



**STATE OF ILLINOIS  
OFFICE OF THE SECRETARY OF STATE**

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FINANCIAL AUDIT

For the Year Ended June 30, 2020

Performed as Special Assistant Auditors for the  
Auditor General, State of Illinois

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STATE OF ILLINOIS  
OFFICE OF THE SECRETARY OF STATE  
FINANCIAL AUDIT  
For the Year Ended June 30, 2020

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STATE OF ILLINOIS  
OFFICE OF THE SECRETARY OF STATE  
FINANCIAL AUDIT  
For the Year Ended June 30, 2020

**AGENCY OFFICIALS**

|  |                           |
|--|---------------------------|
| Secretary of State   | The Honorable Jesse White |
| Deputy Secretary of State/Chief of Staff                         | Thomas N. Benigno         |
| Director of Internal Audit                                       | Stell Mallios             |
| General Counsel  | Irene Lyons               |
| Inspector General  | James B. Burns            |
| Director of Budget and Fiscal<br>Management/Chief Fiscal Officer | Jacqueline Price          |
| Director of<br>Accounting Revenue                                | John Gryzmski             |

The Secretary of State offices are located throughout the State of Illinois. The Secretary of State financial records are processed and maintained in the Howlett Building, Springfield, Illinois 62756. Executive Offices of the Secretary of State are located at Room 213, Capitol Building, Springfield, Illinois 62756 and Suite 5-400 100 W. Randolph, Chicago, Illinois 60601.

STATE OF ILLINOIS  
OFFICE OF THE SECRETARY OF STATE  
FINANCIAL AUDIT  
For the Year Ended June 30, 2020

**FINANCIAL STATEMENT REPORT**

**SUMMARY**

The audit of the accompanying financial statements of the Office of the Secretary of State (Office) was performed by Sikich LLP.

Based on their audit, the auditors expressed an unmodified opinion on the Office's basic financial statements.

**SUMMARY OF FINDINGS**

The auditors identified three matters involving the Office's internal control over financial reporting that they considered to be material weaknesses and a significant deficiency. Further, the auditors identified one noncompliance matter.

| <u>Item No.</u>  | <u>Page</u> | <u>Last/First<br/>Report</u> | <u>Description</u>   | <u>Finding Type</u>                 |
|------------------|-------------|------------------------------|--|-------------------------------------|
| CURRENT FINDINGS |             |                              |  |                                     |
| 2020-001         | 66-68       | 2019/2016                    | Weakness in determination of cash on hand and cash in transit amounts reported in the financial statements | Material Weakness                   |
| 2020-002         | 69-71       | New                          | Inadequate Internal Controls Over Census Data  | Material Weakness and Noncompliance |
| 2020-003         | 72-73       | New                          | Failure to adjust license and fee revenues   | Significant Deficiency              |

PRIOR FINDING NOT REPEATED

None.

STATE OF ILLINOIS  
OFFICE OF THE SECRETARY OF STATE  
FINANCIAL AUDIT  
For the Year Ended June 30, 2020

**EXIT CONFERENCE**

The Office waived an exit conference in a correspondence from Amanda Trimmer, Chief Deputy Director, Department of Budget and Fiscal Management, on April 20, 2021. The responses to the recommendations were provided by Jacqueline M. Price, Director, Department of Budget and Fiscal Management, in a correspondence dated April 28, 2021.

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## INDEPENDENT AUDITOR'S REPORT

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

### **Report on the Financial Statements**

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the State of Illinois, Office of the Secretary of State, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the State of Illinois, Office of the Secretary of State's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the State of Illinois, Office of the Secretary of State, as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 2 to the financial statements, the financial statements of the State of Illinois, Office of the Secretary of State are intended to present the financial position and the changes in financial position of only that portion of the governmental activities, each major fund, and the aggregate remaining fund information of the State of Illinois that is attributable to the transactions of the State of Illinois, Office of the Secretary of State. These financial statements do not purport to, and do not, present fairly the financial position of the State of Illinois as of June 30, 2020, and the respective changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Management has omitted a management's discussion and analysis, budgetary comparison information, pension-related, and other postemployment benefit-related supplementary information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Illinois, Office of the Secretary of State's basic financial statements.

The accompanying supplementary information, such as the combining and individual fund financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining General Fund schedules, nonmajor governmental, and Agency fund financial statements are fairly stated in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 28, 2021 on our consideration of the State of Illinois, Office of the Secretary of State's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of Illinois, Office of the Secretary of State's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Illinois, Office of the Secretary of State's internal control over financial reporting and compliance.

### **Restricted Use of this Auditor's Report**

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

**SIGNED ORIGINAL ON FILE**

Springfield, Illinois  
April 28, 2021

## BASIC FINANCIAL STATEMENTS

**State of Illinois**  
**Office of the Secretary of State**

**Statement of Net Position and Governmental Funds Balance Sheet**

June 30, 2020 (Expressed in Thousands)

|   | General<br>Fund   | Other<br>Nonmajor<br>Funds | Total<br>Governmental<br>Funds | Adjustments           | Statement of<br>Net Position |
|---|-------------------|----------------------------|--------------------------------|-----------------------|------------------------------|
| <b>ASSETS</b>   |                   |                            |                                |                       |                              |
| Unexpended appropriations   | \$ 29,277         | \$ 911                     | \$ 30,188                      | \$ -                  | \$ 30,188                    |
| Cash equity with State Treasurer  | 92,538            | 350,498                    | 443,036                        | -                     | 443,036                      |
| Cash and cash equivalents   | 97                | 14                         | 111                            | -                     | 111                          |
| Securities lending collateral of State Treasurer                          | -                 | 11,713                     | 11,713                         | -                     | 11,713                       |
| Taxes receivable, net   | 570               | -                          | 570                            | -                     | 570                          |
| Intergovernmental receivables, net  | -                 | 138                        | 138                            | -                     | 138                          |
| Other receivables, net  | 177               | 2,760                      | 2,937                          | -                     | 2,937                        |
| Due from other State funds  | -                 | 234                        | 234                            | -                     | 234                          |
| Due from other Office funds   | 6,014             | 13,184                     | 19,198                         | (19,198)              | -                            |
| Inventories   | 469               | 3,779                      | 4,248                          | -                     | 4,248                        |
| Prepaid expenses  | -                 | -                          | -                              | 5,741                 | 5,741                        |
| Capital assets not being depreciated                                      | -                 | -                          | -                              | 11,884                | 11,884                       |
| Capital assets being depreciated, net                                     | -                 | -                          | -                              | 157,273               | 157,273                      |
| <b>Total assets</b>   | <b>\$ 129,142</b> | <b>\$ 383,231</b>          | <b>\$ 512,373</b>              | <b>155,700</b>        | <b>668,073</b>               |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                                     |                   |                            |                                |                       |                              |
| Pensions  | -                 | -                          | -                              | 184,651               | 184,651                      |
| OPEB  | -                 | -                          | -                              | 391,255               | 391,255                      |
| <b>Total deferred outflows of resources</b>                               |                   |                            |                                | <b>575,906</b>        | <b>575,906</b>               |
| <b>Total assets and deferred outflows of resources</b>                    | <b>129,142</b>    | <b>383,231</b>             | <b>512,373</b>                 | <b>731,606</b>        | <b>1,243,979</b>             |
| <b>LIABILITIES</b>  |                   |                            |                                |                       |                              |
| Accounts payable and accrued liabilities                                  | \$ 17,086         | \$ 4,950                   | \$ 22,036                      | -                     | 22,036                       |
| Intergovernmental payables  | 27,671            | 89                         | 27,760                         | -                     | 27,760                       |
| Due to other State fiduciary funds  | 230               | 504                        | 734                            | -                     | 734                          |
| Due to other Office funds   | 4,719             | 14,479                     | 19,198                         | (19,198)              | -                            |
| Due to other State funds  | 2,948             | 462                        | 3,410                          | -                     | 3,410                        |
| Due to State of Illinois component units                                  | 11                | 20                         | 31                             | -                     | 31                           |
| Unearned revenue  | 3,707             | 26,594                     | 30,301                         | -                     | 30,301                       |
| Obligations under securities lending of State Treasurer                   | -                 | 11,713                     | 11,713                         | -                     | 11,713                       |
| Long-term obligations:  |                   |                            |                                |                       |                              |
| Net Pension Liability   | -                 | -                          | -                              | 1,357,651             | 1,357,651                    |
| Total OPEB Liability, current portion                                     | -                 | -                          | -                              | 37,741                | 37,741                       |
| Total OPEB Liability, long-term portion                                   | -                 | -                          | -                              | 1,289,412             | 1,289,412                    |
| Compensated absences, current portion                                     | -                 | -                          | -                              | 1,786                 | 1,786                        |
| Compensated absences, long-term portion                                   | -                 | -                          | -                              | 16,177                | 16,177                       |
| Capital lease obligations, current portion                                | -                 | -                          | -                              | 575                   | 575                          |
| Capital lease obligations, long-term portion                              | -                 | -                          | -                              | 883                   | 883                          |
| <b>Total liabilities</b>  | <b>56,372</b>     | <b>58,811</b>              | <b>115,183</b>                 | <b>2,685,027</b>      | <b>2,800,210</b>             |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |                   |                            |                                |                       |                              |
| Unavailable revenue   | -                 | 24                         | 24                             | (24)                  | -                            |
| Pensions  | -                 | -                          | -                              | 156,467               | 156,467                      |
| OPEB  | -                 | -                          | -                              | 223,845               | 223,845                      |
| <b>Total deferred inflows of resources</b>                                | <b>-</b>          | <b>24</b>                  | <b>24</b>                      | <b>380,288</b>        | <b>380,312</b>               |
| <b>Total liabilities and deferred inflows of resources</b>                | <b>56,372</b>     | <b>58,835</b>              | <b>115,207</b>                 | <b>3,065,315</b>      | <b>3,180,522</b>             |
| <b>FUND BALANCES/NET POSITION</b>   |                   |                            |                                |                       |                              |
| Nonspendable:   |                   |                            |                                |                       |                              |
| Inventories   | 469               | 3,779                      | 4,248                          | (4,248)               | -                            |
| Restricted for:   |                   |                            |                                |                       |                              |
| General government  | 5                 | 12,873                     | 12,878                         | (12,878)              | -                            |
| Committed to:   |                   |                            |                                |                       |                              |
| General government  | 3,191             | 239,100                    | 242,291                        | (242,291)             | -                            |
| Capital projects  | -                 | 68,644                     | 68,644                         | (68,644)              | -                            |
| Unassigned  | 69,105            | -                          | 69,105                         | (69,105)              | -                            |
| Net investment in capital assets  | -                 | -                          | -                              | 167,699               | 167,699                      |
| Restricted assets   | -                 | -                          | -                              | 12,878                | 12,878                       |
| Unrestricted net position   | -                 | -                          | -                              | (2,117,120)           | (2,117,120)                  |
| <b>Total fund balances/net position</b>                                   | <b>72,770</b>     | <b>324,396</b>             | <b>397,166</b>                 | <b>\$ (2,333,709)</b> | <b>\$ (1,936,543)</b>        |
| <b>Total liabilities, deferred inflows of resources and fund balances</b> | <b>\$ 129,142</b> | <b>\$ 383,231</b>          | <b>\$ 512,373</b>              |                       |                              |

The accompanying notes to the financial statements are an integral part of this statement.

**State of Illinois  
Office of the Secretary of State  
Reconciliation of Governmental Funds Balance Sheet  
to Statement of Net Position  
June 30, 2020  
(Expressed in Thousands)**

|   |           |                    |
|---|-----------|--------------------|
| <b>Total fund balances-governmental funds</b>   | \$        | 397,166            |
| Amounts reported for governmental activities in the Statement of Net Position are different because:  |           |                    |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.   |           | 169,157            |
| Prepaid expenses for governmental activities are current uses of financial resources for funds.   |           | 5,741              |
| Deferred Outflows of Resources for Pensions that do not use current financial resources are deferred in the funds.  |           | 184,651            |
| Deferred Outflows of Resources for OPEB that do not use current financial resources are deferred in the funds.  |           | 391,255            |
| Revenues in the Statement of Activities that do not provide current financial resources are deferred in the funds.  |           | 24                 |
| Deferred Inflows of Resources for Pensions do not require the use of current financial resources in the funds.  |           | (156,467)          |
| Deferred Inflows of Resources for OPEB do not require the use of current financial resources in the funds.  |           | (223,845)          |
| Some liabilities reported in the Statement of Net Position do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These liabilities consist of: |           |                    |
| Net Pension Liability   |           | (1,357,651)        |
| Total OPEB Liability  |           | (1,327,153)        |
| Compensated absences  |           | (17,963)           |
| Capital lease obligations   |           | (1,458)            |
|   |           | (1,714,070)        |
| <b>Net assets of governmental activities</b>  | <b>\$</b> | <b>(1,936,543)</b> |

The accompanying notes to the financial statements are an integral part of this statement.

**State of Illinois**  
**Office of the Secretary of State**

**Statement of Activities and Governmental Revenues,  
Expenditures and Changes in Fund Balances**

For the Year Ended June 30, 2020 (Expressed in Thousands)

|  | General<br>Fund  | Other<br>Nonmajor<br>Funds | Total<br>Governmental<br>Funds | Adjustments           | Statement of<br>Activities |
|--|------------------|----------------------------|--------------------------------|-----------------------|----------------------------|
| Expenditures/expenses:                               |                  |                            |                                |                       |                            |
| General government                                   | \$ 403,743       | \$ 98,694                  | \$ 502,437                     | \$ 133,525            | \$ 635,962                 |
| Debt service - principal                             | 40               | 508                        | 548                            | (548)                 | -                          |
| Debt service - interest                              | 7                | 75                         | 82                             | -                     | 82                         |
| Capital outlays                                      | 2,456            | 2,248                      | 4,704                          | -                     | 4,704                      |
| <b>Total expenditures/expenses</b>                   | <u>406,246</u>   | <u>101,525</u>             | <u>507,771</u>                 | <u>132,977</u>        | <u>640,748</u>             |
| Program revenues:                                    |                  |                            |                                |                       |                            |
| Charges for services:                                |                  |                            |                                |                       |                            |
| Licenses and fees                                    | 453,082          | 1,727,694                  | 2,180,776                      | -                     | 2,180,776                  |
| Other  | -                | 3                          | 3                              | -                     | 3                          |
| Total charges for services                           | <u>453,082</u>   | <u>1,727,697</u>           | <u>2,180,779</u>               | <u>-</u>              | <u>2,180,779</u>           |
| Operating grant revenue:                             |                  |                            |                                |                       |                            |
| Federal  | -                | 5,379                      | 5,379                          | 14                    | 5,393                      |
| Total operating grant revenue                        | <u>-</u>         | <u>5,379</u>               | <u>5,379</u>                   | <u>14</u>             | <u>5,393</u>               |
| <b>Net program revenues</b>                          | <u>46,836</u>    | <u>1,631,551</u>           | <u>1,678,387</u>               | <u>(132,963)</u>      | <u>1,545,424</u>           |
| General revenues:                                    |                  |                            |                                |                       |                            |
| Interest and investment income                       | -                | 615                        | 615                            | -                     | 615                        |
| Other taxes  | 242,366          | -                          | 242,366                        | -                     | 242,366                    |
| Other  | 357              | 1,501                      | 1,858                          | -                     | 1,858                      |
| <b>Total general revenues</b>                        | <u>242,723</u>   | <u>2,116</u>               | <u>244,839</u>                 | <u>-</u>              | <u>244,839</u>             |
| Other sources (uses):                                |                  |                            |                                |                       |                            |
| Appropriations from State resources                  | 399,297          | 66,876                     | 466,173                        | -                     | 466,173                    |
| Lapsed appropriations                                | (11,808)         | (55,689)                   | (67,497)                       | -                     | (67,497)                   |
| Receipts collected and transmitted to State Treasury | (665,518)        | (1,584,188)                | (2,249,706)                    | -                     | (2,249,706)                |
| Loss on disposition of capital assets                | -                | -                          | -                              | (753)                 | (753)                      |
| Capital asset transfers                              | -                | -                          | -                              | 6,116                 | 6,116                      |
| Amount of SAMS transfers-in                          | (5,969)          | -                          | (5,969)                        | -                     | (5,969)                    |
| Amount of SAMS transfers-out                         | 12,194           | -                          | 12,194                         | -                     | 12,194                     |
| Transfers-in   | 2,731            | 9,703                      | 12,434                         | (11,018)              | 1,416                      |
| Transfers-out  | (1)              | (11,018)                   | (11,019)                       | 11,018                | (1)                        |
| Proceeds from capital lease financing                | 5                | 21                         | 26                             | (26)                  | -                          |
| <b>Total other sources (uses)</b>                    | <u>(269,069)</u> | <u>(1,574,295)</u>         | <u>(1,843,364)</u>             | <u>5,337</u>          | <u>(1,838,027)</u>         |
| Change in fund balance/net position                  | 20,490           | 59,372                     | 79,862                         | (127,626)             | (47,764)                   |
| Fund balance/net position, July 1, 2019              | 52,223           | 266,357                    | 318,580                        | (2,207,359)           | (1,888,779)                |
| Increase (decrease) for changes in inventories       | 57               | (1,333)                    | (1,276)                        | 1,276                 | -                          |
| Fund balance/net position, June 30, 2020             | <u>\$ 72,770</u> | <u>\$ 324,396</u>          | <u>\$ 397,166</u>              | <u>\$ (2,333,709)</u> | <u>\$ (1,936,543)</u>      |

The accompanying notes to the financial statements are an integral part of this statement.

**State of Illinois**  
**Office of the Secretary of State**  
**Reconciliation of Statement of Revenues, Expenditures and Changes in**  
**Fund Balances of Governmental Funds to Statement of Activities**  
**For the Year Ended June 30, 2020**  
**(Expressed in Thousands)**

|  |          |                    |
|--|----------|--------------------|
| <b>Net change in fund balances</b>   |          | \$ 79,862          |
| Change in inventories  |          | (1,276)            |
|  |          | \$ 78,586          |
| <br>Amounts reported for governmental activities in the Statement of<br>Activities are different because:  |          |                    |
| Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which depreciation in the current period exceeded capital outlays.   |          | (10,934)           |
| Some capital assets were transferred in from other State agencies and therefore, were received at no cost and some were transferred out to other State agencies and therefore, no proceeds were received.  |          | 6,116              |
| Some capital assets were disposed of prior to being fully depreciated, resulting in a loss on disposition.   |          | (753)              |
| Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the increase in unavailable revenue over the prior year.   |          | 14                 |
| Some capital additions were financed through other financing arrangements. In governmental funds these other financing arrangements are considered a source of financing, but in the Statement of Net Position, the lease obligation is reported as a liability.   |          | (26)               |
| Repayment of capital leases is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position  |          | 548                |
| Prepaid expenses in the Statement of Activities are not reported as expenses in governmental funds. This amount represents the decrease in prepaid expenses over the prior year.   |          | 2,213              |
| Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. Also, some expenditures reported in governmental funds decrease the amount of certain long-term liabilities reported on the Statement of Net Position and are therefore not reported as expenses in the Statement of Activities. |          |                    |
| Decrease in Net Pension Liability  | 88,538   |                    |
| Decrease in deferred outflows of resources - pensions  | (39,098) |                    |
| Increase in deferred inflows of resources - pensions   | (46,027) |                    |
| Decrease in Total OPEB Liability   | (27,198) |                    |
| Decrease in deferred outflows of resources - OPEB  | (64,605) |                    |
| Increase in deferred inflows of resources - OPEB   | (32,644) |                    |
| Increase in compensated absences obligation  | (2,494)  |                    |
| Net decrease in expenses for net changes in long-term liabilities not reported in governmental funds   |          | (123,528)          |
| <b>Change in net position of governmental activities</b>   |          | <b>\$ (47,764)</b> |

The accompanying notes to the financial statements are an integral part of this statement.

**State of Illinois**  
**Office of the Secretary of State**  
**Statement of Fiduciary Net Position**  
June 30, 2020 (Expressed in Thousands)

---

|  | <u>Agency Funds</u> |
|--|---------------------|
| <b>ASSETS</b>                            |                     |
| Cash equity with State Treasurer         | \$ 1,744            |
| Cash and cash equivalents                | 223                 |
| Investments                              | 50                  |
| <b>Total assets</b>                      | <u>\$ 2,017</u>     |
| <b>LIABILITIES</b>                       |                     |
| Accounts payable and accrued liabilities | \$ 52               |
| Intergovernmental Payables               | 1                   |
| Other liabilities                        | 1,964               |
| <b>Total liabilities</b>                 | <u>\$ 2,017</u>     |

The accompanying notes to the financial statements are an integral part of this statement.

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**(1) Organization**

The Office of the Secretary of State (the Office) is a part of the executive branch of government of the State of Illinois (State) and operates under the authority of and review by the Illinois General Assembly. The Office operates under a budget approved by the General Assembly in which resources primarily from the General Fund are appropriated for the use of the Office. Activities of the Office are subject to the authority of the Office of the Governor, the State's chief executive officer, and other departments of the executive and legislative branches of government (such as the Department of Central Management Services, the Governor's Office of Management and Budget, the State Treasurer's Office, and the State Comptroller's Office) as defined by the Illinois General Assembly. All funds appropriated to the Office and all other cash received are under the custody and control of the State Treasurer, with the exception of the Secretary of State Antique Vehicle Show fund, a nonmajor special governmental fund, the Go-Back Fund and the Safekeeping Fund, fiduciary funds, and the Special Advance Fund, a subaccount of the General Fund, which are all locally held funds, and various petty cash funds, which are under the direct control of the Office.

The Office has a broad range of responsibilities for the maintenance of official records of the acts of the General Assembly and of the Executive Branch as provided by law as well as to perform other duties as may be prescribed by law, including administration of the Illinois Vehicle Code. The Office is organized into twenty-five departments under three broad operating divisions to carry out its responsibilities. The operating divisions of the Office are the Executive, General and Administrative, and Motor Vehicle divisions.

**(2) Summary of Significant Accounting Policies**

The financial statements of the Office have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as prescribed by the Governmental Accounting Standards Board (GASB). To facilitate the understanding of data included in the financial statements, summarized below are the more significant accounting policies.

**(a) Financial Reporting Entity**

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

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

Based upon the required criteria, the Office has no component units and is not a component unit of any other entity. However, because the Office is not legally separate from the State of Illinois, the financial statements of the Office are included in the financial statements of the State of Illinois. The State of Illinois' Comprehensive Annual Financial Report may be obtained by writing to the State Comptroller's Office, Division of Financial Reporting, 325 West Adams Street, Springfield, Illinois, 62704-1871.

