 20/50-22(b)) provides aggregate appropriations available for legislative operations for all funds for each fiscal year shall not be less than the aggregate appropriations made available for legislative operations during the immediately preceding fiscal year. The Circuit Court of Cook County in *People v. Munger* (15 CH 10243) ordered the State Comptroller, in the absence of enacted annual appropriations, to process and pay certified invoice vouchers from the State's legislative branch agencies pursuant to this statute. Therefore, the Committee's Fiscal Year 2015 appropriation for Fund 001 was carried forward to become the Committee's Fiscal Year 2016 expenditure authority for Fund 001.

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
SCHEDULE OF CHANGES IN STATE PROPERTY
 For the Two Years Ended June 30, 2016

Schedule 4

	<u>Equipment</u>
Balance at July 1, 2014	\$ 106,501
Additions	-
Deletions	-
Net Transfers	-
Balance at June 30, 2015	<u>\$ 106,501</u>
Balance at July 1, 2015	\$ 106,501
Additions	-
Deletions	-
Net Transfers	-
Balance at June 30, 2016	<u>\$ 106,501</u>

Note: This schedule was prepared from the Committee's records and reconciled to property records submitted to the Office of the State Comptroller.

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
**COMPARATIVE SCHEDULE OF CASH RECEIPTS AND
 RECONCILIATION OF CASH RECEIPTS TO
 DEPOSITS REMITTED TO THE STATE COMPTROLLER**

For the Year Ended June 30,

	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Revenue Fund - 001			
Sales of Annual Reports	\$ 6	\$ 7	\$ 7
Miscellaneous	277	413	-
Total cash receipts per Committee	<u>283</u>	<u>420</u>	<u>7</u>
Less - In transit at End of Year	-	85	-
Plus - In transit at Beginning of Year	85	-	-
Total cash receipts per State Comptroller's Records	<u><u>\$ 368</u></u>	<u><u>\$ 335</u></u>	<u><u>\$ 7</u></u>
General Assembly Computer Equipment Revolving Fund - 155			
Sale of Database of the Admin. Code	\$ 16,000	\$ 31,900	\$ 16,000
Total cash receipts per Committee	<u>16,000</u>	<u>31,900</u>	<u>16,000</u>
Less - In transit at End of Year	-	-	-
Plus - In transit at Beginning of Year	-	-	-
Total cash receipts per State Comptroller's Records	<u><u>\$ 16,000</u></u>	<u><u>\$ 31,900</u></u>	<u><u>\$ 16,000</u></u>
GRAND TOTAL - ALL FUNDS			
Total cash receipts per Committee	\$ 16,283	\$ 32,320	\$ 16,007
Less - In transit at End of Year	-	85	-
Plus - In transit at Beginning of Year	85	-	-
Total cash receipts per State Comptroller's Records - All Funds	<u><u>\$ 16,368</u></u>	<u><u>\$ 32,235</u></u>	<u><u>\$ 16,007</u></u>

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2016

There were no significant variations in expenditures.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2016

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2016 AND 2015

General Assembly Computer Equipment Revolving Fund – 155

The Committee receives monies from the sale of megabytes of information for updates of the Administrative Code and the Illinois Register collected in the Legislative Information System database it maintains. Fiscal Year 2016 receipts decreased due to a vendor payment totaling \$16,000 compared to payments totaling \$31,900 in Fiscal Year 2015.

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

General Assembly Computer Equipment Revolving Fund – 155

The Committee receives monies from the sale of megabytes of information for updates of the Administrative Code and the Illinois Register collected in the Legislative Information System database it maintains. Fiscal Year 2015 receipts increased due to the receipts totaling \$31,900 for current and prior year services.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2016

There were no significant expenditures incurred during the Lapse Period for Fiscal Year 2016 or Fiscal Year 2015.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
AGENCY FUNCTIONS AND PLANNING PROGRAM
For the Two Years Ending June 30, 2016
(Not Examined)

Functions

The Joint Committee on Administrative Rules (Committee) was established in 1977 to ensure the laws the General Assembly enacts are appropriately implemented through administrative law. The specific duties and authorities of the Committee are outlined in the Illinois Administrative Procedure Act (Act) (5 ILCS 100/5-5 et seq.) with the rulemaking process.