**(b) Basis of Presentation**

The financial statements of the State of Illinois, Office of the Secretary of State, are intended to present the financial position and the changes in financial position of only that portion of the governmental activities, each major fund of the State of Illinois, and the aggregate remaining fund information of the State of Illinois that is attributable to the transactions of the Office. They do not purport to, and do not, present fairly the financial position of the State of Illinois as of June 30, 2020 and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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The financial activities of the Office, which consist only of governmental activities, are reported under the general government function in the State of Illinois' Comprehensive Annual Financial Report. For reporting purposes, the Office has combined the fund and government-wide financial statements using a columnar format that reconciles individual line items of fund financial data to government-wide data in a separate column. A brief description of the Office's government-wide and fund financial statements is as follows:

**Government-wide Statements.** The government-wide statement of net position and statement of activities report the overall financial activity of the Office, excluding fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities of the Office. The financial activities of the Office consist only of governmental activities, which are primarily supported by taxes, charges for services, and other nonexchange transactions.

The statement of net position presents the assets and liabilities of the Office's governmental activities with the difference being reported as net position. The assets and liabilities are presented in order of their relative liquidity by class of asset or liability with liabilities whose average maturities are greater than one year reported in two components - the amount due within one year and the amount due in more than one year.

The statement of activities presents a comparison between direct expenses and program revenues for the general government function of the Office's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**Fund Financial Statements.** The fund financial statements provide information about the Office's funds, including fiduciary funds. Separate statements for each fund category - governmental and fiduciary - are presented. The emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Office administers the following major governmental funds (or portions thereof in the case of shared funds) – see the State of Illinois Comprehensive Annual Financial Report:

**General** – This is the State's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The services which are administered by the Office and accounted for in the general fund include, among others, the operations of various Executive, General and Administrative and Motor Vehicle departments throughout the Office. Certain resources obtained from federal grants and used to support general governmental activities are accounted for in the General Fund consistent with applicable legal requirements. The Office's portion of the General Fund is composed of two primary sub-accounts (General Revenue and Common School) and five secondary sub-accounts (Live and Learn, Corporate Franchise Tax Refund, Capital Projects, Vehicle Inspection and Special Advance).

Additionally, the Office administers the following fund types:

**Governmental Funds:**

**Special Revenue** – These funds account for resources obtained from specific revenue sources that are restricted or committed to expenditures for specified purposes, other than debt service or capital assets. Special revenue funds account for, among other things, federal grant programs, taxes levied with statutorily defined distributions and other resources restricted as to purpose.

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**Debt Service** – These funds account for governmental resources obtained and accumulated to pay interest and principal on general long-term debt (other than capital leases, workers' compensation and unfunded retirement costs).

**Capital Projects** – These funds account for resources obtained and restricted, committed, or assigned for the acquisition or construction of major capital facilities. Such resources are derived principally from proceeds of general and special obligation bond issues and certificates of participation.

**Fiduciary Funds:**

**Agency** – These funds account for the following activities in which the Office acts in the capacity of an agent and distributes any revenue collected to other governmental units or designated beneficiaries: collection of registration fees from truckers of other states and disbursement of funds to other states under reciprocity agreements; collection of deposits from uninsured motorists as proof of financial responsibility and reimbursement of those funds in the absence of a court judgment; and the repayment of fees collected by the Office in excess of the required fees.

**(c) Measurement Focus and Basis of Accounting**

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Office gives (or receives) value without directly receiving (or giving) equal value in exchange, include corporate taxes and intergovernmental grants. Revenue from grants, entitlements, and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the State considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, principal and interest on formal debt issues, claims and judgments, and compensated absences are recorded only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Significant revenue sources which are susceptible to accrual include corporate taxes and certain fees. All other revenue sources including licenses, fines, and certain fees, are considered to be measurable and available only when cash is received.

**(d) Shared Fund Presentation**

The financial statement presentation for the General Revenue Account, Common School Account, Capital Projects Account and Vehicle Inspection Account of the General Fund and the Road Fund, Motor Fuel Tax Fund, Drivers Education Fund, Capital Development Fund, State College and University Trust Fund, Alternative Fuels Fund, Off Highway Vehicle Trails Fund, State Parking Facility Maintenance Fund, Cycle Rider Safety Training Fund, State Construction Account Fund, and Build Illinois Bond Fund represents only the portion of the shared fund that can be directly attributed to the operations of the Office. Financial statements for total fund operations of the shared State funds are presented in the State of Illinois' Comprehensive Annual Financial Report.

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In presenting these financial statements, certain unique accounts are used for the presentation of shared funds. The following accounts are used in these financial statements to present the Office's portion of shared funds:

Unexpended Appropriations

This "asset" account represents lapse period warrants issued between July and September for fiscal year 2020 in accordance with the Statewide Accounting Management System (SAMS) records plus any liabilities relating to obligations re-appropriated to the subsequent fiscal year.

Appropriations from State Resources

This "other financing source" account represents the final legally adopted appropriation according to SAMS records.

Reappropriations to Future Year(s)

This contra revenue account reduces current year appropriations by the amount of the reappropriation to reflect the State's realignment of the budgetary needs to the subsequent year and avoid double counting of a portion of the appropriation in more than one fiscal year.

Lapsed Appropriations

Lapsed appropriations are the legally adopted appropriations less net warrants issued during the 15 month period from July to September of the following year and re-appropriations to subsequent years according to SAMS records.

Receipts Collected and Transmitted to State Treasury

This "other financing use" account represents all cash receipts received during the fiscal year from SAMS records.

Amount of SAMS Transfers-In

This "other financing use" account represents cash transfers made by the Office of the Comptroller in accordance with statutory provisions to the corresponding fund during the fiscal year per SAMS records in which the Office did not make a deposit into the State Treasury.

Amount of SAMS Transfers-Out

This "other financing source" account represents cash transfers made by the Office of the Comptroller in accordance with statutory provision from the corresponding fund during the fiscal year per SAMS records in which a legally adopted appropriation was not charged.

**(e) *Eliminations***

Eliminations have been made in the government-wide statement of net position to minimize the "grossing-up" effect on assets and liabilities within the governmental activities column of the Office. As a result, amounts reported in the governmental funds balance sheet as interdepartmental interfund receivables and payables have been eliminated in the government-wide statement of net assets. Amounts reported in the governmental funds balance sheet as receivable from or payable to fiduciary funds have been included in the government-wide statement of net assets as receivable from and payable to external parties, rather than as internal balances.

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**(f) Cash and Cash Equivalents**

Cash equivalents are defined as short-term, highly liquid investments readily convertible to cash with maturities of less than 90 days at the time of purchase. Cash and cash equivalents consist of cash on hand and cash in banks for locally held funds.

**(g) Inventories**

Inventories, consisting primarily of license plates, are valued at cost, principally on the first-in, first-out (FIFO) method. The cost of inventories is recognized as expenditures when purchased. Significant inventories balances in governmental funds are reported on the balance sheet.

**(h) Interfund Transactions**

The Office has the following types of interfund transactions between Office funds and funds of other State agencies:

**Services provided and used**—sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as interfund receivables and payables in the governmental fund balance sheets or the government-wide statements of net assets.

**Reimbursements**—repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

**Transfers**—flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

The Office also has activity with various component units of the State of Illinois for professional services received and payments of State and Federal programs.

**(i) Capital Assets**

Capital assets, which include property, plant, equipment and software are reported at cost or estimated historical cost based on appraisals. Contributed assets are reported at acquisition value at the time received. Capital assets are depreciated or amortized using the straight-line method.

Capitalization thresholds and the estimated useful lives are as follows:

| Capital Asset Category             | Capitalization Threshold | Estimated Useful Life (in Years) |
|------------------------------------|--------------------------|----------------------------------|
| Land                               | \$100,000                | N/A                              |
| Land Improvements                  | 25,000                   | N/A                              |
| Site Improvements                  | 25,000                   | 5-20                             |
| Buildings                          | 100,000                  | 30-75                            |
| Building Improvements              | 25,000                   | 10-25                            |
| Equipment                          | 5,000                    | 3-10                             |
| Software                           | 25,000                   | 3-10                             |
| Works of Art, Historical Treasures | 5,000                    | N/A                              |

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**(j) *Compensated Absences***

The liability for compensated absences reported in the government-wide statement of net position consists of unpaid, accumulated vacation and sick leave balances for Office employees. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The liability has been calculated based on the employees' current salary level and includes salary related costs (e.g., Social Security and Medicare taxes).

Legislation that became effective January 1, 1998 capped the paid sick leave for all State Employees' Retirement System members at December 31, 1997. Employees continue to accrue twelve sick days per year, but will not receive monetary compensation for any additional time earned after December 31, 1997. Sick days earned between 1984 and December 31, 1997 (with a 50% cash value) would only be used after all days with no cash value are depleted. Any sick days earned and unused after December 31, 1997 will be converted to service time for purposes of calculating employee pension benefits.

**(k) *Fund Balances***

Fund balance is divided into five classifications based primarily on the extent to which the Office is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in a spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action of the State legislature and signed into law by the governor. Those committed amounts cannot be used for any other purpose unless the State legislature and governor removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the Office for specific purposes but do not meet the criteria to be classified as restricted or committed. In the General Fund, assigned amounts represent intended uses established by the State legislature.

Unassigned – The unassigned fund balance classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications and deficit fund balances of other governmental funds.

The Office applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

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**(l) Net Position**

In the government-wide statement of net position, equity is displayed in three components as follows:

**Net Investment in Capital Assets** – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

**Restricted** – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, generally it is the State’s policy to use restricted resources first, then unrestricted resources when they are needed. As of June 30, 2020, \$12.878 million is restricted by enabling legislation.

**Unrestricted** – This consists of net position that do not meet the definition of “restricted” or “net investment in capital assets.”

**(m) Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**(n) Pensions**

In accordance with the Office’s adoption of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, the net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense have been recognized in the government-wide financial statements.

The net pension liability is calculated as the difference between the actuarially calculated value of the projected benefit payments attributed to past periods of service and the plans’ fiduciary net position. The total pension expense is comprised of the service cost or actuarial present value of projected benefit payments attributed to the valuation year, interest on the total pension liability, plan administrative expenses, current year benefit changes, and other changes in plan fiduciary net position less employee contributions and projected earnings on plan investments. Additionally, the total pension expense includes the annual recognition of outflows and inflows of resources due to pension assets and liabilities.

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources, pension expense and expenditures associated with the Office’s contribution requirements, information about the fiduciary net position of the plans and additions to/deductions from the plans’ fiduciary net position have been determined on the same basis as they are reported within the separately issued plan financial statements. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with terms of the plan. Investments are reported at fair value.

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**(o) *Post-Employment Benefits Other Than Pensions (OPEB)***

The State provides health, dental, vision and life insurance benefits for certain retirees and their dependents through the State Employees Group Insurance Program (“SEGIP”). The total OPEB liability, deferred outflows of resources, deferred inflows of resources, expense, and expenditures associated with the program have been determined through an actuarial valuation using certain actuarial assumptions as applicable to the current measurement period. (See Note 10).

The OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and OPEB expense have been recognized in the government-wide financial statements.

**(p) *New Accounting Pronouncements***

Effective for the year ending June 30, 2020, the Office adopted the following GASB statements:

Statement No. 92, Omnibus 2020, which is intended to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit OPEB plan, the applicability of Statement No. 73 and Statement No. 74 to reporting assets accumulated for postemployment benefits, the applicability of Statement No. 84 to postemployment benefit arrangements, measurement of liabilities and assets related to asset retirement obligations in a government acquisition, and reference to nonrecurring fair value measurements of assets and liabilities in authoritative literature. The topics within this Statement that were not effective for the Office’s fiscal year ended June 30, 2020 were, upon the Office’s adoption of GASB Statement No. 95, delayed for the Office until the fiscal year ended June 30, 2022.

Statement 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32, which is intended to (1) increase consistency and comparability related to the reporting of fiduciary component units when a potential component unit does not have a governing board and the primary government performs those duties; (2) mitigate costs associated with reporting; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans. The topics within this Statement that were not effective for the Office’s fiscal year ended June 30, 2020 are effective for the Office’s fiscal year ended June 30, 2022.

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**(q) *Future Adoption of GASB Pronouncements***

Effective for the year ending June 30, 2021, the Office will adopt the following GASB statements:

Statement No. 84, Fiduciary Activities, which is intended to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. In addition, this statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

Statement No. 90, Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61, is intended to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.

Statement No. 93, Replacement of Interbank Offered Rates, the primary provision of which is intended to address accounting and financial reporting implications that result from the replacement of an interbank offered rate as an appropriate benchmark interest rate.

Effective for the year ending June 30, 2022, the Office will adopt the following GASB statements:

Statement No. 87, Leases, which is intended to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources and or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period, which is intended to (1) enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

Effective for the year ending June 30, 2023, the Office will adopt the following GASB statements:

Statement No. 91, Conduit Debt Obligations, which is intended to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

Statement No. 94, Public-Private and Public-Public Partnerships and Available Payment Arrangements, which is intended to improve financial reporting by addressing issues related to public-private and public-public partnerships (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs).

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Statement No. 96, Subscription-Based Information Technology Arrangements, which is intended to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments).

The Office has not yet determined the impact of adopting these statements on its financial statements.

**(r) *Reliance on Outside Information***

Due to the nature of relationships between the Office and various other State agencies, information related to Pensions, OPEB and Securities Lending Transactions in these financial statements is provided through the Illinois Office of the Comptroller by the State Employees Retirement System, State Employees Group Insurance Program of the Department of Central Management Services and the State Treasurer, respectively. The Office received information included in the fund financial statements for Securities Lending Transactions and the government wide financial statements for Pension and OPEB related transactions. Other details included in note 3c (Security Lending Transactions) and note 2o, note 9 (Pensions), and note 10 (OPEB) were also received from these sources.

The Office must rely on the internal controls of these other State agencies to ensure the information presented is accurate. Audits of The State Treasurer <http://www.auditor.illinois.gov/Audit-Reports/THE-ILLINOIS-FUNDS.asp> and the State Employees Retirement System <http://www.auditor.illinois.gov/Audit-Reports/STATE-EMPLOYEES-RETIREMENT-SYSTEM.asp> and the State Employees Group Insurance Program of the Department of Central Management Services <http://www.auditor.illinois.gov/Audit-Reports/CMS-SEGIP.asp> can be found on the website of the Illinois Office of the Auditor General.

**(3) Deposits and Investments**

**(a) *Deposits***

The State Treasurer is the custodian of the State's deposits and investments for funds maintained in the State Treasury. The Office independently manages deposits and investments maintained outside the State Treasury.

Deposits in the custody of the State Treasurer are pooled and invested with other State funds in accordance with the Deposit of State Moneys Act of the Illinois Compiled Statutes (15 ILCS 520/11). Funds held by the State Treasurer have not been categorized as to credit risk because the Office does not own individual securities. Detail on the nature of these deposits and investments is available within the State of Illinois' Comprehensive Annual Financial Report.

Deposits for locally-held funds of governmental activities had a carrying amount and a bank balance of \$19 thousand at June 30, 2020, respectively. Deposits of locally-held funds of fiduciary funds had a carrying amount and a bank balance of \$223 thousand at June 30, 2020.

Cash on hand totaled \$92 thousand at June 30, 2020.

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**(b) Investments**

As of June 30, 2020 the Office had the following investments outside of the State Treasury which were valued using quoted market prices (Level 1 inputs):

| <i>Fiduciary Funds</i> | <b>Fair<br/>Value<br/>(Thousands)</b> | <b>Weighted<br/>Average<br/>Maturity<br/>(Years)</b> |
|------------------------|---------------------------------------|--|
| Municipal debt         | \$ 50                                 | 3  |

**Interest Rate Risk:** The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The Office does not have a formal investment policy that limits investment choices. The investments held by the Office are made by customers and held by the Office as collateral/security per the Vehicle Code (625 ILCS 5/3-109, 625 ILCS 5/3-816 and 625 ILCS 5/7-323) and the Illinois Security Law of 1953 (815 ILCS 5/6). The Vehicle Code and Illinois Securities Law of 1953 set the limits of acceptable investments.

**Custodial Credit Risk:** The Office does not have a formal investment policy that restricts investments to address custodial credit risk. Custodial credit risk is the risk that, in the event of failure of the counterparty to a transaction, the Office would not be able to recover the value of investment or collateral securities in the possession of an outside party.

**(c) Securities Lending Collateral**

The State Treasurer lends securities to broker-dealers and other entities for collateral that will be returned for the same securities in the future. The State Treasurer has, through a Securities Lending Agreement, authorized Deutsche Bank AG to lend the State Treasurer's securities to broker-dealers and banks pursuant to a form of loan agreement.

During Fiscal Year 2020, Deutsche Bank AG lent U.S. Agency securities and U.S. Treasury securities and received as collateral U.S. dollar denominated cash. Borrowers were required to deliver collateral for each loan equal to at least 100% of the aggregate fair value of the loaned securities. Loans are marked to market daily. If the fair value of collateral falls below 100%, the borrower must provide additional collateral to raise the fair value to 100%.

The State Treasurer did not impose any restrictions during Fiscal Year 2020 on the amount of loans of available, eligible securities. In the event of borrower default, Deutsche Bank AG provides the State Treasurer with counterparty default indemnification. In addition, Deutsche Bank AG is obligated to indemnify the State Treasurer if Deutsche Bank AG loses any securities, collateral or investments of the State Treasurer in Deutsche Bank AG's custody. There were no losses during Fiscal Year 2020 resulting from a default of the borrowers or Deutsche Bank AG.

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During Fiscal Year 2020, the State Treasurer and the borrowers maintained the right to terminate all securities lending transactions on demand. The cash collateral received on each loan was invested in repurchase agreements with approved counterparties collateralized with securities approved by Deutsche Bank AG and marked to market daily at no less than 102%. Because the loans are terminable at will, their duration did not generally match the duration of the investments made with cash collateral. The State Treasurer had no credit risk as a result of its securities lending program as the collateral held exceeded the fair value of the securities lent.

In accordance with GASB Statement No. 28, Accounting and Financial Reporting for Securities Lending Transactions, paragraph 9, the Office of the State Treasurer has allocated the assets and obligations at June 30, 2020 arising from securities lending agreements to the various funds of the State. The total allocated to the Agency at June 30, 2020 was \$11.713 million.

**(4) Taxes and Other Receivable**

Taxes and other receivables (amounts expressed in thousands) at June 30, 2020 are as follows:

|   | <u>Governmental Activities</u> |                  |                                    | <u>Total</u>    |
|---|--------------------------------|------------------|------------------------------------|-----------------|
|   | <u>General Fund</u>            | <u>Road Fund</u> | <u>Nonmajor Governmental Funds</u> |                 |
| Taxes receivable:                         |                                |                  |                                    |                 |
| Other                                     | \$ 868                         | \$ -             | \$ -                               | \$ 868          |
| Less: allowance for uncollectible amounts | (298)                          | -                | -                                  | (298)           |
| Total taxes receivable net                | <u>\$ 570</u>                  | <u>\$ -</u>      | <u>\$ -</u>                        | <u>\$ 570</u>   |
| Other receivables:                        |                                |                  |                                    |                 |
| Licenses and fees receivable              | \$ 315                         | \$ 2,869         | \$ 5,210                           | \$ 8,394        |
| Less: allowance for uncollectible amounts | (138)                          | (1,227)          | (4,092)                            | (5,457)         |
| Licenses and fees receivable, net         | <u>177</u>                     | <u>1,642</u>     | <u>1,118</u>                       | <u>2,937</u>    |
| Total other receivables, net              | <u>\$ 747</u>                  | <u>\$ 1,642</u>  | <u>\$ 1,118</u>                    | <u>\$ 3,507</u> |

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(5) **Interfund Balances and Activity**

(a) *Balances Due to/from Other Funds*

The following balances (amounts expressed in thousands) at June 30, 2020 represent amounts due from other Office and State funds.

| <u>Fund</u>                 | <u>Due From</u>          |                           | <u>Description/Purpose</u>   |
|-----------------------------|--------------------------|---------------------------|--|
|                             | <u>Other State Funds</u> | <u>Other Office Funds</u> |  |
| General                     | \$ -                     | \$ 6,014                  | Due from other Office funds for transfers of excess balances, statutorily required transfers, repayment from various grant activity and accrual of undistributed IRP fees. |
| Nonmajor governmental funds | 234                      | 13,184                    | Due from other States Funds from various fund and grant activity, due from other Office funds for the accrual of undistributed IRP fees.                                   |
|                             | <u>\$ 234</u>            | <u>\$ 19,198</u>          |  |

The following balances (amounts expressed in thousands) at June 30, 2020 represent amounts owing to other Office and State of Illinois funds.

| <u>Fund</u>                 | <u>Due to</u>             |                          |                                    | <u>Description/Purpose</u>   |
|-----------------------------|---------------------------|--------------------------|------------------------------------|--|
|                             | <u>Other Office Funds</u> | <u>Other State Funds</u> | <u>Other State Fiduciary Funds</u> |  |
| General                     | \$ 4,719                  | \$ 2,948                 | \$ 230                             | Due to other State funds for purchases of services and Court of Claims awards and to other State fiduciary funds for payment of retirement and health insurance costs.   |
| Nonmajor governmental funds | 14,479                    | 462                      | 504                                | Due to other Office Funds for transfers of excess balances, statutorily required transfers, accrual of undistributed IRP fees, and repayment of grant activity; to other State funds for Court of Claims awards, repayment of grant activity and purchases of services; and to other State fiduciary funds for payment of retirement and health insurance costs. |
|                             | <u>\$ 19,198</u>          | <u>\$ 3,410</u>          | <u>\$ 734</u>                      |  |

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**(b) Transfers to/from Other Funds**

Interfund transfers in (amounts expressed in thousands) for the year ended June 30, 2020 were as follows:

| <b>Fund</b>                 | <b>Transfers in from</b>  |                          | <b>Description/Purpose</b>   |
|-----------------------------|---------------------------|--------------------------|--|
|                             | <b>Other Office Funds</b> | <b>Other State Funds</b> |  |
| General                     | \$ 2,731                  | \$ -                     | Transfer from other Office funds of excess balances and statutory transfers. |
| Nonmajor governmental funds | 8,287                     | 1,416                    | Transfer from other State funds pursuant to State statute.                   |
|                             | <u>\$ 11,018</u>          | <u>\$ 1,416</u>          |  |

Interfund transfers out (amounts expressed in thousands) for the year ended June 30, 2020 were as follows:

| <b>Fund</b>                 | <b>Transfers out to</b>   |                          | <b>Description/Purpose</b>   |
|-----------------------------|---------------------------|--------------------------|--|
|                             | <b>Other Office Funds</b> | <b>Other State Funds</b> |  |
| General                     | \$ -                      | \$ 1                     | Transfer resulting from refunds from other Office funds and other State funds pursuant to State statute. |
| Nonmajor governmental funds | 11,018                    | -                        | Transfer to other Office and other State funds and pursuant to State statute.                            |
|                             | <u>\$ 11,018</u>          | <u>\$ 1</u>              |  |