The function of the Committee is the promotion of adequate and proper rules by agencies. In addition, the Committee is responsible for monitoring and investigating agencies' compliance with the provisions of the Act, making periodic investigations of the rulemaking activities of all agencies, and evaluating and reporting on all rules in terms of their propriety, legal adequacy, relation to statutory authorization, economic and budgetary effects, and public policy.

Committee Members

The Committee is comprised of six senators and six representatives. The Committee convenes monthly in Chicago unless the General Assembly is in session. If the General Assembly is in session, the Committee convenes in Springfield.

The Committee members as of June 30, 2016, were as follows:

Senator Don Harmon	Co-Chairperson
Representative Ron Sandack	Co-Chairperson
Senator William "Bill" Brady	Representative Gregory Harris
Senator Karen McConaughay	Representative Louis I. Lang
Senator Tony Munoz	Representative David L. Leitch
Senator Matt Murphy	Representative Michael Tryon
Senator Ira Silverstein	Representative André Thapedi

Planning

The Committee does not have a formal planning and monitoring function. However, all Committee objectives are clearly defined in the Act. The Committee's main priority is to review new rules and proposed changes to the *Illinois Administrative Code*. This is completed on a monthly basis and reported to the Committee members at their monthly meeting. The Committee reports its activities and accomplishments throughout the year in its Annual Report to the General Assembly.

The Committee's short-term goals continue to be centered upon reviewing every rulemaking that goes to Second Notice in a thorough and timely manner so that Committee members have accurate information on which to base their rulemaking decisions at the Committee's monthly meetings.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
AGENCY FUNCTIONS AND PLANNING PROGRAM
For the Two Years Ending June 30, 2016
(Not Examined)

In addition, the following goals must be met:

- Provide agencies with accurate *Illinois Administrative Code* and *Illinois Register* versions of their rulemakings that may be filed with the Secretary of State for adoption and publication following consideration at a Committee meeting;
- Prepare the *Illinois Register* for publication each week;
- Maintain the *Illinois Administrative Code* on the Legislative Information System database and update it weekly to reflect newly adopted rulemakings;
- Write and publish the *Flinn Report*, the Committee's weekly newsletter, to educate and inform the public concerning proposed and adopted rulemakings and the rulemaking process; and,
- Investigate in a timely manner any complaints concerning agency rulemaking that are brought to the Committee's attention.

The Committee's long-term goals include:

- Increasing the number of State agencies that voluntarily use the Committee-generated *Illinois Register* and *Illinois Administrative Code* materials for filing adopted rulemaking text with the Secretary of State;
- Working with the Legislative Information System to refine the programs used to create and maintain the *Illinois Register* and *Illinois Administrative Code* on the internet; and,
- Working with the Secretary of State's Code Division within the Index Department to ensure the accuracy of the file books of adopted rules maintained by both the Committee and the Secretary of State.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
BUDGET IMPASSE DISCLOSURES
For the Two Years Ending June 30, 2016
(Not Examined)

Payment of Fiscal Year 2016 Costs in Future Fiscal Years

All of the Joint Committee on Administrative Rule's Fiscal Year 2016 costs were paid pursuant to continuing appropriations. The Joint Committee on Administrative Rules did not have any outstanding invoices from Fiscal Year 2016 unpaid after the closure of the Fiscal Year 2016 Lapse Period on August 31, 2016.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
**ALTERNATIVE FINANCING IN LIEU OF APPROPRIATIONS AND
PROGRAMS TO ADDRESS UNTIMELY PAYMENTS TO VENDORS**
For the Two Years Ending June 30, 2016
(Not Examined)

Transactions Involving the Illinois Finance Authority

The Joint Committee on Administrative Rules and its vendors did not participate in alternative financing in lieu of enacted appropriations involving the Illinois Finance Authority during Fiscal Year 2016.