**(c) Balances due from/to State of Illinois Component Units**

The following balances (amounts expressed in thousands) at June 30, 2020 represent amounts due to State of Illinois Component Units for reimbursement of expenses incurred.

| <b>Due to Component Units</b>   | <b>General Fund</b> | <b>Nonmajor Governmental Funds</b> |
|---------------------------------|---------------------|------------------------------------|
| Illinois Toll Highway Authority | \$ 5                | \$ -                               |
| Eastern Illinois University     | -                   | 11                                 |
| Illinois State University       | 1                   | -                                  |
| Southern Illinois University    | 2                   | -                                  |
| University of Illinois          | 3                   | 9                                  |
|                                 | <u>\$ 11</u>        | <u>\$ 20</u>                       |

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**(6) Capital Assets**

Capital asset activity (amounts expressed in thousands) for the year ended June 30, 2020 was as follows:

|  | <u>Balance<br/>June 30, 2019</u> | <u>Additions</u>   | <u>Deletions</u> | <u>Net<br/>Transfers</u> | <u>Balance<br/>June 30, 2020</u> |
|--|----------------------------------|--------------------|------------------|--------------------------|----------------------------------|
| <b>Governmental activities:</b>                          |                                  |                    |                  |                          |                                  |
| Capital assets not being depreciated:                    |                                  |                    |                  |                          |                                  |
| Land and land improvements                               | \$ 6,637                         | \$ -               | \$ -             | \$ -                     | \$ 6,637                         |
| Historical treasures & works<br>of art                   | 100                              | -                  | -                | -                        | 100                              |
| Construction in progress                                 | <u>879</u>                       | <u>-</u>           | <u>-</u>         | <u>4,268</u>             | <u>5,147</u>                     |
| Total capital assets not<br>being depreciated            | <u>7,616</u>                     | <u>-</u>           | <u>-</u>         | <u>4,268</u>             | <u>11,884</u>                    |
| Capital assets being depreciated:                        |                                  |                    |                  |                          |                                  |
| Site Improvements  | 449                              | -                  | -                | -                        | 449                              |
| Buildings and building<br>improvements                   | 507,318                          | 1,627              | 769              | 1,848                    | 510,024                          |
| Equipment  | 50,574                           | 3,111              | 1,597            | -                        | 52,088                           |
| Capital Leases-Equipment                                 | 2,776                            | 26                 | 9                | -                        | 2,793                            |
| Software   | <u>29</u>                        | <u>-</u>           | <u>-</u>         | <u>-</u>                 | <u>29</u>                        |
| Total capital assets<br>being depreciated                | <u>561,146</u>                   | <u>4,764</u>       | <u>2,375</u>     | <u>1,848</u>             | <u>565,383</u>                   |
| Less accumulated depreciation/amortization:              |                                  |                    |                  |                          |                                  |
| Site Improvements  | 436                              | 3                  | -                | -                        | 439                              |
| Buildings and building<br>improvements                   | 347,731                          | 12,089             | -                | -                        | 359,820                          |
| Equipment  | 44,978                           | 3,044              | 1,613            | -                        | 46,409                           |
| Capital Lease-Equipment                                  | 860                              | 562                | 9                | -                        | 1,413                            |
| Software   | <u>29</u>                        | <u>-</u>           | <u>-</u>         | <u>-</u>                 | <u>29</u>                        |
| Total accumulated<br>depreciation/amortization           | <u>394,034</u>                   | <u>15,698</u>      | <u>1,622</u>     | <u>-</u>                 | <u>408,110</u>                   |
| Total capital assets being<br>depreciated/amortized, net | <u>167,112</u>                   | <u>(10,934)</u>    | <u>753</u>       | <u>1,848</u>             | <u>157,273</u>                   |
| Governmental activity<br>capital assets, net             | <u>\$ 174,728</u>                | <u>\$ (10,934)</u> | <u>\$ 753</u>    | <u>\$ 6,116</u>          | <u>\$ 169,157</u>                |

Depreciation and amortization expense for governmental activities (amounts expressed in thousands) for the year ended June 30, 2020 was charged as follows:

|                    |                  |
|--------------------|------------------|
| General government | \$ <u>15,698</u> |
|--------------------|------------------|

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**(7) Capital Lease Obligations**

The Agency leases office equipment with a historical cost and accumulated depreciation (amounts expressed in thousands) of \$2,793 and \$1,413. Although lease terms vary, certain leases are renewable subject to appropriation by the General Assembly. If renewal is reasonably assured, leases requiring appropriation by the General Assembly are considered non-cancelable leases for financial reporting. Future minimum lease payments (amounts expressed in thousands) at June 30, 2020 were as follows:

| <u>Year ending June<br/>30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u>    |
|--------------------------------|------------------|-----------------|-----------------|
| 2021                           | \$ 575           | \$ 55           | \$ 630          |
| 2022                           | 602              | 28              | 630             |
| 2023                           | 281              | 4               | 285             |
|                                | <u>\$ 1,458</u>  | <u>\$ 87</u>    | <u>\$ 1,545</u> |

**(8) Changes in Long-Term Obligations**

Changes in long-term obligations (amounts expressed in thousands) for the year ended June 30, 2020 were as follows:

|                                 | <u>Balance<br/>July 1,<br/>2019</u> | <u>Additions</u> | <u>Deletions</u>  | <u>Balance<br/>June 30,<br/>2020</u> | <u>Amounts<br/>Due Within<br/>One Year</u> |
|---------------------------------|-------------------------------------|------------------|-------------------|--------------------------------------|--|
| <b>Governmental activities:</b> |                                     |                  |                   |                                      |  |
| Compensated absences            | \$ 15,469                           | \$ 13,984        | \$ 11,490         | \$ 17,963                            | \$ 1,786                                   |
| Net pension liability           | 1,446,189                           | -                | 88,538            | 1,357,651                            | -  |
| Total OPEB liability            | 1,299,955                           | 27,198           | -                 | 1,327,153                            | 37,741                                     |
| Capital Lease Obligations       | 1,980                               | 26               | 548               | 1,458                                | 575  |
|                                 | <u>\$ 2,763,593</u>                 | <u>\$ 41,208</u> | <u>\$ 100,576</u> | <u>\$ 2,704,225</u>                  | <u>\$ 40,102</u>                           |

Compensated absences will be liquidated by the applicable governmental funds that account for the salaries and wages of the related employees.

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**(9) Defined Benefit Pension Plan**

**Plan description.** Substantially all of the Office’s full-time employees who are not eligible for participation in another state-sponsored retirement plan participate in the State Employees’ Retirement System (SERS), which is a single-employer defined benefit pension trust fund in the State of Illinois reporting entity and treated as a cost sharing plan by the Office. SERS is governed by article 14 of the Illinois Pension Code (40 ILCS 5/1, et al.). The plan consists of two tiers of contribution requirements and benefit levels based on when an employee was hired. Members who first become an employee and participate under any of the State’s retirement plans on or after January 1, 2011 are members of Tier 2, while Tier 1 consists of employees hired before January 1, 2011 or those who have service credit prior to January 1, 2011. The provisions below apply to both Tier 1 and 2 members, except where noted. The SERS issues a separate CAFR available at [www.srs.illinois.gov](http://www.srs.illinois.gov) or that may be obtained by writing to the SERS, 2101 South Veterans Parkway, PO Box 19255, Springfield, Illinois, 62794-9255.

**Benefit provisions.** SERS provides retirement benefits based on the member’s final average compensation and the number of years of service credit that have been established. The retirement benefit formula available to general State employees that are covered under the Federal Social Security Act is 1.67% for each year of service and for noncovered employees it is 2.2% for each year of service. The maximum retirement annuity payable is 75% of final average compensation for regular employees and 80% for alternative formula employees. The minimum monthly retirement annuity payable is \$15 for each year of covered service and \$25 for each year of noncovered service.

Members in SERS under the Tier 1 and Tier 2 receive the following levels of benefits based on the respective age and years of service credits.

| Regular Formula Tier 1  | Regular Formula Tier 2  |
|---|---|
| <p>A member must have a minimum of eight years of service credit and may retire at:</p> <ul style="list-style-type: none"> <li>• Age 60, with 8 years of service credit.</li> <li>• Any age, when the member’s age (years &amp; whole months) plus years of service credit (years &amp; whole months) equal 85 years (1,020 months) (Rule of 85) with 8 years of credited service.</li> <li>• Between ages 55-60 with 25-30 years of service credit (reduced 1/2 of 1% for each month under age 60).</li> </ul> <p>The retirement benefit is based on final average compensation and credited service. Final average compensation is the 48 highest consecutive months of service within the last 120 months of service.</p> <p>Under the Rule of 85, a member is eligible for the first 3% increase on January 1 following the first full year of retirement, even if the member is not age 60. If the member retires at age 60 or older, he/she will receive a 3% pension increase every year on January 1, following the first full year of retirement.</p> <p>If the member retires before age 60 with a reduced retirement benefit, he/she will receive a 3% pension increase every January 1 after the member turns age 60 and has been retired at least one full year. These pension increases are not limited by the 75% maximum.</p> | <p>A member must have a minimum of 10 years of credited service and may retire at:</p> <ul style="list-style-type: none"> <li>• Age 67, with 10 years of credited service.</li> <li>• Between ages 62-67 with 10 years of credited service (reduced 1/2 of 1% for each month under age 67).</li> </ul> <p>The retirement benefit is based on final average compensation and credited service. For regular formula employees, final average compensation is the average of the 96 highest consecutive months of service within the last 120 months of service. The retirement benefit is calculated on a maximum salary of \$106,800. This amount increases annually by 3% or one-half of the Consumer Price Index, whichever is less.</p> <p>If the member retires at age 67 or older, he/she will receive a pension increase of 3% or one-half of the Consumer Price Index for the preceding calendar year, whichever is less, every year on January 1, following the first full year of retirement. The calendar year 2019 rate is \$114,952.</p> <p>If the member retires before age 67 with a reduced retirement benefit, he/she will receive a pension increase of 3% or one-half of the Consumer Price Index for the preceding calendar year, whichever is less, every January 1 after the member turns age 67 and has been retired at least one full year. These pension increases are not limited by the 75% maximum.</p> |

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Additionally, the Plan provides an alternative retirement formula for State employees in high-risk jobs, such as State policemen, fire fighters, and security employees. Employees qualifying for benefits under the alternative formula may retire at an earlier age depending on membership in Tier 1 or Tier 2. The retirement formula is 2.5% for each year of covered service and 3.0% for each year of non-covered service. The maximum retirement annuity payable is 80% of final average compensation as calculated under the alternative formula.

SERS also provides occupational and nonoccupational (including temporary) disability benefits. To be eligible for nonoccupational (including temporary) disability benefits, an employee must have at least 18 months of credited service with the System. The nonoccupational (including temporary) disability benefit is equal to 50% of the monthly rate of compensation of the employee on the date of removal from the payroll. Occupational disability benefits are provided when the member becomes disabled as a direct result of injuries or diseases arising out of and in the course of State employment. The monthly benefit is equal to 75% of the monthly rate of compensation on the date of removal from the payroll. This benefit amount is reduced by Workers' Compensation or payments under the Occupational Diseases Act.

Occupational and nonoccupational death benefits are also available through the System. Certain nonoccupational death benefits vest after 18 months of credited service. Occupational death benefits are provided from the date of employment.

Contributions. Contribution requirements of active employees and the State are established in accordance with Chapter 40, section 5/14-133 of the Illinois Compiled Statutes. Member contributions are based on fixed percentages of covered payroll ranging between 4.00% and 12.50%. Employee contributions are fully refundable, without interest, upon withdrawal from State employment. Tier 1 members contribute based on total annual compensation. Tier 2 members contribute based on an annual compensation rate not to exceed \$106,800 with limitations for future years increased by the lesser of 3% or one-half of the annual percentage increase in the Consumer Price Index. For 2020, this amount was \$115,929.

The State is required to make payment for the required departmental employer contributions, all allowances, annuities, any benefits granted under Chapter 40, Article 5/14 of the ILCS and all administrative expenses of the System to the extent specified in the ILCS. State law provides that the employer contribution rate be determined based upon the results of each annual actuarial valuation.

For fiscal year 2020, the required employer contributions were computed in accordance with the State's funding plan. This funding legislation provides for a systematic 50-year funding plan with an ultimate goal to achieve 90% funding of the plan's liabilities. In addition, the funding plan provided for a 15-year phase-in period to allow the State to adapt to the increased financial commitment. Since the 15-year phase-in period ended June 30, 2010, the State's contribution will remain at a level percentage of payroll for the next 35 years until the 90% funded level is achieved. For fiscal year 2020, the employer contribution rate was 54.290%. The Office's contribution amount for fiscal year 2020 was \$9.456 million. In addition, the Office recorded \$91.552 million of revenue and expenditures in the General Revenue account of the General Fund to account for payments to SERS for Office employees that were paid from statewide General Revenue Fund appropriations.

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***Pension liability, deferred outflows of resources, deferred inflows of resources and expense related to pensions.*** At June 30, 2020, the Department reported a liability of \$1,357,651 million for its proportionate share of the State’s net pension liability for SERS on the statement of net position. The net pension liability was measured as of June 30, 2019 (current year measurement date), and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Office’s portion of the net pension liability was based on the Office’s proportion of employer contributions relative to all employer contributions made to the plan during the year ended June 30, 2019. As of the current year measurement date of June 30, 2019, the Office’s proportion was 4.0655%, which was an decrease of 0.3094% from its proportion measured as of the prior year measurement date of June 30, 2018.

For the year ended June 30, 2020, the Office recognized pension expense of \$97.092 million. At June 30, 2020, the Office reported deferred outflows and deferred inflows of resources related to the pension liability, as of the measurement date of June 30, 2019, from the following sources (amounts expressed in thousands):

|   | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|---|---|--|
| Difference between expected and actual experience   | \$ -  | \$ 16,976                                    |
| Changes of assumptions  | 37,841  | 19,599                                       |
| Net difference between projected and actual investment earnings on pension plan investments | -   | 1,982  |
| Changes in proportion   | 45,802  | 117,910                                      |
| Department contributions subsequent to the measurement date                                 | 101,008                                       | -  |
|   | <u>\$ 184,651</u>                             | <u>\$ 156,467</u>                            |

\$101.008 million reported as deferred outflows of resources related to pensions resulting from Office contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows (amounts expressed in thousands):

| <b>Year ended June 30,</b> |                           |
|----------------------------|---------------------------|
| 2021                       | \$ (8,712)                |
| 2022                       | (32,739)                  |
| 2023                       | (19,266)                  |
| 2024                       | (12,107)                  |
| <b>Total</b>               | <u><u>\$ (72,824)</u></u> |

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***Actuarial methods and assumptions.*** The total pension liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.25%

Investment Rate of Return: 6.75%, net of pension plan investment expense, including inflation.

Projected salary increases: 2.75% - 7.17%, salary increase rates based on age related productivity and merit rates plus inflation.

Post-retirement benefit increases of 3.00%, compounded, for Tier 1 and the lesser of 3.00% or one-half of the annual increase in the Consumer Price Index for Tier 2.

Retirement Age: Experience-based table of rates specific to the type of eligibility condition. Table was last updated for the June 30, 2019 valuation pursuant to an experience study of the period July 1, 2015 – June 2018.

Mortality: Pub-2010 General and Public Safety Healthy Retiree mortality tables, sex distinct, with rates projected to 2018 generational mortality improvement factors were updated to projection scale MP-2018.

The actuarial assumptions used to calculate the total pension liability as of the current year measurement date are consistent with the actuarial assumptions used to calculate the total pension liability as of the prior year measurement date except for the following:

The rate of inflation decreased from 2.50% to 2.25%.

The investment rate of return decreased from 7.00% to 6.75%.

The projected salary increase range changed from 3.00% - 7.42% to 2.75% - 7.17%.

The retirement age experience study was updated to July 2015 – June 2018.

The mortality rate was updated from using the 105 percent of the RP 2014 Healthy Annuitant mortality table, sex distinct, with rates projected to 2015; generational mortality improvement factors were added.

The long-term expected real rate of return on pension plan investments is determined using the best estimates of geometric real rates of return for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in the pension plan's target asset allocation, calculated as of the measurement date of June 30, 2019, the best estimates of geometric real rates of return are summarized in the following table:

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| Asset Class                                    | Target<br>Allocation | Long-Term<br>Expected<br>Real Rate of<br>Return |
|--|----------------------|---|
| <b>U.S. Equity</b>                             | 23.0%                | 4.8%  |
| <b>Developed Foreign Equity</b>                | 13.0%                | 4.6%  |
| <b>Emerging Market Equity</b>                  | 8.0%                 | 6.9%  |
| <b>Private Equity</b>                          | 7.0%                 | 6.8%  |
| <b>Intermediate Investment Grade<br/>Bonds</b> | 14.0%                | 0.7%  |
| <b>Long-term Government Bonds</b>              | 4.0%                 | 1.0%  |
| <b>TIPS</b>                                    | 4.0%                 | 0.8%  |
| <b>High Yield and Bank Loans</b>               | 5.0%                 | 2.7%  |
| <b>Opportunistic Debt</b>                      | 8.0%                 | 4.2%  |
| <b>Emerging Market Debt</b>                    | 2.0%                 | 2.7%  |
| <b>Real Estate</b>                             | 10.0%                | 4.4%  |
| <b>Infrastructure</b>                          | 2.0%                 | 4.1%  |
| <b>Total</b>                                   | <b>100.0%</b>        |   |

**Discount rate.** A discount rate of 6.47% was used to measure the total pension liability as of the measurement date of June 30, 2019 as compared to a discount rate of 6.81% used to measure the total pension liability as of the prior year measurement date. The June 30, 2019 single blended discount rate was based on the expected rate of return on pension plan investments of 6.75% and a municipal bond rate of 3.13%, based on an index of 20 year general obligation bonds with an average AA credit rating as published by the Federal Reserve. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that contributions will be made based on the statutorily required rates under Illinois law. Based on these assumptions, the pension plan's fiduciary net position and future contributions will be sufficient to finance the benefit payments through the year 2073. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2073, and the municipal bond rate was applied to all benefit payments after that date.

**Sensitivity of the net pension liability to changes in the discount rate.** The net pension liability for the plan was calculated using the stated discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate as shown below (amounts expressed in thousands):

|  | 1%<br>Decrease<br>5.47% | Discount<br>Rate<br>6.47% | 1%<br>Increase<br>7.47% |
|--|-------------------------|---------------------------|-------------------------|
| Office's Proportionate Share of<br>the Net Pension Liability | \$1,641,916             | \$1,357,651               | \$1,123,932             |

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***Payables to the pension plan.*** At June 30, 2020, the Office reported a payable of \$347 thousand to SERS for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2020.

**(10) OPEB**

***Plan description.*** The State Employees Group Insurance Act of 1971 (“Act”), as amended, authorizes the Illinois State Employees Group Insurance Program (SEGIP) to provide health, dental, vision, and life insurance benefits for certain retirees and their dependents. Substantially all of the Office’s full-time employees are members of SEGIP. Members receiving monthly benefits from the General Assembly Retirement System (GARS), Judges Retirement System (JRS), State Employees’ Retirement System of Illinois (“SERS”), Teachers’ Retirement System (TRS), and State Universities Retirement System of Illinois (“SURS”) are eligible for these other post-employment benefits (OPEB). The eligibility provisions for each of the retirement systems are defined within Note 9. Certain TRS members eligible for coverage under SEGIP include: certified teachers employed by certain State agencies, executives employed by the Board of Education, regional superintendents, regional assistant superintendents, TRS employees, and members with certain reciprocal service.

The Office of Central Management Services administers these benefits for annuitants with the assistance of the public retirement systems sponsored by the State (GARS, JRS, SERS, TRS and SURS). The State recognizes SEGIP OPEB benefits as a single-employer defined benefit plan and is treated as a cost sharing plan by the Office. The plan does not issue a stand-alone financial report.

***Benefits provided.*** The health, dental, and vision benefits provided to and contribution amounts required from annuitants are the result of collective bargaining between the State and the various unions representing the State’s and the university component units’ employees in accordance with limitations established in the Act. Therefore, the benefits provided and contribution amounts are subject to periodic change. Coverage through SEGIP becomes secondary to Medicare after Medicare eligibility has been reached. Members must enroll in Medicare Parts A and B to receive the subsidized SEGIP premium available to Medicare eligible participants. The Act requires the State to provide life insurance benefits for annuitants equal to their annual salary as of the last day of employment until age 60, at which time, the benefit amount becomes \$5,000.

***Funding policy and annual other postemployment benefit cost.*** OPEB offered through SEGIP are financed through a combination of retiree premiums, State contributions and Federal government subsidies from the Medicare Part D program. Contributions are deposited in the Health Insurance Reserve Fund, which covers both active State employees and retirement members. Annuitants may be required to contribute towards health and vision benefits with the amount based on factors such as date of retirement, years of credited service with the State, whether the annuitant is covered by Medicare, and whether the annuitant has chosen a managed health care plan. Annuitants who retired prior to January 1, 1998, and who are vested in the State Employee’s Retirement System do not contribute toward health and vision benefits. For annuitants who retired on or after January 1, 1998, the annuitant’s contribution amount is reduced five percent for each year of credited service with the State allowing those annuitants with twenty or more years of credited service to not have to contribute towards health and vision benefits. All annuitants are required to pay for dental benefits regardless of retirement date. The Director of Central Management Services shall, on an annual basis, determine the amount the State shall contribute toward the basic program of group health benefits. State contributions are made primarily from the General Revenue Fund on a pay-as-you-go basis. No assets are accumulated or dedicated to funding the retiree health insurance benefit and a separate trust has not been established for the funding of OPEB.

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For fiscal year 2020, the annual cost of the basic program of group health, dental, and vision benefits before the State's contribution was \$11,681.04 (\$6,703.92 if Medicare eligible) if the annuitant chose benefits provided by a health maintenance organization and \$14,959.44 (\$5,592.24 if Medicare eligible) if the annuitant chose other benefits. The State is not required to fund the plan other than the pay-as-you-go amount necessary to provide the current benefits to retirees.

**Total OPEB liability, deferred outflows of resources, deferred inflows of resources and expense related to OPEB.** The total OPEB liability, as reported at June 30, 2020, was measured as of June 30, 2019, with an actuarial valuation as of June 30, 2018. At June 30, 2020, the Office recorded a liability of \$1.327 billion for its proportionate share of the State's total OPEB liability. The Office's portion of the OPEB liability was based on the Office's proportion of employer contributions relative to all employer contributions made to the plan during the year ended June 30, 2019. As of the current year measurement date of June 30, 2019, the Office's proportion was 3.0240%, which was a decrease of 0.2188% from its proportion measured as of the prior year measurement date of June 30, 2018.