Transactions Involving the Vendor Payment Program and Vendor Support Initiative Program

None of the Joint Committee on Administrative Rules' vendors participated in the Vendor Payment Program (VPP) or the Vendor Support Initiative Program (VSI) during Fiscal Year 2015 and Fiscal Year 2016.

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
INTEREST COSTS ON FISCAL YEAR 2016 INVOICES
 For the Two Years Ending June 30, 2016
 (Not Examined)

Prompt Payment Interest Costs

The Joint Committee on Administrative Rules (Committee) calculated prompt payment interest due to vendors under the State Prompt Payment Act (Act) (30 ILCS 540) using the vendor's proper bill date through the date the State Comptroller issues a warrant to the vendor, regardless of when and if an enacted appropriation existed during Fiscal Year 2016. The Act (30 ILCS 540/3-2) and the Illinois Administrative Code (74 Ill. Admin. Code 900.100) require interest to be paid under a daily simple interest rate of .033% (1% over a 30-day period) for every day elapsed following the 90th day after a vendor submits an eligible proper bill to the Committee. The following chart shows the Committee's prompt payment interest incurred related to Fiscal Year 2016 invoices, calculated on the accrual basis of accounting, through June 30, 2016, by fund:

Prompt Payment Interest Incurred
 Year Ended June 30, 2016

Fund #	Fund Name	Invoices	Vendors	Dollar Value
001	General Revenue Fund	1	1	\$ -
	Interest accrued as of June 30, 2016	1	1	\$ -
	Additional interest accrued during lapsed period until invoices were paid			<u>\$ 20</u>
	Prompt payment interest expense paid by the Committee for Fiscal Year 2016			<u>\$ 20</u>

STATE OF ILLINOIS
 JOINT COMMITTEE ON ADMINISTRATIVE RULES
AVERAGE NUMBER OF EMPLOYEES
 For the Two Years Ended June 30, 2016

Average Number of Employees (Not Examined)

The following table, prepared from Committee records, presents the average number of employees, by function, for the Fiscal Year Ended June 30,

	2016	2015	2014
<u>Division</u>			
Executive Director	1	1	1
Rules Review Division			
Attorney	2	2	2
Analyst	6	6	6
Administrative Affairs Division			
Deputy Director	1	1	1
Support Division			
Office Manager	1	1	1
Assistant Office Manager	1	1	1
Word Processor/Receptionist	0	0	1
Administrative Code Division			
Manager	1	1	1
Input Operator	4	2	2
Total Full-Time Employees	17	15	16

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
INTERAGENCY AGREEMENT
For the Two Years Ended June 30, 2016
(Not Examined)

The Committee entered into an interagency agreement with the Legislative Information System (System) in March 1994. The agreement outlined and defined the shared statutory responsibilities between the System and the Committee for the maintenance of the electronically stored database of the *Illinois Register* and *Illinois Administrative Code* as defined in the Illinois Administrative Procedure Act (5 ILCS 100/5-80(j)) and the Legislative Information System Act (25 ILCS 145/5.08). Effective January 26, 1994, Public Act 88-535 expanded access of the database to the public in general, and particularly print and electronic publishers, for the purpose of a more thorough dissemination. The interagency agreement charged the Committee with the responsibility to enter into agreements for responding to requests from the public for electronically stored copies of the database materials and assessing a related fee.

STATE OF ILLINOIS
JOINT COMMITTEE ON ADMINISTRATIVE RULES
SERVICE EFFORTS AND ACCOMPLISHMENTS
For the Two Years Ended June 30, 2016
(Not Examined)

<u>Rulemakings Processes (Not Examined)</u>	<u>Fiscal Year</u> <u>2016</u>	<u>Fiscal Year</u> <u>2015</u>
Rules Proposed	341	453
Rules Considered	365	422
No Objections	331	398
Objections	24	4
Recommendations (including with objections)	7	13
Withdrawn by Agency	0	1
Prohibitions with objections	1	1