The Office recognized OPEB expense for the year ended June 30, 2020, of \$132.600 million. At June 30, 2020, the Office reported deferred outflows and deferred inflows of resources, as of the measurement date of June 30, 2019, from the following sources (amounts expressed in thousands):

|   |                   |
|---|-------------------|
| <b>Deferred outflows of resources</b>   |                   |
| Differences between expected and actual experience  | \$ 1,905          |
| Changes of assumptions  | 46,141            |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 305,468           |
| Office contributions subsequent to the measurement date   | 37,741            |
| <b>Total deferred outflows of resources</b>   | <b>\$ 391,255</b> |
| <b>Deferred inflows of resources</b>  |                   |
| Differences between expected and actual experience  | \$ 20,246         |
| Changes of assumptions  | 81,896            |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 121,703           |
| <b>Total deferred inflows of resources</b>  | <b>\$ 223,845</b> |

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The amounts reported as deferred outflows of resources related to OPEB resulting from Office contributions subsequent to the measurement date will be recognized as a reduction to the OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (amounts expressed in thousands):

| <b>Year ended June 30,</b> |                   |
|----------------------------|-------------------|
| 2021                       | \$ 41,219         |
| 2022                       | 41,219            |
| 2023                       | 47,474            |
| 2024                       | 845               |
| 2025                       | (1,088)           |
| <b>Total</b>               | <b>\$ 129,669</b> |

**Actuarial methods and assumptions.** The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement unless otherwise specified. The actuarial valuation for the SEGIP was based on GARS, JRS, SERS, TRS, and SURS active, inactive, and retiree data as of June 30, 2018, for eligible SEGIP employees, and SEGIP retiree data as of June 30, 2018.

|  |  |
|--|--|
| <b>Valuation Date</b>  | June 30, 2018  |
| <b>Measurement Date</b>  | June 30, 2019  |
| <b>Actuarial Cost Method</b>   | Entry Age Normal   |
| <b>Inflation Rate</b>  | 2.50%  |
| <b>Projected Salary Increases*</b>   | 2.75% - 12.25%   |
| <b>Discount Rate</b>   | 3.13%  |
| <b>Healthcare Cost Trend Rate:</b>   |  |
| Medical (Pre-Medicare)   | 8.00% grading down 0.50% in the first year to 7.50%, then grading down 0.11% in the second year to 7.39%, followed by grading down of 0.50% per year over 5 years to 4.89% in year 7   |
| Medical (Post-Medicare)  | 9.00% grading down 0.50% per year over 9 years to 4.50%  |
| Dental   | 6.00% grading down 0.50% per year over 3 years to 4.50%  |
| <b>Retirees' share of benefit-related costs</b>  | Healthcare premium rates for members depend on the date of retirement and the years of service earned at retirement. Members who retired before January 1, 1998, are eligible for single coverage at no cost to the member. Members who retire after January 1, 1998, are eligible for single coverage provided they pay a portion of the premium equal to 5 percent for each year of service under 20 years. Eligible dependents receive coverage provided they pay 100 percent of the required dependent premium. Premiums for plan year 2019 and 2020 are based on actual premiums. Premiums after 2020 were projected based on the same healthcare cost trend rates applied to per capita claim costs but excluding the additional trend rate that estimates the impact of the Excise Tax. |
| * Dependent upon service and participation in the respective retirement systems. Includes inflation rate listed. |  |

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Since the last measurement date on June 30, 2019, the State has not made any significant changes to the benefit terms affecting the measurement of the collective total OPEB liability. On December 20, 2019, the *Further Consolidated Appropriations Act, 2020* (Public Law 116-94) was signed into law repealing the federal excise taxes of 40% on total employer premium spending in excess of specified dollar amounts, also known as the "Cadillac Tax." The impact of this repeal to the State's financial statements, which could be significant, is not known at this time.

Additionally, the demographic assumptions used in the this OPEB valuation are identical to those used in the June 30, 2018 valuations for GARS, JRS, SERS, TRS, and SURS as follows:

|  | <b>Retirement Age<br/>Experience Study<sup>^</sup></b> | <b>Mortality<sup>^^</sup></b>   |
|--|--|---|
| <b>GARS</b>  | July 2012 – June 2015                                  | RP-2014 White Collar Total Healthy Annuitant mortality table, sex distinct, set forward 1 year for males and set back 1 year for females and generational mortality improvements using MP-2014 two-dimensional mortality improvement scales |
| <b>JRS</b>   | July 2012 – June 2015                                  | RP-2014 White Collar Total Healthy Annuitant mortality table, sex distinct, set forward 1 year for males and set back 1 year for females and generational mortality improvements using MP-2014 two-dimensional mortality improvement scales |
| <b>SERS</b>  | July 2009 – June 2013                                  | 105 percent of the RP 2014 Healthy Annuitant mortality table, sex distinct, with rates projected to 2015; generational mortality improvement factors were added   |
| <b>TRS</b>   | July 2014 – June 2017                                  | RP-2014 with future mortality improvements on a fully generational basis using projection table MP-2017   |
| <b>SURS</b>  | July 2014 – June 2017                                  | RP-2014 White Collar, gender distinct, projected using MP-2014 two-dimensional mortality improvement scale, set forward one year for male and female annuitants   |
| <sup>^</sup> The actuarial assumptions used in the respective actuarial valuations are based on the results of actuarial experience studies for the periods defined. A modified experience review was completed for SERS for the 3-year period ending June 30, 2015. Changes were made to the assumptions regarding investment rate of return, projected salary increases, inflation rate, and mortality based on this review. All other assumptions remained unchanged. |  |   |
| <sup>^^</sup> Mortality rates are based on mortality tables published by the Society of Actuaries Retirement Plans Experience Committee.   |  |   |

**Discount rate.** Retirees contribute a percentage of the premium rate based on service at retirement. The State contributes additional amounts to cover claims and expenses in excess of retiree contributions. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 3.62% at June 30, 2018, and 3.13% at June 30, 2019, was used to measure the total OPEB liability.

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***Sensitivity of total OPEB liability to changes in the single discount rate.*** The following presents the plan's total OPEB liability, calculated using a Single Discount Rate of 3.13%, as well as what the plan's total OPEB liability would be if it were calculated using a Single Discount rate that is one percentage point higher (4.13%) or lower (2.13%) than the current rate (amounts expressed in thousands):

|                      | <b>1%<br/>Decrease<br/>(2.13%)</b> | <b>Current Single<br/>Discount Rate<br/>Assumption<br/>(3.13%)</b> | <b>1%<br/>Increase<br/>(4.13%)</b> |
|----------------------|------------------------------------|--|------------------------------------|
| Total OPEB liability | \$1,563,072                        | \$1,327,153  | \$1,138,441                        |

***Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate.*** The following presents the plans total OPEB liability, calculated using the healthcare cost trend rates as well as what the plan's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates (amounts in table expressed in thousands). The key trend rates are 8.00% in 2020 decreasing to an ultimate trend rate of 4.89% in 2027, for non-Medicare coverage, and 9.00% decreasing to an ultimate trend rate of 4.50% in 2029 for Medicare coverage.

|                      | <b>1%<br/>Decrease</b> | <b>Current<br/>Healthcare<br/>Cost Trend<br/>Rates<br/>Assumption</b> | <b>1%<br/>Increase</b> |
|----------------------|------------------------|---|------------------------|
| Total OPEB liability | \$1,112,823            | \$1,327,153   | \$1,604,745            |

**(11) Risk Management**

The Office is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; workers compensation and natural disasters. The State retains the risk of loss (i.e. self insured) for these risks.

The Office's risk management activities for workers' compensation, self-insurance and unemployment insurance are financed through appropriations to the Illinois Department of Central Management Services and are accounted for in the General Fund of the State. The claims are not considered to be a liability of the Office; and accordingly, have not been reported in the Office's financial statements for the year ended June 30, 2020.

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JUNE 30, 2020

**(12) Commitments and Contingencies**

**(a) Operating leases**

The Office leases certain office facilities and equipment under the terms of noncancelable operating lease agreements that require the Office to make minimum lease payments plus pay a pro rata share of certain operating costs. Rent expense under operating leases was \$14.161 million for the year ended June 30, 2020.

The following is a schedule of future minimum lease payments under the operating lease (amounts expressed in thousands):

| <u>Year ending June 30,</u> | <u>Amount</u>    |
|-----------------------------|------------------|
| 2021                        | \$ 8,354         |
| 2022                        | 6,755            |
| 2023                        | 4,964            |
| 2024                        | 2,528            |
| 2025                        | 1,655            |
| 2026-2030                   | <u>2,813</u>     |
|                             | <u>\$ 27,069</u> |

**(b) Federal Funding**

The Office receives federal grants which are subject to review and audit by federal grantor agencies. Certain costs could be questioned as not being an eligible expenditure under the terms of the grants. At June 30, 2020, there were no material questioned costs that have not been resolved with the federal awarding agencies. However, questioned costs could still be identified during audits to be conducted in the future. Management of the Office believes there will be no material adjustments to the federal grants and, accordingly, has not recorded a provision for possible repayment.

**(c) Litigation**

The Office is routinely involved in a number of legal proceedings and claims that cover a wide range of matters. In the opinion of management, the outcome of these other matters is not expected to have any material adverse effect on the financial position or operations of the Office.

**(13) Coronavirus Pandemic Implications**

In December 2019, a novel strain of coronavirus surfaced and spread around the world, resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The United States and the State of Illinois declared a state of emergency in March 2020. The June 30, 2020 financial statements reflect the known financial impact of the COVID-19 outbreak and related stay at home orders for fiscal year 2020. The Office anticipates continued impact to its financial position and continues to monitor and evaluate the situation. The extent to which the coronavirus may impact financial activity will depend on future developments, which are highly uncertain and cannot be predicted. New information continues to emerge concerning the severity of the coronavirus and the actions required to contain or treat it, potentially impacting operations and program management.

## SUPPLEMENTARY INFORMATION

**State of Illinois**  
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**Combining Schedule of Accounts**

**General Fund**

June 30, 2020 (Expressed in Thousands)

|  | General Revenue 0001 | Live and Learn 0026 | Corporate Franchise Tax Refund 0380 | Common School 0412 | Capital Projects 0694 | Vehicle Inspection 0963 | Special Advance 1198 | Eliminations       | Total             |
|--|----------------------|---------------------|-------------------------------------|--------------------|-----------------------|-------------------------|----------------------|--------------------|-------------------|
| <b>ASSETS</b>                            |                      |                     |                                     |                    |                       |                         |                      |                    |                   |
| Unexpended appropriations                | \$ 29,194            | \$ -                | \$ -                                | \$ -               | \$ -                  | \$ 83                   | \$ -                 | \$ -               | \$ 29,277         |
| Cash equity with State Treasurer         | 51,966               | 259                 | 4,170                               | 36                 | 36,107                | -                       | -                    | -                  | 92,538            |
| Cash and cash equivalents                | 92                   | -                   | -                                   | -                  | -                     | -                       | 5                    | -                  | 97                |
| Taxes receivable, net                    | 570                  | -                   | -                                   | -                  | -                     | -                       | -                    | -                  | 570               |
| Other receivables, net                   | 177                  | -                   | -                                   | -                  | -                     | -                       | -                    | -                  | 177               |
| Due from other Office funds              | 6,085                | 22,646              | -                                   | 775                | 133                   | -                       | -                    | (23,625)           | 6,014             |
| Inventories                              | 469                  | -                   | -                                   | -                  | -                     | -                       | -                    | -                  | 469               |
| <b>Total assets</b>                      | <b>\$ 88,553</b>     | <b>\$ 22,905</b>    | <b>\$ 4,170</b>                     | <b>\$ 811</b>      | <b>\$ 36,240</b>      | <b>\$ 83</b>            | <b>\$ 5</b>          | <b>\$ (23,625)</b> | <b>\$ 129,142</b> |
| <b>LIABILITIES</b>                       |                      |                     |                                     |                    |                       |                         |                      |                    |                   |
| Accounts payable and accrued liabilities | \$ 16,297            | \$ 746              | \$ -                                | \$ -               | \$ -                  | \$ 43                   | \$ -                 | \$ -               | \$ 17,086         |
| Due to other government-federal          | 640                  | 2                   | -                                   | -                  | -                     | 3                       | -                    | -                  | 645               |
| Due to other government-local            | 8,585                | 18,441              | -                                   | -                  | -                     | -                       | -                    | -                  | 27,026            |
| Due to other state funds                 | 2,948                | -                   | -                                   | -                  | -                     | -                       | -                    | -                  | 2,948             |
| Due to other state fiduciary funds       | 186                  | 7                   | -                                   | -                  | -                     | 37                      | -                    | -                  | 230               |
| Due to other Office funds                | 22,949               | -                   | 979                                 | -                  | 4,416                 | -                       | -                    | (23,625)           | 4,719             |
| Due to component units                   | 11                   | -                   | -                                   | -                  | -                     | -                       | -                    | -                  | 11                |
| Unearned revenue-liability               | 102                  | -                   | -                                   | -                  | 3,605                 | -                       | -                    | -                  | 3,707             |
| <b>Total liabilities</b>                 | <b>\$ 51,718</b>     | <b>\$ 19,196</b>    | <b>\$ 979</b>                       | <b>\$ -</b>        | <b>\$ 8,021</b>       | <b>\$ 83</b>            | <b>\$ -</b>          | <b>\$ (23,625)</b> | <b>\$ 56,372</b>  |

**FUND BALANCES (DEFICITS)**

|   |                  |                  |                 |               |                  |              |             |                    |                   |
|---|------------------|------------------|-----------------|---------------|------------------|--------------|-------------|--------------------|-------------------|
| Nonspendable:   |                  |                  |                 |               |                  |              |             |                    |                   |
| Inventories   | 469              | -                | -               | -             | -                | -            | -           | -                  | 469               |
| Restricted for:                                       |                  |                  |                 |               |                  |              |             |                    |                   |
| General government                                    | -                | -                | -               | -             | -                | -            | 5           | -                  | 5                 |
| Committed to:   |                  |                  |                 |               |                  |              |             |                    |                   |
| General government                                    | -                | -                | 3,191           | -             | -                | -            | -           | -                  | 3,191             |
| Unassigned  | 36,366           | 3,709            | -               | 811           | 28,219           | -            | -           | -                  | 69,105            |
| <b>Total fund balances (deficits)</b>                 | <b>\$ 36,835</b> | <b>\$ 3,709</b>  | <b>\$ 3,191</b> | <b>\$ 811</b> | <b>\$ 28,219</b> | <b>\$ -</b>  | <b>\$ 5</b> | <b>\$ -</b>        | <b>\$ 72,770</b>  |
| <b>Total liabilities and fund balances (deficits)</b> | <b>\$ 88,553</b> | <b>\$ 22,905</b> | <b>\$ 4,170</b> | <b>\$ 811</b> | <b>\$ 36,240</b> | <b>\$ 83</b> | <b>\$ 5</b> | <b>\$ (23,625)</b> | <b>\$ 129,142</b> |

**State of Illinois  
Office of the Secretary of State**

**Combining Schedule of Revenues,  
Expenditures and Changes in Fund Balance -  
General Fund**

For the Year Ended June 30, 2020 (Expressed in Thousands)

|  | General<br>Revenue<br>0001 | Live and<br>Learn<br>0026 | Corporate<br>Franchise<br>Tax Refund<br>0380 | Common<br>School<br>0412 | Capital<br>Projects<br>0694 | Vehicle<br>Inspection<br>0963 | Special<br>Advance<br>1198 | Eliminations | Total            |
|--|----------------------------|---------------------------|--|--------------------------|-----------------------------|-------------------------------|----------------------------|--------------|------------------|
| <b>REVENUES</b>  |                            |                           |  |                          |                             |                               |                            |              |                  |
| Licenses and fees  | \$ 179,712                 | \$ -                      | \$ -   | \$ 573                   | \$ 272,797                  | \$ -                          | \$ -                       | \$ -         | \$ 453,082       |
| Other taxes  | 238,384                    | -                         | 3,982  | -                        | -                           | -                             | -                          | -            | 242,366          |
| Other revenue  | 357                        | -                         | -  | -                        | -                           | -                             | -                          | -            | 357              |
| <b>Total revenues</b>  | <b>418,453</b>             | <b>-</b>                  | <b>3,982</b>                                 | <b>573</b>               | <b>272,797</b>              | <b>-</b>                      | <b>-</b>                   | <b>-</b>     | <b>695,805</b>   |
| <b>EXPENDITURES</b>  |                            |                           |  |                          |                             |                               |                            |              |                  |
| General government   | 380,704                    | 20,075                    | 3  | -                        | -                           | 2,961                         | -                          | -            | 403,743          |
| Debt service - interest  | 7                          | -                         | -  | -                        | -                           | -                             | -                          | -            | 7                |
| Debt service - principal   | 40                         | -                         | -  | -                        | -                           | -                             | -                          | -            | 40               |
| Capital outlays  | 2,456                      | -                         | -  | -                        | -                           | -                             | -                          | -            | 2,456            |
| <b>Total expenditures</b>  | <b>383,207</b>             | <b>20,075</b>             | <b>3</b>                                     | <b>-</b>                 | <b>-</b>                    | <b>2,961</b>                  | <b>-</b>                   | <b>-</b>     | <b>406,246</b>   |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <b>35,246</b>              | <b>(20,075)</b>           | <b>3,979</b>                                 | <b>573</b>               | <b>272,797</b>              | <b>(2,961)</b>                | <b>-</b>                   | <b>-</b>     | <b>289,559</b>   |
| <b>OTHER SOURCES (USES) OF<br/>FINANCIAL RESOURCES</b>               |                            |                           |  |                          |                             |                               |                            |              |                  |
| Appropriations from State resources                                  | 395,586                    | -                         | -  | -                        | -                           | 3,711                         | -                          | -            | 399,297          |
| Lapsed appropriations  | (11,058)                   | -                         | -  | -                        | -                           | (750)                         | -                          | -            | (11,808)         |
| Receipts collected and transmitted to State Treasury                 | (395,564)                  | -                         | -  | (571)                    | (269,383)                   | -                             | -                          | -            | (665,518)        |
| Amount of SAMS Transfers-in  | (4,224)                    | -                         | -  | (1,745)                  | -                           | -                             | -                          | -            | (5,969)          |
| Amount of SAMS Transfers-out   | 12,194                     | -                         | -  | -                        | -                           | -                             | -                          | -            | 12,194           |
| Transfers-in   | 2,037                      | 20,904                    | -  | 1,673                    | -                           | -                             | -                          | (21,883)     | 2,731            |
| Transfers-out  | (20,904)                   | (1)                       | (979)  | -                        | -                           | -                             | -                          | 21,883       | (1)              |
| Proceeds from capital lease financing                                | 5                          | -                         | -  | -                        | -                           | -                             | -                          | -            | 5                |
| <b>Net other sources (uses) of<br/>financial resources</b>           | <b>(21,928)</b>            | <b>20,903</b>             | <b>(979)</b>                                 | <b>(643)</b>             | <b>(269,383)</b>            | <b>2,961</b>                  | <b>-</b>                   | <b>-</b>     | <b>(269,069)</b> |
| <b>Net change in fund balances</b>                                   | <b>13,318</b>              | <b>828</b>                | <b>3,000</b>                                 | <b>(70)</b>              | <b>3,414</b>                | <b>-</b>                      | <b>-</b>                   | <b>-</b>     | <b>20,490</b>    |
| Fund balances (deficits), July 1, 2019                               | 23,460                     | 2,881                     | 191  | 881                      | 24,805                      | -                             | -                          | -            | 52,223           |
| Increase (decrease) for changes in inventories                       | 57                         | -                         | -  | -                        | -                           | -                             | -                          | -            | 57               |
| <b>FUND BALANCES (DEFICITS), JUNE 30, 2020</b>                       | <b>\$ 36,835</b>           | <b>\$ 3,709</b>           | <b>\$ 3,191</b>                              | <b>\$ 811</b>            | <b>\$ 28,219</b>            | <b>\$ -</b>                   | <b>\$ 5</b>                | <b>\$ -</b>  | <b>\$ 72,770</b> |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Balance Sheet -**  
**Non-major Governmental Funds**  
 June 30, 2020 (Expressed in Thousands)

|   |                   | Special Revenue           |                                  |  |                              |  |  |
|---|-------------------|---------------------------|----------------------------------|--|------------------------------|--|--|
|   | Road<br>0011      | Motor<br>Fuel Tax<br>0012 | Alzheimer's<br>Awareness<br>0020 | Illinois<br>Nurses<br>Foundation<br>0028 | Drivers<br>Education<br>0031 | Illinois<br>Sheriffs'<br>Scholarship<br>& Training<br>0032 | Illinois State<br>Police<br>Memorial<br>Park<br>0034 |
| <b>ASSETS</b>   |                   |                           |                                  |  |                              |  |  |
| Unexpended appropriations   | \$ 631            | \$ -                      | \$ -                             | \$ -                                     | \$ -                         | \$ -   | \$ -   |
| Cash equity with State Treasurer  | 133,671           | -                         | 13                               | 15                                       | 1,037                        | 9  | 443  |
| Cash and cash equivalents   | -                 | -                         | -                                | -  | -                            | -  | -  |
| Securities lending collateral of State Treasurer                          | -                 | -                         | -                                | -  | -                            | -  | -  |
| Other receivables, net  | 1,642             | -                         | -                                | -  | 1                            | -  | -  |
| Due from other government-federal   | -                 | -                         | -                                | -  | -                            | -  | -  |
| Due from other State funds  | -                 | -                         | -                                | -  | -                            | -  | 78   |
| Due from other Office funds   | 4,895             | -                         | -                                | -  | 6                            | -  | -  |
| Inventories   | -                 | -                         | -                                | -  | -                            | -  | -  |
| <b>Total assets</b>   | <b>\$ 140,839</b> | <b>\$ -</b>               | <b>\$ 13</b>                     | <b>\$ 15</b>                             | <b>\$ 1,044</b>              | <b>\$ 9</b>  | <b>\$ 521</b>  |
| <b>LIABILITIES</b>  |                   |                           |                                  |  |                              |  |  |
| Accounts payable and accrued liabilities                                  | \$ 423            | \$ -                      | \$ -                             | \$ 5                                     | \$ -                         | \$ -   | \$ -   |
| Due to other government-Federal   | -                 | -                         | -                                | -  | -                            | -  | -  |
| Due to other government-Local   | -                 | -                         | -                                | -  | -                            | -  | -  |
| Due to other State funds  | -                 | -                         | -                                | -  | -                            | -  | -  |
| Due to other State Fiduciary funds  | -                 | -                         | -                                | -  | -                            | -  | -  |
| Due to other Office funds   | 12,165            | -                         | -                                | -  | -                            | -  | -  |
| Due to State of Illinois component units                                  | -                 | -                         | -                                | -  | -                            | -  | -  |
| Unearned revenue  | 19,800            | -                         | 1                                | 1  | -                            | -  | 1  |
| Obligations under securities lending of State Treasurer                   | -                 | -                         | -                                | -  | -                            | -  | -  |
| <b>Total liabilities</b>  | <b>32,388</b>     | <b>-</b>                  | <b>1</b>                         | <b>6</b>                                 | <b>-</b>                     | <b>-</b>   | <b>1</b>   |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |                   |                           |                                  |  |                              |  |  |
| Unavailable revenue   | -                 | -                         | -                                | -  | -                            | -  | -  |
| <b>Total liabilities and deferred inflows of resources</b>                | <b>32,388</b>     | <b>-</b>                  | <b>1</b>                         | <b>6</b>                                 | <b>-</b>                     | <b>-</b>   | <b>1</b>   |
| <b>FUND BALANCES (DEFICITS)</b>   |                   |                           |                                  |  |                              |  |  |
| Nonspendable  | -                 | -                         | -                                | -  | -                            | -  | -  |
| Inventories   | -                 | -                         | -                                | -  | -                            | -  | -  |
| Restricted for:   |                   |                           |                                  |  |                              |  |  |
| General government  | -                 | -                         | 12                               | 9  | 1,044                        | 9  | 520  |
| Committed to:   |                   |                           |                                  |  |                              |  |  |
| General government  | 108,451           | -                         | -                                | -  | -                            | -  | -  |
| Capital projects  | -                 | -                         | -                                | -  | -                            | -  | -  |
| <b>Total fund balances</b>  | <b>108,451</b>    | <b>-</b>                  | <b>12</b>                        | <b>9</b>                                 | <b>1,044</b>                 | <b>9</b>   | <b>520</b>   |
| <b>Total liabilities, deferred inflows of resources and fund balances</b> | <b>\$ 140,839</b> | <b>\$ -</b>               | <b>\$ 13</b>                     | <b>\$ 15</b>                             | <b>\$ 1,044</b>              | <b>\$ 9</b>  | <b>\$ 521</b>  |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Balance Sheet -**  
**Non-major Governmental Funds**  
 June 30, 2020 (Expressed in Thousands)

|   |    | Special Revenue                      |                            |  |   |  |                                     |      |      |      |      |       |
|---|----|--------------------------------------|----------------------------|--|---|--|-------------------------------------|------|------|------|------|-------|
|   |    | Accessible                           |                            |  |   |  | Motor                               |      |      |      |      |       |
| Lobbyist Registration Administration 0044                                 |    | Electronic Information Services 0106 | CDLIS/AAMVA Net Trust 0109 | Vehicle Theft Prevention & Insurance Verification 0156 | Registered Limited Liability Partnership 0167 | Secretary of State Federal Projects 0176 | Driver Services Administration 0182 |      |      |      |      |       |
|   | \$ | -                                    | \$ -                       | \$ -   | \$ -  | \$ -                                     | \$ -                                | \$ - | \$ - | \$ - | \$ - | \$ -  |
| Unexpended appropriations   |    | 2,729                                | 5,857                      | 22,422   | 1,141   | 111                                      | 4,774                               |      |      |      |      |       |
| Cash equity with State Treasurer  |    | -                                    | -                          | -  | -   | -  | -                                   |      |      |      |      |       |
| Cash and cash equivalents   |    | -                                    | -                          | -  | -   | -  | -                                   |      |      |      |      |       |
| Securities lending collateral of State Treasurer                          |    | -                                    | -                          | 6,870  | -   | -  | -                                   |      |      |      |      |       |
| Other receivables, net  |    | -                                    | -                          | 17   | -   | -  | -                                   |      |      |      |      |       |
| Due from other government-federal   |    | -                                    | -                          | -  | -   | -  | -                                   |      |      |      |      |       |
| Due from other State funds  |    | -                                    | -                          | -  | -   | -  | -                                   |      |      |      |      |       |
| Due from other Office funds   |    | -                                    | 2                          | -  | -   | -  | 4                                   |      |      |      |      |       |
| Inventories   |    | -                                    | 1,831                      | -  | -   | -  | -                                   |      |      |      |      |       |
| <b>Total assets</b>   | \$ | 2,729                                | 7,690                      | 29,309   | 1,141   | 111                                      | 4,778                               |      |      |      |      |       |
|   | \$ | 23                                   | 120                        | 75   | -   | 11                                       | 43                                  |      |      |      |      |       |
| Accounts payable and accrued liabilities                                  |    | 2                                    | -                          | 4  | -   | -  | 3                                   |      |      |      |      |       |
| Due to other government-Federal   |    | -                                    | -                          | -  | -   | -  | -                                   |      |      |      |      |       |
| Due to other government-Local   |    | -                                    | -                          | -  | -   | -  | -                                   |      |      |      |      |       |
| Due to other State funds  |    | -                                    | -                          | -  | -   | -  | -                                   |      |      |      |      |       |
| Due to other State Fiduciary funds  |    | 15                                   | -                          | 36   | -   | -  | 26                                  |      |      |      |      |       |
| Due to other Office funds   |    | 2                                    | -                          | -  | 231   | -  | -                                   |      |      |      |      |       |
| Due to State of Illinois component units                                  |    | -                                    | -                          | -  | -   | 9  | -                                   |      |      |      |      |       |
| Unearned revenue  |    | -                                    | -                          | -  | -   | 32                                       | -                                   |      |      |      |      |       |
| Obligations under securities lending of State Treasurer                   |    | -                                    | -                          | 6,870  | -   | -  | -                                   |      |      |      |      |       |
| <b>Total liabilities</b>  |    | 42                                   | 120                        | 6,985  | 231   | 52                                       | 72                                  |      |      |      |      |       |
|   |    | -                                    | -                          | -  | -   | -  | -                                   |      |      |      |      |       |
| Unavailable revenue   |    | 42                                   | 120                        | 6,985  | 231   | 52                                       | 72                                  |      |      |      |      |       |
| <b>Total liabilities and deferred inflows of resources</b>                |    | 42                                   | 120                        | 6,985  | 231   | 52                                       | 72                                  |      |      |      |      |       |
|   |    | -                                    | -                          | -  | -   | -  | -                                   |      |      |      |      |       |
| <b>FUND BALANCES (DEFICITS)</b>   |    | -                                    | 1,831                      | -  | -   | -  | -                                   |      |      |      |      |       |
| Nonspendable  |    | -                                    | -                          | -  | -   | -  | -                                   |      |      |      |      |       |
| Inventories   |    | -                                    | -                          | -  | -   | -  | -                                   |      |      |      |      |       |
| Restricted for:   |    | -                                    | -                          | -  | -   | -  | -                                   |      |      |      |      |       |
| General government  |    | -                                    | -                          | -  | -   | -  | -                                   |      |      |      |      | 4,706 |
| Committed to:   |    | -                                    | -                          | -  | -   | -  | -                                   |      |      |      |      | -     |
| General government  |    | 2,687                                | 5,739                      | 22,324   | 910   | 59                                       | -                                   |      |      |      |      | -     |
| Capital projects  |    | -                                    | -                          | -  | -   | -  | -                                   |      |      |      |      | -     |
| <b>Total fund balances</b>  |    | 2,687                                | 7,570                      | 22,324   | 910   | 59                                       | 4,706                               |      |      |      |      |       |
|   | \$ | 2,729                                | 7,690                      | 29,309   | 1,141   | 111                                      | 4,778                               |      |      |      |      |       |
| <b>Total liabilities, deferred inflows of resources and fund balances</b> |    | 42                                   | 120                        | 6,985  | 231   | 52                                       | 72                                  |      |      |      |      |       |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Balance Sheet -**  
**Non-major Governmental Funds**  
 June 30, 2020 (Expressed in Thousands)

|   | Special Revenue                       |                                     |                        |                                      |                                 |                                       |   |      |      |      |      |
|---|---------------------------------------|-------------------------------------|------------------------|--------------------------------------|---------------------------------|---------------------------------------|---|------|------|------|------|
|   | Secretary of State License Plate 0185 | Securities Investors Education 0292 | Interagency Grant 0295 | Family Financial Responsibility 0322 | Motor Vehicle Review Board 0323 | Securities Audit and Enforcement 0362 | Department of Business Services Special Operations 0363 |      |      |      |      |
| <b>ASSETS</b>   |                                       |                                     |                        |                                      |                                 |                                       |   |      |      |      |      |
| Unexpended appropriations   | \$ -                                  | \$ -                                | \$ -                   | \$ -                                 | \$ -                            | \$ -                                  | \$ -  | \$ - | \$ - | \$ - | \$ - |
| Cash equity with State Treasurer  | 3,789                                 | 4,374                               | 243                    | 348                                  | 84                              | 19,946                                | 6,987   |      |      |      |      |
| Cash and cash equivalents   | -                                     | -                                   | -                      | -                                    | -                               | -                                     | -   |      |      |      |      |
| Securities lending collateral of State Treasurer                          | -                                     | -                                   | -                      | -                                    | -                               | 4,843                                 | -   |      |      |      |      |
| Other receivables, net  | -                                     | -                                   | -                      | -                                    | -                               | 112                                   | -   |      |      |      |      |
| Due from other government-federal   | -                                     | -                                   | -                      | -                                    | -                               | -                                     | -   |      |      |      |      |
| Due from other State funds  | 127                                   | -                                   | -                      | -                                    | 1                               | 303                                   | -   |      |      |      |      |
| Due from other Office funds   | 610                                   | -                                   | -                      | -                                    | -                               | -                                     | -   |      |      |      |      |
| Inventories   | -                                     | -                                   | -                      | -                                    | -                               | -                                     | -   |      |      |      |      |
| <b>Total assets</b>   | <b>\$ 4,526</b>                       | <b>\$ 4,374</b>                     | <b>\$ 243</b>          | <b>\$ 348</b>                        | <b>\$ 85</b>                    | <b>\$ 25,204</b>                      | <b>\$ 6,987</b>   |      |      |      |      |
| <b>LIABILITIES</b>  |                                       |                                     |                        |                                      |                                 |                                       |   |      |      |      |      |
| Accounts payable and accrued liabilities                                  | 598                                   | 2                                   | 2                      | 4                                    | 6                               | 145                                   | 223   |      |      |      |      |
| Due to other government-Federal   | 2                                     | -                                   | -                      | -                                    | -                               | 8                                     | 15  |      |      |      |      |
| Due to other government-Local   | -                                     | -                                   | -                      | -                                    | -                               | -                                     | -   |      |      |      |      |
| Due to other State funds  | 66                                    | -                                   | 2                      | -                                    | -                               | -                                     | 3   |      |      |      |      |
| Due to other State Fiduciary funds  | 23                                    | 2                                   | -                      | -                                    | 3                               | 108                                   | 188   |      |      |      |      |
| Due to other Office funds   | -                                     | -                                   | -                      | -                                    | -                               | -                                     | 827   |      |      |      |      |
| Due to State of Illinois component units                                  | -                                     | -                                   | -                      | -                                    | -                               | -                                     | -   |      |      |      |      |
| Unearned revenue  | 115                                   | -                                   | -                      | -                                    | -                               | -                                     | -   |      |      |      |      |
| Obligations under securities lending of State Treasurer                   | -                                     | -                                   | -                      | -                                    | -                               | 4,843                                 | -   |      |      |      |      |
| <b>Total liabilities</b>  | <b>804</b>                            | <b>4</b>                            | <b>4</b>               | <b>4</b>                             | <b>9</b>                        | <b>5,104</b>                          | <b>1,256</b>  |      |      |      |      |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |                                       |                                     |                        |                                      |                                 |                                       |   |      |      |      |      |
| Unavailable revenue   | -                                     | -                                   | -                      | -                                    | -                               | -                                     | -   |      |      |      |      |
| <b>Total liabilities and deferred inflows of resources</b>                | <b>804</b>                            | <b>4</b>                            | <b>4</b>               | <b>4</b>                             | <b>9</b>                        | <b>5,104</b>                          | <b>1,256</b>  |      |      |      |      |
| <b>FUND BALANCES (DEFICITS)</b>   |                                       |                                     |                        |                                      |                                 |                                       |   |      |      |      |      |
| Nonspendable  |                                       |                                     |                        |                                      |                                 |                                       |   |      |      |      |      |
| Inventories   | 610                                   | -                                   | -                      | -                                    | -                               | -                                     | -   |      |      |      |      |
| Restricted for:   |                                       |                                     |                        |                                      |                                 |                                       |   |      |      |      |      |
| General government  | -                                     | -                                   | -                      | -                                    | -                               | -                                     | -   |      |      |      |      |
| Committed to:   |                                       |                                     |                        |                                      |                                 |                                       |   |      |      |      |      |
| General government  | 3,112                                 | 4,370                               | 239                    | 344                                  | 76                              | 20,100                                | 5,731   |      |      |      |      |
| Capital projects  | -                                     | -                                   | -                      | -                                    | -                               | -                                     | -   |      |      |      |      |
| <b>Total fund balances</b>  | <b>3,722</b>                          | <b>4,370</b>                        | <b>239</b>             | <b>344</b>                           | <b>76</b>                       | <b>20,100</b>                         | <b>5,731</b>  |      |      |      |      |
| <b>Total liabilities, deferred inflows of resources and fund balances</b> | <b>\$ 4,526</b>                       | <b>\$ 4,374</b>                     | <b>\$ 243</b>          | <b>\$ 348</b>                        | <b>\$ 85</b>                    | <b>\$ 25,204</b>                      | <b>\$ 6,987</b>   |      |      |      |      |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Balance Sheet -**  
**Non-major Governmental Funds**  
 June 30, 2020 (Expressed in Thousands)

|   | Special Revenue                        |  |                              |                                |  |                     |                             |
|---|--|--|------------------------------|--------------------------------|--|---------------------|-----------------------------|
|   | Secretary of<br>State Evidence<br>0374 | State College<br>and University<br>Trust<br>0417 | Alternative<br>Fuels<br>0422 | Indigent<br>BAIID Fund<br>0451 | Monitoring<br>Device Driving<br>Permit<br>Administration<br>0453 | Rotary Club<br>0454 | Autism<br>Awareness<br>0458 |
| <b>ASSETS</b>   |  |  |                              |                                |  |                     |                             |
| Unexpended appropriations   | - \$                                   | - \$   | - \$                         | - \$                           | - \$   | - \$                | - \$                        |
| Cash equity with State Treasurer  | 41                                     | 29   | 308                          | 71                             | 5,077  | 9                   | -                           |
| Cash and cash equivalents   | -                                      | -  | -                            | -                              | -  | -                   | -                           |
| Securities lending collateral of State Treasurer                          | -                                      | -  | -                            | -                              | -  | -                   | -                           |
| Other receivables, net  | -                                      | -  | -                            | 22                             | -  | -                   | -                           |
| Due from other government-federal   | -                                      | -  | -                            | -                              | -  | -                   | -                           |
| Due from other State funds  | -                                      | -  | -                            | -                              | -  | -                   | -                           |
| Due from other Office funds   | -                                      | -  | -                            | -                              | -  | -                   | -                           |
| Inventories   | -                                      | -  | -                            | -                              | -  | -                   | -                           |
| <b>Total assets</b>   | <b>\$ 41</b>                           | <b>\$ 29</b>                                     | <b>\$ 308</b>                | <b>\$ 93</b>                   | <b>\$ 5,077</b>  | <b>\$ 9</b>         | <b>\$ -</b>                 |
| <b>LIABILITIES</b>  |  |  |                              |                                |  |                     |                             |
| Accounts payable and accrued liabilities                                  | - \$                                   | - \$   | - \$                         | 62                             | 44   | -                   | -                           |
| Due to other government-Federal   | -                                      | -  | -                            | -                              | 3  | -                   | -                           |
| Due to other government-Local   | -                                      | -  | -                            | -                              | -  | -                   | -                           |
| Due to other State funds  | -                                      | -  | -                            | -                              | -  | -                   | -                           |
| Due to other State Fiduciary funds  | -                                      | -  | -                            | -                              | 38   | -                   | -                           |
| Due to other Office funds   | -                                      | -  | -                            | -                              | -  | -                   | -                           |
| Due to State of Illinois component units                                  | -                                      | -  | -                            | -                              | -  | -                   | -                           |
| Unearned revenue  | -                                      | 8  | 41                           | -                              | -  | -                   | -                           |
| Obligations under securities lending of State Treasurer                   | -                                      | -  | -                            | -                              | -  | -                   | -                           |
| <b>Total liabilities</b>  | <b>-</b>                               | <b>8</b>   | <b>41</b>                    | <b>62</b>                      | <b>85</b>  | <b>-</b>            | <b>-</b>                    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |  |  |                              |                                |  |                     |                             |
| Unavailable revenue   | -                                      | -  | -                            | -                              | -  | -                   | -                           |
| <b>Total liabilities and deferred inflows of resources</b>                | <b>-</b>                               | <b>8</b>   | <b>41</b>                    | <b>62</b>                      | <b>85</b>  | <b>-</b>            | <b>-</b>                    |
| <b>FUND BALANCES (DEFICITS)</b>   |  |  |                              |                                |  |                     |                             |
| Nonspendable  | -                                      | -  | -                            | -                              | -  | -                   | -                           |
| Inventories   | -                                      | -  | -                            | -                              | -  | -                   | -                           |
| Restricted for:   |  |  |                              |                                |  |                     |                             |
| General government  | 41                                     | -  | -                            | 31                             | 4,992  | 9                   | -                           |
| Committed to:   |  |  |                              |                                |  |                     |                             |
| General government  | -                                      | 21   | 267                          | -                              | -  | -                   | -                           |
| Capital projects  | -                                      | -  | -                            | -                              | -  | -                   | -                           |
| <b>Total fund balances</b>  | <b>41</b>                              | <b>21</b>  | <b>267</b>                   | <b>31</b>                      | <b>4,992</b>   | <b>9</b>            | <b>-</b>                    |
| <b>Total liabilities, deferred inflows of resources and fund balances</b> | <b>\$ 41</b>                           | <b>\$ 29</b>                                     | <b>\$ 308</b>                | <b>\$ 93</b>                   | <b>\$ 5,077</b>  | <b>\$ 9</b>         | <b>\$ -</b>                 |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Balance Sheet -**  
**Non-major Governmental Funds**  
 June 30, 2020 (Expressed in Thousands)

|   |              | Special Revenue  |              |                               |                                   |   |                       |                    |
|---|--------------|--|--------------|-------------------------------|-----------------------------------|---|-----------------------|--------------------|
|   |              | Illinois Professional Golfers Association Junior Golf 0463 |              | Boy Scout and Girl Scout 0464 | Agriculture in the Classroom 0466 | Sheet Metal Workers Int'l Assoc. of Illinois 0468 | Library Services 0470 | State Library 0471 |
| Ovarian Cancer Awareness 0459   | \$           | -  | -            | -                             | -                                 | -   | -                     | -                  |
| Unexpended appropriations   | 15           | 67   | 22           | 74                            | -                                 | -   | -                     | 20                 |
| Cash equity with State Treasurer  | -            | -  | -            | -                             | -                                 | -   | 35                    | -                  |
| Cash and cash equivalents   | -            | -  | -            | -                             | -                                 | -   | -                     | -                  |
| Securities lending collateral of State Treasurer                          | -            | -  | -            | -                             | -                                 | -   | -                     | 1                  |
| Other receivables, net  | -            | -  | -            | -                             | -                                 | -   | 36                    | -                  |
| Due from other government-federal   | -            | -  | -            | -                             | -                                 | -   | -                     | -                  |
| Due from other State funds  | -            | -  | -            | -                             | -                                 | -   | -                     | -                  |
| Due from other Office funds   | -            | -  | -            | -                             | -                                 | -   | -                     | -                  |
| Inventories   | -            | -  | -            | -                             | -                                 | -   | -                     | -                  |
| <b>Total assets</b>   | <b>\$ 15</b> | <b>\$ 67</b>   | <b>\$ 22</b> | <b>\$ 74</b>                  | <b>\$ 26</b>                      | <b>\$ 71</b>                                      | <b>\$ 21</b>          | <b>\$ 21</b>       |
| <b>LIABILITIES</b>  |              |  |              |                               |                                   |   |                       |                    |
| Accounts payable and accrued liabilities                                  | 14           | 60   | -            | 10                            | 6                                 | 25  | 1                     | -                  |
| Due to other government-Federal   | -            | -  | -            | -                             | -                                 | 35  | -                     | -                  |
| Due to other government-Local   | -            | -  | -            | -                             | -                                 | -   | -                     | -                  |
| Due to other State funds  | -            | -  | -            | -                             | -                                 | -   | -                     | -                  |
| Due to other State Fiduciary funds  | -            | -  | -            | -                             | -                                 | -   | -                     | -                  |
| Due to other Office funds   | -            | -  | -            | -                             | -                                 | 11  | -                     | -                  |
| Due to State of Illinois component units                                  | -            | 2  | 1            | 4                             | -                                 | -   | -                     | -                  |
| Unearned revenue  | -            | -  | -            | -                             | -                                 | -   | -                     | -                  |
| Obligations under securities lending of State Treasurer                   | -            | -  | -            | -                             | -                                 | -   | -                     | -                  |
| <b>Total liabilities</b>  | <b>14</b>    | <b>62</b>  | <b>1</b>     | <b>14</b>                     | <b>6</b>                          | <b>71</b>   | <b>1</b>              | <b>21</b>          |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |              |  |              |                               |                                   |   |                       |                    |
| Unavailable revenue   | -            | -  | -            | -                             | -                                 | -   | -                     | -                  |
| <b>Total liabilities and deferred inflows of resources</b>                | <b>14</b>    | <b>62</b>  | <b>1</b>     | <b>14</b>                     | <b>6</b>                          | <b>71</b>   | <b>1</b>              | <b>21</b>          |
| <b>FUND BALANCES (DEFICITS)</b>   |              |  |              |                               |                                   |   |                       |                    |
| Nonspendable  | -            | -  | -            | -                             | -                                 | -   | -                     | -                  |
| Inventories   | -            | -  | -            | -                             | -                                 | -   | -                     | -                  |
| Restricted for:   |              |  |              |                               |                                   |   |                       |                    |
| General government  | 1            | 5  | 21           | 60                            | 20                                | -   | -                     | -                  |
| Committed to:   |              |  |              |                               |                                   |   |                       |                    |
| General government  | -            | -  | -            | -                             | -                                 | -   | -                     | 20                 |
| Capital projects  | -            | -  | -            | -                             | -                                 | -   | -                     | -                  |
| <b>Total fund balances</b>  | <b>1</b>     | <b>5</b>   | <b>21</b>    | <b>60</b>                     | <b>20</b>                         | <b>-</b>  | <b>-</b>              | <b>20</b>          |
| <b>Total liabilities, deferred inflows of resources and fund balances</b> | <b>\$ 15</b> | <b>\$ 67</b>   | <b>\$ 22</b> | <b>\$ 74</b>                  | <b>\$ 26</b>                      | <b>\$ 71</b>                                      | <b>\$ 21</b>          | <b>\$ 21</b>       |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Balance Sheet -**  
**Non-major Governmental Funds**  
 June 30, 2020 (Expressed in Thousands)

|   | Special Revenue   |  |                         |                   |  |                                 |                         |
|---|---|--|-------------------------|-------------------|--|---------------------------------|-------------------------|
|   | Secretary of State Identification and Theft Prevention 0480 | Secretary of State Special Services 0483 | Support Our Troops 0496 | Master Mason 0508 | Renewable Energy Resources Trust Fund 0564 | Off Highway Vehicle Trails 0574 | Pan Hellenic Trust 0584 |
| <b>ASSETS</b>   |   |  |                         |                   |  |                                 |                         |
| Unexpended appropriations   | \$ -  | \$ -                                     | \$ -                    | \$ -              | \$ -                                       | \$ -                            | \$ -                    |
| Cash equity with State Treasurer  | 28,171  | 14,073                                   | 37                      | 8                 | -  | 54                              | 174                     |
| Cash and cash equivalents   | -   | -  | -                       | -                 | -  | -                               | -                       |
| Securities lending collateral of State Treasurer                          | -   | -  | -                       | -                 | -  | -                               | -                       |
| Other receivables, net  | -   | -  | -                       | -                 | -  | -                               | -                       |
| Due from other government-federal   | 102   | -  | -                       | -                 | -  | -                               | -                       |
| Due from other State funds  | -   | -  | -                       | -                 | -  | -                               | -                       |
| Due from other Office funds   | -   | 35                                       | -                       | -                 | -  | -                               | -                       |
| Inventories   | -   | -  | -                       | -                 | -  | -                               | -                       |
| <b>Total assets</b>   | <b>\$ 28,273</b>  | <b>\$ 14,108</b>                         | <b>\$ 37</b>            | <b>\$ 8</b>       | <b>\$ -</b>                                | <b>\$ 54</b>                    | <b>\$ 174</b>           |
| <b>LIABILITIES</b>  |   |  |                         |                   |  |                                 |                         |
| Accounts payable and accrued liabilities                                  | \$ 1,086  | \$ 382                                   | \$ -                    | \$ 4              | \$ -                                       | \$ -                            | \$ 52                   |
| Due to other government-Federal   | 2   | 3  | -                       | -                 | -  | -                               | -                       |
| Due to other government-Local   | -   | -  | -                       | -                 | -  | -                               | -                       |
| Due to other State funds  | -   | 308                                      | -                       | -                 | -  | -                               | -                       |
| Due to other State Fiduciary funds  | 23  | -  | -                       | -                 | -  | -                               | -                       |
| Due to other Office funds   | -   | 225                                      | -                       | -                 | -  | -                               | -                       |
| Due to State of Illinois component units                                  | -   | -  | -                       | -                 | -  | -                               | -                       |
| Unearned revenue  | -   | -  | 1                       | 1                 | -  | -                               | 2                       |
| Obligations under securities lending of State Treasurer                   | -   | -  | -                       | -                 | -  | -                               | -                       |
| <b>Total liabilities</b>  | <b>1,111</b>  | <b>918</b>                               | <b>1</b>                | <b>5</b>          | <b>-</b>                                   | <b>-</b>                        | <b>54</b>               |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |   |  |                         |                   |  |                                 |                         |
| Unavailable revenue   | 24  | -  | -                       | -                 | -  | -                               | -                       |
| <b>Total liabilities and deferred inflows of resources</b>                | <b>1,135</b>  | <b>918</b>                               | <b>1</b>                | <b>5</b>          | <b>-</b>                                   | <b>-</b>                        | <b>54</b>               |
| <b>FUND BALANCES (DEFICITS)</b>   |   |  |                         |                   |  |                                 |                         |
| Nonspendable  | -   | -  | -                       | -                 | -  | -                               | -                       |
| Inventories   | -   | -  | -                       | -                 | -  | -                               | -                       |
| Restricted for:   |   |  |                         |                   |  |                                 |                         |
| General government  | -   | -  | 36                      | 3                 | -  | -                               | 120                     |
| Committed to:   |   |  |                         |                   |  |                                 |                         |
| General government  | 27,138  | 13,190                                   | -                       | -                 | -  | 54                              | -                       |
| Capital projects  | -   | -  | -                       | -                 | -  | -                               | -                       |
| <b>Total fund balances</b>  | <b>27,138</b>   | <b>13,190</b>                            | <b>36</b>               | <b>3</b>          | <b>-</b>                                   | <b>54</b>                       | <b>120</b>              |
| <b>Total liabilities, deferred inflows of resources and fund balances</b> | <b>\$ 28,273</b>  | <b>\$ 14,108</b>                         | <b>\$ 37</b>            | <b>\$ 8</b>       | <b>\$ -</b>                                | <b>\$ 54</b>                    | <b>\$ 174</b>           |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Balance Sheet -**  
**Non-major Governmental Funds**  
 June 30, 2020 (Expressed in Thousands)

|   |          | Special Revenue               |                                    |                           |           |                             |                                    |  |
|---|----------|-------------------------------|------------------------------------|---------------------------|-----------|-----------------------------|------------------------------------|--|
|   |          | Professional Sports Education | Illinois Route 66 Heritage Project | Police Memorial Committee | Mammogram | Motor Vehicle License Plate | Chicago Police Memorial Foundation |  |
|   |          | 0587                          | 0594                               | 0598                      | 0599      | 0622                        | 0639                               |  |
| Park District Youth Program   | 0585     |                               |                                    |                           |           |                             |                                    |  |
| Unexpended appropriations   | \$ -     | \$ -                          | \$ -                               | \$ -                      | \$ -      | \$ -                        | \$ -                               |  |
| Cash equity with State Treasurer  | 7        | 795                           | 78                                 | 466                       | 58        | 18,705                      | 441                                |  |
| Cash and cash equivalents   | -        | -                             | -                                  | -                         | -         | -                           | -                                  |  |
| Securities lending collateral of State Treasurer                          | -        | -                             | -                                  | -                         | -         | -                           | -                                  |  |
| Other receivables, net  | -        | -                             | -                                  | -                         | -         | -                           | -                                  |  |
| Due from other government-federal   | -        | -                             | -                                  | -                         | -         | -                           | -                                  |  |
| Due from other State funds  | -        | 24                            | -                                  | 78                        | -         | 40                          | 78                                 |  |
| Due from other Office funds   | -        | -                             | -                                  | -                         | -         | -                           | -                                  |  |
| Inventories   | -        | -                             | -                                  | -                         | -         | 1,338                       | -                                  |  |
| <b>Total assets</b>   | <b>7</b> | <b>819</b>                    | <b>78</b>                          | <b>544</b>                | <b>58</b> | <b>20,083</b>               | <b>519</b>                         |  |
| <b>LIABILITIES</b>  |          |                               |                                    |                           |           |                             |                                    |  |
| Accounts payable and accrued liabilities                                  | \$ 6     | \$ -                          | \$ 25                              | \$ 42                     | \$ 45     | \$ 926                      | \$ -                               |  |
| Due to other government-Federal   | -        | -                             | -                                  | -                         | -         | 8                           | -                                  |  |
| Due to other government-Local   | -        | -                             | -                                  | -                         | -         | 2                           | -                                  |  |
| Due to other State funds  | -        | -                             | -                                  | -                         | -         | 61                          | -                                  |  |
| Due to other State Fiduciary funds  | -        | -                             | -                                  | -                         | -         | 23                          | -                                  |  |
| Due to other Office funds   | -        | 775                           | -                                  | -                         | -         | -                           | -                                  |  |
| Due to State of Illinois component units                                  | -        | -                             | -                                  | -                         | -         | -                           | -                                  |  |
| Unearned revenue  | 1        | 44                            | 6                                  | 4                         | 3         | -                           | 1                                  |  |
| Obligations under securities lending of State Treasurer                   | -        | -                             | -                                  | -                         | -         | -                           | -                                  |  |
| <b>Total liabilities</b>  | <b>7</b> | <b>819</b>                    | <b>31</b>                          | <b>46</b>                 | <b>48</b> | <b>1,020</b>                | <b>1</b>                           |  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |          |                               |                                    |                           |           |                             |                                    |  |
| Unavailable revenue   | -        | -                             | -                                  | -                         | -         | -                           | -                                  |  |
| <b>Total liabilities and deferred inflows of resources</b>                | <b>7</b> | <b>819</b>                    | <b>31</b>                          | <b>46</b>                 | <b>48</b> | <b>1,020</b>                | <b>1</b>                           |  |
| <b>FUND BALANCES (DEFICITS)</b>   |          |                               |                                    |                           |           |                             |                                    |  |
| Nonspendable  | -        | -                             | -                                  | -                         | -         | 1,338                       | -                                  |  |
| Inventories   | -        | -                             | -                                  | -                         | -         | -                           | -                                  |  |
| Restricted for:   | -        | -                             | 47                                 | 498                       | 10        | -                           | 518                                |  |
| General government  | -        | -                             | -                                  | -                         | -         | -                           | -                                  |  |
| Committed to:   | -        | -                             | -                                  | -                         | -         | 17,725                      | -                                  |  |
| General government  | -        | -                             | -                                  | -                         | -         | -                           | -                                  |  |
| Capital projects  | -        | -                             | 47                                 | 498                       | 10        | 19,063                      | 518                                |  |
| <b>Total fund balances</b>  | <b>7</b> | <b>819</b>                    | <b>78</b>                          | <b>544</b>                | <b>58</b> | <b>20,083</b>               | <b>519</b>                         |  |
| <b>Total liabilities, deferred inflows of resources and fund balances</b> | <b>7</b> | <b>819</b>                    | <b>78</b>                          | <b>544</b>                | <b>58</b> | <b>20,083</b>               | <b>519</b>                         |  |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Balance Sheet -**  
**Non-major Governmental Funds**  
 June 30, 2020 (Expressed in Thousands)

|   | Special Revenue                           |  |                                  |   |                                   |  |                                     |  |
|---|---|--|----------------------------------|---|-----------------------------------|--|-------------------------------------|--|
|   | Illinois<br>Police<br>Association<br>0655 | Octave<br>Chanute Aero<br>Heritage<br>0662 | Organ Donor<br>Awareness<br>0716 | Secretary of<br>State DUI<br>Administration<br>0732 | Secretary of<br>State DUI<br>0758 | Secretary of<br>State Police<br>Services<br>0759 | Marine Corps<br>Scholarship<br>0760 |  |
| <b>ASSETS</b>   |   |  |                                  |   |                                   |  |                                     |  |
| Unexpended appropriations   | \$ -                                      | \$ -                                       | \$ -                             | \$ -  | \$ -                              | \$ -   | \$ -                                |  |
| Cash equity with State Treasurer  | 68  | 32   | 81                               | 5,315   | 11                                | 418  | 96                                  |  |
| Cash and cash equivalents   | -   | -  | -                                | -   | -                                 | -  | -                                   |  |
| Securities lending collateral of State Treasurer                          | -   | -  | -                                | -   | -                                 | -  | -                                   |  |
| Other receivables, net  | -   | -  | -                                | -   | -                                 | -  | -                                   |  |
| Due from other government-federal   | -   | -  | -                                | -   | -                                 | -  | -                                   |  |
| Due from other State funds  | -   | -  | -                                | -   | -                                 | -  | -                                   |  |
| Due from other Office funds   | -   | -  | -                                | -   | -                                 | -  | -                                   |  |
| Inventories   | -   | -  | -                                | -   | -                                 | -  | -                                   |  |
| <b>Total assets</b>   | <b>\$ 68</b>                              | <b>\$ 32</b>                               | <b>\$ 81</b>                     | <b>\$ 5,315</b>                                     | <b>\$ 11</b>                      | <b>\$ 418</b>                                    | <b>\$ 96</b>                        |  |
| <b>LIABILITIES</b>  |   |  |                                  |   |                                   |  |                                     |  |
| Accounts payable and accrued liabilities                                  | \$ -                                      | \$ -                                       | \$ 25                            | \$ 101  | \$ -                              | \$ 27  | \$ 25                               |  |
| Due to other government-Federal   | -   | -  | -                                | 2   | -                                 | -  | -                                   |  |
| Due to other government-Local   | -   | -  | -                                | -   | -                                 | -  | -                                   |  |
| Due to other State funds  | -   | -  | -                                | 22  | -                                 | -  | -                                   |  |
| Due to other State Fiduciary funds  | -   | -  | -                                | 18  | -                                 | 1  | -                                   |  |
| Due to other Office funds   | -   | -  | -                                | -   | -                                 | -  | -                                   |  |
| Due to State of Illinois component units                                  | -   | -  | -                                | -   | -                                 | -  | -                                   |  |
| Unearned revenue  | 3   | 1  | 4                                | -   | -                                 | -  | 4                                   |  |
| Obligations under securities lending of State Treasurer                   | -   | -  | -                                | -   | -                                 | -  | -                                   |  |
| <b>Total liabilities</b>  | <b>3</b>                                  | <b>1</b>                                   | <b>29</b>                        | <b>143</b>  | <b>-</b>                          | <b>28</b>  | <b>29</b>                           |  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |   |  |                                  |   |                                   |  |                                     |  |
| Unavailable revenue   | -   | -  | -                                | -   | -                                 | -  | -                                   |  |
| <b>Total liabilities and deferred inflows of resources</b>                | <b>3</b>                                  | <b>1</b>                                   | <b>29</b>                        | <b>143</b>  | <b>-</b>                          | <b>28</b>  | <b>29</b>                           |  |
| <b>FUND BALANCES (DEFICITS)</b>   |   |  |                                  |   |                                   |  |                                     |  |
| Nonspendable  | -   | -  | -                                | -   | -                                 | -  | -                                   |  |
| Inventories   | -   | -  | -                                | -   | -                                 | -  | -                                   |  |
| Restricted for:   |   |  |                                  |   |                                   |  |                                     |  |
| General government  | 65  | 31   | -                                | -   | 11                                | -  | -                                   |  |
| Committed to:   |   |  |                                  |   |                                   |  |                                     |  |
| General government  | -   | -  | 52                               | 5,172   | -                                 | 390  | 67                                  |  |
| Capital projects  | -   | -  | -                                | -   | -                                 | -  | -                                   |  |
| <b>Total fund balances</b>  | <b>65</b>                                 | <b>31</b>                                  | <b>52</b>                        | <b>5,172</b>  | <b>11</b>                         | <b>390</b>                                       | <b>67</b>                           |  |
| <b>Total liabilities, deferred inflows of resources and fund balances</b> | <b>\$ 68</b>                              | <b>\$ 32</b>                               | <b>\$ 81</b>                     | <b>\$ 5,315</b>                                     | <b>\$ 11</b>                      | <b>\$ 418</b>                                    | <b>\$ 96</b>                        |  |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Balance Sheet -**  
**Non-major Governmental Funds**  
 June 30, 2020 (Expressed in Thousands)

|   |    | Special Revenue                         |   |   |                     |                                  |                                |                      |
|---|----|---|---|---|---------------------|----------------------------------|--------------------------------|----------------------|
|   |    | State Parking Facility Maintenance 0782 | Illinois EMS Memorial Scholarship and Training 0800 | International Brotherhood of Teamsters 0803 | Share the Road 0854 | Cycle Rider Safety Training 0863 | Fraternal Order of Police 0867 | Ducks Unlimited 0918 |
| <b>ASSETS</b>   |    |   |   |   |                     |                                  |                                |                      |
| Unexpended appropriations   | \$ | 1                                       | \$ -  | \$ -  | \$ -                | \$ -                             | \$ -                           | \$ -                 |
| Cash equity with State Treasurer  | 1  | 1                                       | 12  | 5   | 23                  | 647                              | 8                              | 16                   |
| Cash and cash equivalents   | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| Securities lending collateral of State Treasurer                          | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| Other receivables, net  | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| Due from other government-federal   | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| Due from other State funds  | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| Due from other Office funds   | -  | -                                       | -   | -   | -                   | 1                                | -                              | -                    |
| Inventories   | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| <b>Total assets</b>   | \$ | 2                                       | \$ 12   | \$ 5  | \$ 23               | \$ 648                           | \$ 8                           | \$ 16                |
| <b>LIABILITIES</b>  |    |   |   |   |                     |                                  |                                |                      |
| Accounts payable and accrued liabilities                                  | \$ | 1                                       | \$ -  | \$ -  | \$ 10               | \$ -                             | \$ 3                           | \$ -                 |
| Due to other government-Federal   | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| Due to other government-Local   | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| Due to other State funds  | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| Due to other State Fiduciary funds  | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| Due to other Office funds   | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| Due to State of Illinois component units                                  | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| Unearned revenue  | -  | -                                       | -   | -   | 2                   | 94                               | -                              | 1                    |
| Obligations under securities lending of State Treasurer                   | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| <b>Total liabilities</b>  |    | 1                                       | -   | -   | 12                  | 94                               | 3                              | 1                    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |    |   |   |   |                     |                                  |                                |                      |
| Unavailable revenue   | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| <b>Total liabilities and deferred inflows of resources</b>                |    | 1                                       | -   | -   | 12                  | 94                               | 3                              | 1                    |
| <b>FUND BALANCES (DEFICITS)</b>   |    |   |   |   |                     |                                  |                                |                      |
| Nonspendable  | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| Inventories   | -  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| Restricted for:   |    |   |   |   |                     |                                  |                                |                      |
| General government  | -  | -                                       | 12  | 5   | 11                  | -                                | 5                              | 15                   |
| Committed to:   |    |   |   |   |                     |                                  |                                |                      |
| General government  | -  | -                                       | -   | -   | -                   | 554                              | -                              | -                    |
| Capital projects  | 1  | -                                       | -   | -   | -                   | -                                | -                              | -                    |
| <b>Total fund balances</b>  |    | 1                                       | 12  | 5   | 11                  | 554                              | 5                              | 15                   |
| <b>Total liabilities, deferred inflows of resources and fund balances</b> | \$ | 2                                       | \$ 12   | \$ 5  | \$ 23               | \$ 648                           | \$ 8                           | \$ 16                |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Balance Sheet -**  
**Non-major Governmental Funds**  
June 30, 2020 (Expressed in Thousands)

|   | Special Revenue               |  | Capital Projects         |                                 |                          |  |                   | Total |
|---|-------------------------------|--|--------------------------|---------------------------------|--------------------------|--|-------------------|-------|
|   | Secretary of State Grant 0948 | Secretary of State Antique Vehicle Show 1390 | Capital Development 0141 | State Construction Account 0902 | Build Illinois Bond 0971 |  |                   |       |
| <b>ASSETS</b>   |                               |  |                          |                                 |                          |  |                   |       |
| Unexpended appropriations   | \$ -                          | \$ -   | \$ 29                    | \$ -                            | \$ 250                   |  | \$ 911            |       |
| Cash equity with State Treasurer  | 307                           | -  | -                        | 66,602                          | -                        |  | 350,498           |       |
| Cash and cash equivalents   | -                             | 14   | -                        | -                               | -                        |  | 14                |       |
| Securities lending collateral of State Treasurer                          | -                             | -  | -                        | -                               | -                        |  | 11,713            |       |
| Other receivables, net  | -                             | -  | -                        | 965                             | -                        |  | 2,760             |       |
| Due from other government-federal   | -                             | -  | -                        | -                               | -                        |  | 138               |       |
| Due from other State funds  | -                             | -  | -                        | -                               | -                        |  | 234               |       |
| Due from other Office funds   | -                             | -  | -                        | 7,746                           | -                        |  | 13,184            |       |
| Inventories   | -                             | -  | -                        | -                               | -                        |  | 3,779             |       |
| <b>Total assets</b>   | <b>\$ 307</b>                 | <b>\$ 14</b>                                 | <b>\$ 29</b>             | <b>\$ 75,313</b>                | <b>\$ 250</b>            |  | <b>\$ 383,231</b> |       |
| <b>LIABILITIES</b>  |                               |  |                          |                                 |                          |  |                   |       |
| Accounts payable and accrued liabilities                                  | \$ 1                          | \$ 8   | \$ 29                    | \$ -                            | \$ 250                   |  | \$ 4,950          |       |
| Due to other government-Federal   | -                             | -  | -                        | -                               | -                        |  | 87                |       |
| Due to other government-Local   | -                             | -  | -                        | -                               | -                        |  | 2                 |       |
| Due to other State funds  | -                             | -  | -                        | -                               | -                        |  | 462               |       |
| Due to other State Fiduciary funds  | -                             | -  | -                        | -                               | -                        |  | 504               |       |
| Due to other Office funds   | -                             | -  | -                        | 254                             | -                        |  | 14,479            |       |
| Due to State of Illinois component units                                  | -                             | -  | -                        | -                               | -                        |  | 20                |       |
| Unearned revenue  | -                             | -  | -                        | 6,416                           | -                        |  | 26,594            |       |
| Obligations under securities lending of State Treasurer                   | -                             | -  | -                        | -                               | -                        |  | 11,713            |       |
| <b>Total liabilities</b>  | <b>1</b>                      | <b>8</b>                                     | <b>29</b>                | <b>6,670</b>                    | <b>250</b>               |  | <b>58,811</b>     |       |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |                               |  |                          |                                 |                          |  |                   |       |
| Unavailable revenue   | -                             | -  | -                        | -                               | -                        |  | 24                |       |
| <b>Total liabilities and deferred inflows of resources</b>                | <b>1</b>                      | <b>8</b>                                     | <b>29</b>                | <b>6,670</b>                    | <b>250</b>               |  | <b>58,835</b>     |       |
| <b>FUND BALANCES (DEFICITS)</b>   |                               |  |                          |                                 |                          |  |                   |       |
| Nonspendable  | -                             | -  | -                        | -                               | -                        |  | 3,779             |       |
| Inventories   | -                             | -  | -                        | -                               | -                        |  | -                 |       |
| Restricted for:   |                               |  |                          |                                 |                          |  |                   |       |
| General government  | -                             | 6  | -                        | -                               | -                        |  | 12,873            |       |
| Committed to:   |                               |  |                          |                                 |                          |  |                   |       |
| General government  | 306                           | -  | -                        | -                               | -                        |  | 239,100           |       |
| Capital projects  | -                             | -  | -                        | 68,643                          | -                        |  | 68,644            |       |
| <b>Total fund balances</b>  | <b>306</b>                    | <b>6</b>                                     | <b>-</b>                 | <b>68,643</b>                   | <b>-</b>                 |  | <b>324,396</b>    |       |
| <b>Total liabilities, deferred inflows of resources and fund balances</b> | <b>\$ 307</b>                 | <b>\$ 14</b>                                 | <b>\$ 29</b>             | <b>\$ 75,313</b>                | <b>\$ 250</b>            |  | <b>\$ 383,231</b> |       |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Non-major Governmental Funds**

For the Year Ended June 30, 2020 (Expressed in Thousands)

|  | Special Revenue    |                           |                                  |  |                              |  |  |
|--|--------------------|---------------------------|----------------------------------|--|------------------------------|--|--|
|  | Road<br>0011       | Motor Fuel<br>Tax<br>0012 | Alzheimer's<br>Awareness<br>0020 | Illinois<br>Nurses<br>Foundation<br>0028 | Drivers<br>Education<br>0031 | Illinois<br>Sheriffs'<br>Scholarship<br>& Training<br>0032 | Illinois State<br>Police<br>Memorial<br>Park<br>0034 |
| <b>REVENUES</b>  |                    |                           |                                  |  |                              |  |  |
| Federal government   |                    |                           |                                  |  |                              |  |  |
| Licenses and fees  | \$ 1,177,277       |                           | 14                               | 25                                       | 10,061                       | 5  | 29   |
| Interest and other investment income                             |                    |                           |                                  |  |                              |  |  |
| Other charges for services                                       |                    |                           |                                  |  |                              |  |  |
| Other revenues   |                    |                           |                                  |  |                              |  |  |
| <b>Total revenues</b>  | <b>1,177,277</b>   | <b>14</b>                 | <b>25</b>                        | <b>10,061</b>                            | <b>5</b>                     | <b>29</b>  |  |
| <b>EXPENDITURES</b>  |                    |                           |                                  |  |                              |  |  |
| General government   | 2                  | 1,300                     | 5                                | 20                                       |                              | 1  | 20   |
| Debt service - principal   |                    |                           |                                  |  |                              |  |  |
| Debt service - interest  |                    |                           |                                  |  |                              |  |  |
| Capital outlays  |                    |                           |                                  |  |                              |  |  |
| <b>Total expenditures</b>  | <b>2</b>           | <b>1,300</b>              | <b>5</b>                         | <b>20</b>                                | <b>1</b>                     | <b>20</b>  |  |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>1,177,275</b>   | <b>(1,300)</b>            | <b>9</b>                         | <b>5</b>                                 | <b>10,061</b>                | <b>4</b>   | <b>9</b>   |
| <b>OTHER SOURCES (USES) OF FINANCIAL RESOURCES</b>               |                    |                           |                                  |  |                              |  |  |
| Appropriations from State resources                              | 2,500              | 1,300                     |                                  |  |                              |  |  |
| Lapsed appropriations  | (844)              |                           |                                  |  |                              |  |  |
| Receipts collected and transmitted to State Treasury             | (1,119,196)        |                           |                                  |  | (9,797)                      |  |  |
| Capital lease and installment purchase acquisitions              |                    |                           |                                  |  |                              |  |  |
| Transfers-in   |                    |                           |                                  |  |                              |  | 472  |
| Transfers-out  |                    |                           |                                  |  |                              |  |  |
| <b>Net other sources (uses) of financial resources</b>           | <b>(1,117,540)</b> | <b>1,300</b>              | <b>-</b>                         | <b>-</b>                                 | <b>(9,797)</b>               | <b>-</b>   | <b>472</b>   |
| <b>Net change in fund balances</b>                               | <b>59,735</b>      | <b>-</b>                  | <b>9</b>                         | <b>5</b>                                 | <b>264</b>                   | <b>4</b>   | <b>481</b>   |
| Fund balances (deficits), July 1, 2019                           | 48,716             |                           | 3                                | 4  | 780                          | 5  | 39   |
| Increase (decrease) for changes in inventories                   |                    |                           |                                  |  |                              |  |  |
| <b>FUND BALANCES (DEFICITS), JUNE 30, 2020</b>                   | <b>\$ 108,451</b>  | <b>\$ -</b>               | <b>12</b>                        | <b>9</b>                                 | <b>\$ 1,044</b>              | <b>\$ 9</b>  | <b>\$ 520</b>  |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Non-major Governmental Funds**

For the Year Ended June 30, 2020 (Expressed in Thousands)

|  | Special Revenue                           |   |                            |  |   |  |              |
|--|---|---|----------------------------|--|---|--|--------------|
|  | Lobbyist Registration Administration 0044 | Accessible Electronic Information Services 0106 | CDLIS/AAMVA Net Trust 0109 | Motor Vehicle Theft Prevention & Insurance Verification 0156 | Registered Limited Liability Partnership 0167 | Secretary of State Federal Projects 0176 |              |
| <b>REVENUES</b>  |   |   |                            |  |   |  |              |
| Federal government   | \$ -                                      | \$ -  | \$ -                       | \$ -   | \$ -  | \$ -                                     | 79           |
| Licenses and fees  | 1,197                                     | -   | 4,297                      | 6,970  | 578   | -  | -            |
| Interest and other investment income                             | -   | -   | -                          | 322  | -   | -  | -            |
| Other charges for services                                       | -   | -   | -                          | -  | -   | -  | -            |
| Other revenues   | 103                                       | -   | -                          | -  | -   | -  | -            |
| <b>Total revenues</b>  | <b>1,300</b>                              | <b>-</b>  | <b>4,297</b>               | <b>7,292</b>   | <b>578</b>                                    | <b>-</b>                                 | <b>79</b>    |
| <b>EXPENDITURES</b>  |   |   |                            |  |   |  |              |
| General government   | 1,021                                     | -   | 4,420                      | 7,518  | 39  | -  | 79           |
| Debt service - principal   | -   | -   | -                          | -  | -   | -  | -            |
| Debt service - interest  | -   | -   | -                          | -  | -   | -  | -            |
| Capital outlays  | -   | -   | -                          | -  | -   | -  | -            |
| <b>Total expenditures</b>  | <b>1,021</b>                              | <b>-</b>  | <b>4,420</b>               | <b>7,518</b>   | <b>39</b>                                     | <b>-</b>                                 | <b>79</b>    |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>279</b>                                | <b>-</b>  | <b>(123)</b>               | <b>(226)</b>   | <b>539</b>                                    | <b>-</b>                                 | <b>-</b>     |
| <b>OTHER SOURCES (USES) OF FINANCIAL RESOURCES</b>               |   |   |                            |  |   |  |              |
| Appropriations from State resources                              | -   | -   | -                          | -  | -   | -  | -            |
| Lapsed appropriations  | -   | -   | -                          | -  | -   | -  | -            |
| Receipts collected and transmitted to State Treasury             | -   | -   | -                          | -  | -   | -  | -            |
| Capital lease and installment purchase acquisitions              | -   | -   | -                          | -  | -   | -  | -            |
| Transfers-in   | -   | -   | -                          | -  | -   | -  | -            |
| Transfers-out  | -   | -   | -                          | -  | (518)   | -  | -            |
| <b>Net other sources (uses) of financial resources</b>           | <b>-</b>                                  | <b>-</b>  | <b>-</b>                   | <b>-</b>   | <b>(518)</b>                                  | <b>-</b>                                 | <b>-</b>     |
| <b>Net change in fund balances</b>                               | <b>279</b>                                | <b>-</b>  | <b>(123)</b>               | <b>(226)</b>   | <b>21</b>                                     | <b>-</b>                                 | <b>-</b>     |
| Fund balances (deficits), July 1, 2019                           | 2,408                                     | 2   | 7,285                      | 22,550   | 889   | -  | 59           |
| Increase (decrease) for changes in inventories                   | -   | -   | 408                        | -  | -   | -  | -            |
| <b>FUND BALANCES (DEFICITS), JUNE 30, 2020</b>                   | <b>\$ 2,687</b>                           | <b>\$ 2</b>                                     | <b>\$ 7,570</b>            | <b>\$ 22,324</b>   | <b>\$ 910</b>                                 | <b>\$ 59</b>                             | <b>\$ 59</b> |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balance -**  
**Non-major Governmental Funds**

For the Year Ended June 30, 2020 (Expressed in Thousands)

|  | Special Revenue                        |  |  |                           |   |                                    |
|--|--|--|--|---------------------------|---|------------------------------------|
|  | Driver Services Administration<br>0182 | Secretary of State License Plate<br>0185 | Securities Investors Education<br>0292 | Interagency Grant<br>0295 | Family Financial Responsibility<br>0322 | Motor Vehicle Review Board<br>0323 |
| <b>REVENUES</b>  |  |  |  |                           |   |                                    |
| Federal government   | \$ -                                   | \$ -                                     | \$ -                                   | \$ -                      | \$ -                                    | \$ -                               |
| Licenses and fees  | 1,970                                  | 3,206                                    | -                                      | -                         | 146                                     | 213                                |
| Interest and other investment income                             | -                                      | -  | -                                      | -                         | -                                       | -                                  |
| Other charges for services                                       | -                                      | -  | -                                      | -                         | -                                       | -                                  |
| Other revenues   | -                                      | -  | -                                      | -                         | -                                       | -                                  |
| <b>Total revenues</b>  | <b>1,970</b>                           | <b>3,206</b>                             | <b>-</b>                               | <b>-</b>                  | <b>146</b>                              | <b>213</b>                         |
| <b>EXPENDITURES</b>  |  |  |  |                           |   |                                    |
| General government   | 1,647                                  | 4,042                                    | 212                                    | 72                        | 178                                     | 271                                |
| Debt service - principal   | -                                      | -  | -                                      | -                         | -                                       | -                                  |
| Debt service - interest  | -                                      | -  | -                                      | -                         | -                                       | -                                  |
| Capital outlays  | -                                      | -  | -                                      | -                         | -                                       | -                                  |
| <b>Total expenditures</b>  | <b>1,647</b>                           | <b>4,042</b>                             | <b>212</b>                             | <b>72</b>                 | <b>178</b>                              | <b>271</b>                         |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>323</b>                             | <b>(836)</b>                             | <b>(212)</b>                           | <b>(72)</b>               | <b>(32)</b>                             | <b>(58)</b>                        |
| <b>OTHER SOURCES (USES) OF FINANCIAL RESOURCES</b>               |  |  |  |                           |   |                                    |
| Appropriations from State resources                              | -                                      | -  | -                                      | -                         | -                                       | -                                  |
| Lapsed appropriations  | -                                      | -  | -                                      | -                         | -                                       | -                                  |
| Receipts collected and transmitted to State Treasury             | -                                      | -  | -                                      | -                         | -                                       | -                                  |
| Capital lease and installment purchase acquisitions              | -                                      | -  | -                                      | -                         | -                                       | -                                  |
| Transfers-in   | -                                      | -  | -                                      | -                         | -                                       | -                                  |
| Transfers-out  | -                                      | -  | (1,500)                                | -                         | -                                       | -                                  |
| <b>Net other sources (uses) of financial resources</b>           | <b>-</b>                               | <b>-</b>                                 | <b>(1,500)</b>                         | <b>-</b>                  | <b>-</b>                                | <b>-</b>                           |
| <b>Net change in fund balances</b>                               | <b>323</b>                             | <b>(836)</b>                             | <b>(1,712)</b>                         | <b>(72)</b>               | <b>(32)</b>                             | <b>(58)</b>                        |
| Fund balances (deficits), July 1, 2019                           | 4,383                                  | 4,423                                    | 6,082                                  | 311                       | 376                                     | 134                                |
| Increase (decrease) for changes in inventories                   | -                                      | 135                                      | -                                      | -                         | -                                       | -                                  |
| <b>FUND BALANCES (DEFICITS), JUNE 30, 2020</b>                   | <b>\$ 4,706</b>                        | <b>\$ 3,722</b>                          | <b>\$ 4,370</b>                        | <b>\$ 239</b>             | <b>\$ 344</b>                           | <b>\$ 76</b>                       |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Non-major Governmental Funds**

For the Year Ended June 30, 2020 (Expressed in Thousands)

|  | Special Revenue                       |                         |                                  |                                    |                        |               |   |
|--|---------------------------------------|-------------------------|----------------------------------|------------------------------------|------------------------|---------------|---|
|  | Department of Business Services       |                         |                                  | State College and University Trust |                        | Indigent BAID |   |
|  | Securities Audit and Enforcement 0362 | Special Operations 0363 | Secretary of State Evidence 0374 | 0417                               | Alternative Fuels 0422 | 0451          |   |
| <b>REVENUES</b>  |                                       |                         |                                  |                                    |                        |               |   |
| Federal government   | -                                     | -                       | -                                | -                                  | -                      | -             | - |
| Licenses and fees  | 10,614                                | 16,458                  | -                                | 255                                | 1,680                  | 257           |   |
| Interest and other investment income                             | 293                                   | -                       | -                                | -                                  | -                      | -             |   |
| Other charges for services                                       | -                                     | -                       | -                                | -                                  | -                      | -             |   |
| Other revenues   | -                                     | -                       | 4                                | -                                  | -                      | -             |   |
| <b>Total revenues</b>  | <b>10,907</b>                         | <b>16,458</b>           | <b>4</b>                         | <b>255</b>                         | <b>1,680</b>           | <b>257</b>    |   |
| <b>EXPENDITURES</b>  |                                       |                         |                                  |                                    |                        |               |   |
| General government   | 7,357                                 | 11,095                  | -                                | -                                  | 225                    | 264           |   |
| Debt service - principal   | -                                     | -                       | -                                | -                                  | -                      | -             |   |
| Debt service - interest  | -                                     | -                       | -                                | -                                  | -                      | -             |   |
| Capital outlays  | -                                     | -                       | -                                | -                                  | -                      | -             |   |
| <b>Total expenditures</b>  | <b>7,357</b>                          | <b>11,095</b>           | <b>-</b>                         | <b>-</b>                           | <b>225</b>             | <b>264</b>    |   |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>3,550</b>                          | <b>5,363</b>            | <b>4</b>                         | <b>255</b>                         | <b>1,455</b>           | <b>(7)</b>    |   |
| <b>OTHER SOURCES (USES) OF FINANCIAL RESOURCES</b>               |                                       |                         |                                  |                                    |                        |               |   |
| Appropriations from State resources                              | -                                     | -                       | -                                | -                                  | 225                    | -             |   |
| Lapsed appropriations  | -                                     | -                       | -                                | -                                  | -                      | -             |   |
| Receipts collected and transmitted to State Treasury             | -                                     | -                       | -                                | (241)                              | (1,894)                | -             |   |
| Capital lease and installment purchase acquisitions              | -                                     | -                       | -                                | -                                  | -                      | -             |   |
| Transfers-in   | -                                     | -                       | -                                | -                                  | -                      | -             |   |
| Transfers-out  | (3,500)                               | (3,827)                 | -                                | -                                  | -                      | -             |   |
| <b>Net other sources (uses) of financial resources</b>           | <b>(3,500)</b>                        | <b>(3,827)</b>          | <b>-</b>                         | <b>(241)</b>                       | <b>(1,669)</b>         | <b>-</b>      |   |
| <b>Net change in fund balances</b>                               | <b>50</b>                             | <b>1,536</b>            | <b>4</b>                         | <b>14</b>                          | <b>(214)</b>           | <b>(7)</b>    |   |
| Fund balances (deficits), July 1, 2019                           | 20,050                                | 4,195                   | 37                               | 7                                  | 481                    | 38            |   |
| Increase (decrease) for changes in inventories                   | -                                     | -                       | -                                | -                                  | -                      | -             |   |
| <b>FUND BALANCES (DEFICITS), JUNE 30, 2020</b>                   | <b>\$ 20,100</b>                      | <b>\$ 5,731</b>         | <b>\$ 41</b>                     | <b>\$ 21</b>                       | <b>\$ 267</b>          | <b>\$ 31</b>  |   |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balance -**  
**Non-major Governmental Funds**

For the Year Ended June 30, 2020 (Expressed in Thousands)

|  | Special Revenue                                      |                  |                               |  |                               |                                   |
|--|--|------------------|-------------------------------|--|-------------------------------|-----------------------------------|
|  | Monitoring Device Driving Permit Administration 0453 | Rotary Club 0454 | Ovarian Cancer Awareness 0459 | Illinois Professional Golfers Association Junior Golf 0463 | Boy Scout and Girl Scout 0464 | Agriculture in the Classroom 0466 |
| <b>REVENUES</b>  |  |                  |                               |  |                               |                                   |
| Federal government   | \$ -   | \$ -             | \$ -                          | \$ -   | \$ -                          | \$ -                              |
| Licenses and fees  | 1,756  | 5                | 13                            | 49   | 19                            | 134                               |
| Interest and other investment income                             | -  | -                | -                             | -  | -                             | -                                 |
| Other charges for services                                       | -  | -                | -                             | -  | -                             | -                                 |
| Other revenues   | -  | -                | -                             | -  | -                             | -                                 |
| <b>Total revenues</b>  | <b>1,756</b>   | <b>5</b>         | <b>13</b>                     | <b>49</b>  | <b>19</b>                     | <b>134</b>                        |
| <b>EXPENDITURES</b>  |  |                  |                               |  |                               |                                   |
| General government   | 2,021  | -                | 14                            | 60   | 21                            | 115                               |
| Debt service - principal   | -  | -                | -                             | -  | -                             | -                                 |
| Debt service - interest  | -  | -                | -                             | -  | -                             | -                                 |
| Capital outlays  | -  | -                | -                             | -  | -                             | -                                 |
| <b>Total expenditures</b>  | <b>2,021</b>   | <b>-</b>         | <b>14</b>                     | <b>60</b>  | <b>21</b>                     | <b>115</b>                        |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>(265)</b>   | <b>5</b>         | <b>(1)</b>                    | <b>(11)</b>  | <b>(2)</b>                    | <b>19</b>                         |
| <b>OTHER SOURCES (USES) OF FINANCIAL RESOURCES</b>               |  |                  |                               |  |                               |                                   |
| Appropriations from State resources                              | -  | -                | -                             | -  | -                             | -                                 |
| Lapsed appropriations  | -  | -                | -                             | -  | -                             | -                                 |
| Receipts collected and transmitted to State Treasury             | -  | -                | -                             | -  | -                             | -                                 |
| Capital lease and installment purchase acquisitions              | -  | -                | -                             | -  | -                             | -                                 |
| Transfers-in   | -  | -                | -                             | -  | -                             | -                                 |
| Transfers-out  | -  | -                | -                             | -  | -                             | -                                 |
| <b>Net other sources (uses) of financial resources</b>           | <b>-</b>   | <b>-</b>         | <b>-</b>                      | <b>-</b>   | <b>-</b>                      | <b>-</b>                          |
| <b>Net change in fund balances</b>                               | <b>(265)</b>   | <b>5</b>         | <b>(1)</b>                    | <b>(11)</b>  | <b>(2)</b>                    | <b>19</b>                         |
| Fund balances (deficits), July 1, 2019                           | 5,257  | 4                | 2                             | 16   | 23                            | 41                                |
| Increase (decrease) for changes in inventories                   | -  | -                | -                             | -  | -                             | -                                 |
| <b>FUND BALANCES (DEFICITS), JUNE 30, 2020</b>                   | <b>\$ 4,992</b>                                      | <b>\$ 9</b>      | <b>\$ 1</b>                   | <b>\$ 5</b>  | <b>\$ 21</b>                  | <b>\$ 60</b>                      |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balance -**  
**Non-major Governmental Funds**

For the Year Ended June 30, 2020 (Expressed in Thousands)

|  | Special Revenue   |                             |                          |  |   |                               |                         |
|--|---|-----------------------------|--------------------------|--|---|-------------------------------|-------------------------|
|  | Sheet Metal<br>Workers Int'l<br>Assoc. of<br>Illinois<br>0468 | Library<br>Services<br>0470 | State<br>Library<br>0471 | Secretary of<br>State<br>Identification<br>and Theft<br>Prevention<br>0480 | Secretary of<br>State Special<br>Services<br>0483 | Support<br>Our Troops<br>0496 | Master<br>Mason<br>0508 |
| <b>REVENUES</b>  |   |                             |                          |  |   |                               |                         |
| Federal government   | \$ -  | \$ 4,899                    | \$ -                     | \$ 401   | \$ -  | \$ -                          | \$ -                    |
| Licenses and fees  | 3   | -                           | -                        | -  | 22,949  | 44                            | 36                      |
| Interest and other investment income                                 | -   | -                           | -                        | -  | -   | -                             | -                       |
| Other charges for services   | -   | -                           | 1                        | -  | -   | -                             | -                       |
| Other revenues   | -   | -                           | 8                        | -  | 7   | -                             | -                       |
| <b>Total revenues</b>  | <b>3</b>  | <b>4,899</b>                | <b>9</b>                 | <b>401</b>   | <b>22,956</b>                                     | <b>44</b>                     | <b>36</b>               |
| <b>EXPENDITURES</b>  |   |                             |                          |  |   |                               |                         |
| General government   | 6   | 4,839                       | 3                        | 12,983   | 18,162  | 65                            | 34                      |
| Debt service - principal   | -   | -                           | -                        | -  | 502   | -                             | -                       |
| Debt service - interest  | -   | -                           | -                        | -  | 74  | -                             | -                       |
| Capital outlays  | -   | 60                          | -                        | -  | 51  | -                             | -                       |
| <b>Total expenditures</b>  | <b>6</b>  | <b>4,899</b>                | <b>3</b>                 | <b>12,983</b>  | <b>18,789</b>                                     | <b>65</b>                     | <b>34</b>               |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <b>(3)</b>  | <b>-</b>                    | <b>6</b>                 | <b>(12,582)</b>  | <b>4,167</b>                                      | <b>(21)</b>                   | <b>2</b>                |
| <b>OTHER SOURCES (USES) OF<br/>FINANCIAL RESOURCES</b>               |   |                             |                          |  |   |                               |                         |
| Appropriations from State resources                                  | -   | -                           | -                        | -  | -   | -                             | -                       |
| Lapsed appropriations  | -   | -                           | -                        | -  | -   | -                             | -                       |
| Receipts collected and transmitted to State Treasury                 | -   | -                           | -                        | -  | -   | -                             | -                       |
| Capital lease and installment purchase acquisitions                  | -   | -                           | -                        | -  | -   | -                             | -                       |
| Transfers-in   | -   | -                           | -                        | 8,287  | -   | -                             | -                       |
| Transfers-out  | -   | -                           | -                        | -  | -   | -                             | -                       |
| <b>Net other sources (uses) of<br/>financial resources</b>           | <b>-</b>  | <b>-</b>                    | <b>-</b>                 | <b>8,287</b>   | <b>-</b>  | <b>-</b>                      | <b>-</b>                |
| <b>Net change in fund balances</b>                                   | <b>(3)</b>  | <b>-</b>                    | <b>6</b>                 | <b>(4,295)</b>   | <b>4,167</b>                                      | <b>(21)</b>                   | <b>2</b>                |
| Fund balances (deficits), July 1, 2019                               | 23  | -                           | 14                       | 31,433   | 9,023   | 57                            | 1                       |
| Increase (decrease) for changes in inventories                       | -   | -                           | -                        | -  | -   | -                             | -                       |
| <b>FUND BALANCES (DEFICITS), JUNE 30, 2020</b>                       | <b>\$ 20</b>  | <b>\$ -</b>                 | <b>\$ 20</b>             | <b>\$ 27,138</b>   | <b>\$ 13,190</b>                                  | <b>\$ 36</b>                  | <b>\$ 3</b>             |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balance -**  
**Non-major Governmental Funds**

For the Year Ended June 30, 2020 (Expressed in Thousands)

|  | Special Revenue                 |                         |                                  |                                    |   |                                |
|--|---------------------------------|-------------------------|----------------------------------|------------------------------------|---|--------------------------------|
|  | Off Highway Vehicle Trails 0574 | Pan Hellenic Trust 0584 | Park District Youth Program 0585 | Professional Sports Education 0587 | Illinois Route 66 Heritage Project 0594 | Police Memorial Committee 0598 |
| <b>REVENUES</b>  |                                 |                         |                                  |                                    |   |                                |
| Federal government   | -                               | \$ -                    | \$ -                             | \$ -                               | \$ -                                    | \$ -                           |
| Licenses and fees  | 325                             | 62                      | 28                               | 1,673                              | 200                                     | 181                            |
| Interest and other investment income                             | -                               | -                       | -                                | -                                  | -                                       | -                              |
| Other charges for services                                       | -                               | -                       | -                                | -                                  | -                                       | -                              |
| Other revenues   | -                               | -                       | -                                | -                                  | -                                       | -                              |
| <b>Total revenues</b>  | <b>325</b>                      | <b>62</b>               | <b>28</b>                        | <b>1,673</b>                       | <b>200</b>                              | <b>181</b>                     |
| <b>EXPENDITURES</b>  |                                 |                         |                                  |                                    |   |                                |
| General government   | -                               | 52                      | 28                               | -                                  | 225                                     | 200                            |
| Debt service - principal   | -                               | -                       | -                                | -                                  | -                                       | -                              |
| Debt service - interest  | -                               | -                       | -                                | -                                  | -                                       | -                              |
| Capital outlays  | -                               | -                       | -                                | -                                  | -                                       | -                              |
| <b>Total expenditures</b>  | <b>-</b>                        | <b>52</b>               | <b>28</b>                        | <b>-</b>                           | <b>225</b>                              | <b>200</b>                     |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>325</b>                      | <b>10</b>               | <b>-</b>                         | <b>1,673</b>                       | <b>(25)</b>                             | <b>(19)</b>                    |
| <b>OTHER SOURCES (USES) OF FINANCIAL RESOURCES</b>               |                                 |                         |                                  |                                    |   |                                |
| Appropriations from State resources                              | -                               | -                       | -                                | -                                  | -                                       | -                              |
| Lapsed appropriations  | -                               | -                       | -                                | -                                  | -                                       | -                              |
| Receipts collected and transmitted to State Treasury             | (292)                           | -                       | -                                | -                                  | -                                       | -                              |
| Capital lease and installment purchase acquisitions              | -                               | -                       | -                                | -                                  | -                                       | -                              |
| Transfers-in   | -                               | -                       | -                                | -                                  | -                                       | 472                            |
| Transfers-out  | -                               | -                       | -                                | (1,673)                            | -                                       | -                              |
| <b>Net other sources (uses) of financial resources</b>           | <b>(292)</b>                    | <b>-</b>                | <b>-</b>                         | <b>(1,673)</b>                     | <b>-</b>                                | <b>472</b>                     |
| <b>Net change in fund balances</b>                               | <b>33</b>                       | <b>10</b>               | <b>-</b>                         | <b>-</b>                           | <b>(25)</b>                             | <b>453</b>                     |
| Fund balances (deficits), July 1, 2019                           | 21                              | 110                     | -                                | -                                  | 72                                      | 45                             |
| Increase (decrease) for changes in inventories                   | -                               | -                       | -                                | -                                  | -                                       | -                              |
| <b>FUND BALANCES (DEFICITS), JUNE 30, 2020</b>                   | <b>\$ 54</b>                    | <b>\$ 120</b>           | <b>\$ -</b>                      | <b>\$ -</b>                        | <b>\$ 47</b>                            | <b>\$ 498</b>                  |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balance -**  
**Non-major Governmental Funds**

For the Year Ended June 30, 2020 (Expressed in Thousands)

|  | Special Revenue   |  |   |   |  |                                  |      |
|--|-------------------|--|---|---|--|----------------------------------|------|
|  | Mammogram<br>0599 | Motor Vehicle<br>License Plate<br>0622 | Chicago<br>Police<br>Memorial<br>Foundation<br>0639 | Illinois<br>Police<br>Association<br>0655 | Octave<br>Chanute Aero<br>Heritage<br>0662 | Organ Donor<br>Awareness<br>0716 |      |
| <b>REVENUES</b>  |                   |  |   |   |  |                                  |      |
| Federal government   | -                 | -                                      | -   | -   | -  | -                                | \$ - |
| Licenses and fees  | 108               | 10,792                                 | 44  | 108                                       | 30   | 129                              |      |
| Interest and other investment income                             | -                 | -                                      | -   | -   | -  | -                                |      |
| Other charges for services                                       | -                 | -                                      | -   | -   | -  | -                                |      |
| Other revenues   | -                 | 1,306                                  | -   | -   | -  | -                                |      |
| <b>Total revenues</b>  | <b>108</b>        | <b>12,098</b>                          | <b>44</b>   | <b>108</b>                                | <b>30</b>                                  | <b>129</b>                       |      |
| <b>EXPENDITURES</b>  |                   |  |   |   |  |                                  |      |
| General government   | 105               | 10,821                                 | 40  | 110                                       | 30   | 215                              |      |
| Debt service - principal   | -                 | 6                                      | -   | -   | -  | -                                |      |
| Debt service - interest  | -                 | 1                                      | -   | -   | -  | -                                |      |
| Capital outlays  | -                 | 114                                    | -   | -   | -  | -                                |      |
| <b>Total expenditures</b>  | <b>105</b>        | <b>10,942</b>                          | <b>40</b>   | <b>110</b>                                | <b>30</b>                                  | <b>215</b>                       |      |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>3</b>          | <b>1,156</b>                           | <b>4</b>  | <b>(2)</b>                                | <b>-</b>                                   | <b>(86)</b>                      |      |
| <b>OTHER SOURCES (USES) OF FINANCIAL RESOURCES</b>               |                   |  |   |   |  |                                  |      |
| Appropriations from State resources                              | -                 | -                                      | -   | -   | -  | -                                |      |
| Lapsed appropriations  | -                 | -                                      | -   | -   | -  | -                                |      |
| Receipts collected and transmitted to State Treasury             | -                 | -                                      | -   | -   | -  | -                                |      |
| Capital lease and installment purchase acquisitions              | -                 | 21                                     | -   | -   | -  | -                                |      |
| Transfers-in   | -                 | -                                      | 472   | -   | -  | -                                |      |
| Transfers-out  | -                 | -                                      | -   | -   | -  | -                                |      |
| <b>Net other sources (uses) of financial resources</b>           | <b>-</b>          | <b>21</b>                              | <b>472</b>  | <b>-</b>                                  | <b>-</b>                                   | <b>-</b>                         |      |
| <b>Net change in fund balances</b>                               | <b>3</b>          | <b>1,177</b>                           | <b>476</b>  | <b>(2)</b>                                | <b>-</b>                                   | <b>(86)</b>                      |      |
| Fund balances (deficits), July 1, 2019                           | 7                 | 19,762                                 | 42  | 67  | 31   | 138                              |      |
| Increase (decrease) for changes in inventories                   | -                 | (1,876)                                | -   | -   | -  | -                                |      |
| <b>FUND BALANCES (DEFICITS), JUNE 30, 2020</b>                   | <b>\$ 10</b>      | <b>\$ 19,063</b>                       | <b>\$ 518</b>                                       | <b>\$ 65</b>                              | <b>\$ 31</b>                               | <b>\$ 52</b>                     |      |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balance -**  
**Non-major Governmental Funds**

For the Year Ended June 30, 2020 (Expressed in Thousands)

|  | Special Revenue                           |                                |  |                                  |  |  |
|--|---|--------------------------------|--|----------------------------------|--|--|
|  | Secretary of State Administration<br>0732 | Secretary of State DUI<br>0758 | Secretary of State Police Services<br>0759 | Marine Corps Scholarship<br>0760 | State Parking Facility Maintenance<br>0782 | Illinois EMS Memorial Scholarship and Training<br>0800 |
| <b>REVENUES</b>  |   |                                |  |                                  |  |  |
| Federal government   | \$ -                                      | \$ -                           | \$ -                                       | \$ -                             | \$ -                                       | \$ -   |
| Licenses and fees  | 2,180                                     | -                              | 482  | 143                              | 13   | -  |
| Interest and other investment income                             | -   | -                              | -  | -                                | -  | -  |
| Other charges for services                                       | -   | 2                              | -  | -                                | -  | -  |
| Other revenues   | -   | -                              | 69   | -                                | -  | -  |
| <b>Total revenues</b>  | <b>2,180</b>                              | <b>2</b>                       | <b>551</b>                                 | <b>143</b>                       | <b>13</b>                                  | <b>-</b>   |
| <b>EXPENDITURES</b>  |   |                                |  |                                  |  |  |
| General government   | 1,771                                     | -                              | 308  | 145                              | 84   | -  |
| Debt service - principal   | -   | -                              | -  | -                                | -  | -  |
| Debt service - interest  | -   | -                              | -  | -                                | -  | -  |
| Capital outlays  | -   | -                              | 397  | -                                | 11   | -  |
| <b>Total expenditures</b>  | <b>1,771</b>                              | <b>-</b>                       | <b>705</b>                                 | <b>145</b>                       | <b>95</b>                                  | <b>-</b>   |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>409</b>                                | <b>2</b>                       | <b>(154)</b>                               | <b>(2)</b>                       | <b>(82)</b>                                | <b>-</b>   |
| <b>OTHER SOURCES (USES) OF FINANCIAL RESOURCES</b>               |   |                                |  |                                  |  |  |
| Appropriations from State resources                              | -   | -                              | -  | -                                | 300  | -  |
| Lapsed appropriations  | -   | -                              | -  | -                                | (204)                                      | -  |
| Receipts collected and transmitted to State Treasury             | -   | -                              | -  | -                                | (13)                                       | -  |
| Capital lease and installment purchase acquisitions              | -   | -                              | -  | -                                | -  | -  |
| Transfers-in   | -   | -                              | -  | -                                | -  | -  |
| Transfers-out  | -   | -                              | -  | -                                | -  | -  |
| <b>Net other sources (uses) of financial resources</b>           | <b>-</b>                                  | <b>-</b>                       | <b>-</b>                                   | <b>-</b>                         | <b>83</b>                                  | <b>-</b>   |
| <b>Net change in fund balances</b>                               | <b>409</b>                                | <b>2</b>                       | <b>(154)</b>                               | <b>(2)</b>                       | <b>1</b>                                   | <b>-</b>   |
| Fund balances (deficits), July 1, 2019                           | 4,763                                     | 9                              | 544  | 69                               | -  | 12   |
| Increase (decrease) for changes in inventories                   | -   | -                              | -  | -                                | -  | -  |
| <b>FUND BALANCES (DEFICITS), JUNE 30, 2020</b>                   | <b>\$ 5,172</b>                           | <b>\$ 11</b>                   | <b>\$ 390</b>                              | <b>\$ 67</b>                     | <b>\$ 1</b>                                | <b>\$ 12</b>   |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balance -**  
**Non-major Governmental Funds**

For the Year Ended June 30, 2020 (Expressed in Thousands)

|  | Special Revenue                             |                     |                                  |                                |                      |                               |  |
|--|---|---------------------|----------------------------------|--------------------------------|----------------------|-------------------------------|--|
|  | International Brotherhood of Teamsters 0803 | Share the Road 0854 | Cycle Rider Safety Training 0863 | Fraternal Order of Police 0867 | Ducks Unlimited 0918 | Secretary of State Grant 0948 | Secretary of State Antique Vehicle Show 1390 |
| <b>REVENUES</b>  |   |                     |                                  |                                |                      |                               |  |
| Federal government   | -   | \$ -                | \$ -                             | \$ -                           | \$ -                 | \$ -                          | \$ -   |
| Licenses and fees  | 7   | 39                  | 3,650                            | 17                             | 21                   | -                             | 15   |
| Interest and other investment income                             | -   | -                   | -                                | -                              | -                    | -                             | -  |
| Other charges for services                                       | -   | -                   | -                                | -                              | -                    | -                             | -  |
| Other revenues   | -   | -                   | -                                | -                              | -                    | 4                             | -  |
| <b>Total revenues</b>  | <b>7</b>                                    | <b>39</b>           | <b>3,650</b>                     | <b>17</b>                      | <b>21</b>            | <b>4</b>                      | <b>15</b>                                    |
| <b>EXPENDITURES</b>  |   |                     |                                  |                                |                      |                               |  |
| General government   | 5   | 45                  | -                                | 17                             | 20                   | 45                            | 22   |
| Debt service - principal   | -   | -                   | -                                | -                              | -                    | -                             | -  |
| Debt service - interest  | -   | -                   | -                                | -                              | -                    | -                             | -  |
| Capital outlays  | -   | -                   | -                                | -                              | -                    | -                             | -  |
| <b>Total expenditures</b>  | <b>5</b>                                    | <b>45</b>           | <b>-</b>                         | <b>17</b>                      | <b>20</b>            | <b>45</b>                     | <b>22</b>                                    |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>2</b>                                    | <b>(6)</b>          | <b>3,650</b>                     | <b>-</b>                       | <b>1</b>             | <b>(41)</b>                   | <b>(7)</b>                                   |
| <b>OTHER SOURCES (USES) OF FINANCIAL RESOURCES</b>               |   |                     |                                  |                                |                      |                               |  |
| Appropriations from State resources                              | -   | -                   | -                                | -                              | -                    | -                             | -  |
| Lapsed appropriations  | -   | -                   | -                                | -                              | -                    | -                             | -  |
| Receipts collected and transmitted to State Treasury             | -   | -                   | (3,376)                          | -                              | -                    | -                             | -  |
| Capital lease and installment purchase acquisitions              | -   | -                   | -                                | -                              | -                    | -                             | -  |
| Transfers-in   | -   | -                   | -                                | -                              | -                    | -                             | -  |
| Transfers-out  | -   | -                   | -                                | -                              | -                    | -                             | -  |
| <b>Net other sources (uses) of financial resources</b>           | <b>-</b>                                    | <b>-</b>            | <b>(3,376)</b>                   | <b>-</b>                       | <b>-</b>             | <b>-</b>                      | <b>-</b>                                     |
| <b>Net change in fund balances</b>                               | <b>2</b>                                    | <b>(6)</b>          | <b>274</b>                       | <b>-</b>                       | <b>1</b>             | <b>(41)</b>                   | <b>(7)</b>                                   |
| Fund balances (deficits), July 1, 2019                           | 3   | 17                  | 280                              | 5                              | 14                   | 347                           | 13   |
| Increase (decrease) for changes in inventories                   | -   | -                   | -                                | -                              | -                    | -                             | -  |
| <b>FUND BALANCES (DEFICITS), JUNE 30, 2020</b>                   | <b>5</b>                                    | <b>11</b>           | <b>554</b>                       | <b>5</b>                       | <b>15</b>            | <b>306</b>                    | <b>6</b>                                     |

**State of Illinois**  
**Office of the Secretary of State**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balance -**  
**Non-major Governmental Funds**

For the Year Ended June 30, 2020 (Expressed in Thousands)

|  | Capital Projects               |  |                                |       |             |
|--|--------------------------------|--|--------------------------------|-------|-------------|
|  | Capital<br>Development<br>0141 | State<br>Construction<br>Account<br>0902 | Build Illinois<br>Bond<br>0971 | Total |             |
| <b>REVENUES</b>  |                                |  |                                |       |             |
| Federal government   | -                              | -  | -                              | -     | \$ 5,379    |
| Licenses and fees  | -                              | 447,187                                  | -                              | -     | 1,727,694   |
| Interest and other investment income                             | -                              | -  | -                              | -     | 615         |
| Other charges for services                                       | -                              | -  | -                              | -     | 3           |
| Other revenues   | -                              | -  | -                              | -     | 1,501       |
| <b>Total revenues</b>  | -                              | 447,187                                  | -                              | -     | 1,735,192   |
| <b>EXPENDITURES</b>  |                                |  |                                |       |             |
| General government   | 445                            | -  | 5,850                          | -     | 98,694      |
| Debt service - principal   | -                              | -  | -                              | -     | 508         |
| Debt service - interest  | -                              | -  | -                              | -     | 75          |
| Capital outlays  | 1,615                          | -  | -                              | -     | 2,248       |
| <b>Total expenditures</b>  | 2,060                          | -  | 5,850                          | -     | 101,525     |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | (2,060)                        | 447,187                                  | (5,850)                        | -     | 1,633,667   |
| <b>OTHER SOURCES (USES) OF FINANCIAL RESOURCES</b>               |                                |  |                                |       |             |
| Appropriations from State resources                              | 56,617                         | -  | 5,934                          | -     | 66,876      |
| Lapsed appropriations  | (54,557)                       | -  | (84)                           | -     | (55,689)    |
| Receipts collected and transmitted to State Treasury             | -                              | (449,379)                                | -                              | -     | (1,584,188) |
| Capital lease and installment purchase acquisitions              | -                              | -  | -                              | -     | 21          |
| Transfers-in   | -                              | -  | -                              | -     | 9,703       |
| Transfers-out  | -                              | -  | -                              | -     | (11,018)    |
| <b>Net other sources (uses) of financial resources</b>           | 2,060                          | (449,379)                                | 5,850                          | -     | (1,574,295) |
| <b>Net change in fund balances</b>                               | -                              | (2,192)                                  | -                              | -     | 59,372      |
| Fund balances (deficits), July 1, 2019                           | -                              | 70,835                                   | -                              | -     | 266,357     |
| Increase (decrease) for changes in inventories                   | -                              | -  | -                              | -     | (1,333)     |
| <b>FUND BALANCES (DEFICITS), JUNE 30, 2020</b>                   | -                              | \$ 68,643                                | \$ -                           | -     | \$ 324,396  |

**State of Illinois**  
**Office of the Secretary of State**

**Combining Statement of Fiduciary Net Position -  
Agency Funds**

June 30, 2020 (Expressed in Thousands)

|                                  | Safety<br>Responsibility<br>0436 | International<br>Registration<br>Plan<br>0890 | Go-Back<br>1110 | Safekeeping<br>1344 | Total           |
|----------------------------------|----------------------------------|---|-----------------|---------------------|-----------------|
| <b>ASSETS</b>                    |                                  |   |                 |                     |                 |
| Cash equity with State Treasurer | \$ 1,700                         | \$ 44   | \$ -            | \$ -                | \$ 1,744        |
| Cash and cash equivalents        | -                                | -   | 5               | 218                 | 223             |
| Investments                      | -                                | -   | -               | 50                  | 50              |
| <b>Total assets</b>              | <b>\$ 1,700</b>                  | <b>\$ 44</b>                                  | <b>\$ 5</b>     | <b>\$ 268</b>       | <b>\$ 2,017</b> |
| <b>LIABILITIES</b>               |                                  |   |                 |                     |                 |
| Accounts Payable                 | \$ 8                             | \$ 44   | \$ -            | \$ -                | \$ 52           |
| Intergovernmental Payables       | 1                                | -   | -               | -                   | 1               |
| Other liabilities                | 1,691                            | -   | 5               | 268                 | 1,964           |
| <b>Total liabilities</b>         | <b>\$ 1,700</b>                  | <b>\$ 44</b>                                  | <b>\$ 5</b>     | <b>\$ 268</b>       | <b>\$ 2,017</b> |

**State of Illinois**  
**Office of the Secretary of State**

**Combining Statement of Changes in Assets and Liabilities -  
Agency Funds**

For the Year Ended June 30, 2020 (Expressed in Thousands)

|   | Balance at<br>June 30, 2019 | Additions        | Deletions        | Balance at<br>June 30, 2020 |
|---|-----------------------------|------------------|------------------|-----------------------------|
| <b>Safety Responsibility (0436)</b>           |                             |                  |                  |                             |
| <b>ASSETS</b>                                 |                             |                  |                  |                             |
| Cash equity with State Treasurer              | \$ 1,363                    | \$ 342           | \$ 5             | \$ 1,700                    |
| <b>Total assets</b>                           | <b>\$ 1,363</b>             | <b>\$ 342</b>    | <b>\$ 5</b>      | <b>\$ 1,700</b>             |
| <b>LIABILITIES</b>                            |                             |                  |                  |                             |
| Accounts payable                              | \$ 27                       | \$ (19)          | \$ -             | \$ 8                        |
| Intergovernmental Payables                    | -                           | 1                | -                | 1                           |
| Other liabilities                             | 1,336                       | 360              | 5                | 1,691                       |
| <b>Total liabilities</b>                      | <b>\$ 1,363</b>             | <b>\$ 342</b>    | <b>\$ 5</b>      | <b>\$ 1,700</b>             |
| <b>International Registration Plan (0890)</b> |                             |                  |                  |                             |
| <b>ASSETS</b>                                 |                             |                  |                  |                             |
| Cash equity with State Treasurer              | \$ 13                       | \$ 72,059        | \$ 72,028        | \$ 44                       |
| <b>Total assets</b>                           | <b>\$ 13</b>                | <b>\$ 72,059</b> | <b>\$ 72,028</b> | <b>\$ 44</b>                |
| <b>LIABILITIES</b>                            |                             |                  |                  |                             |
| Accounts payable                              | \$ -                        | \$ 44            | \$ -             | \$ 44                       |
| Other liabilities                             | 13                          | 72,015           | 72,028           | -                           |
| <b>Total liabilities</b>                      | <b>\$ 13</b>                | <b>\$ 72,059</b> | <b>\$ 72,028</b> | <b>\$ 44</b>                |
| <b>Go-Back (1110)</b>                         |                             |                  |                  |                             |
| <b>ASSETS</b>                                 |                             |                  |                  |                             |
| Cash and cash equivalents                     | \$ -                        | \$ 27            | \$ 22            | \$ 5                        |
| <b>Total assets</b>                           | <b>\$ -</b>                 | <b>\$ 27</b>     | <b>\$ 22</b>     | <b>\$ 5</b>                 |
| <b>LIABILITIES</b>                            |                             |                  |                  |                             |
| Other liabilities                             | \$ -                        | \$ 27            | \$ 22            | \$ 5                        |
| <b>Total liabilities</b>                      | <b>\$ -</b>                 | <b>\$ 27</b>     | <b>\$ 22</b>     | <b>\$ 5</b>                 |
| <b>Safekeeping (1344)</b>                     |                             |                  |                  |                             |
| <b>ASSETS</b>                                 |                             |                  |                  |                             |
| Cash and cash equivalents                     | \$ 138                      | \$ 145           | \$ 65            | \$ 218                      |
| Investments                                   | 106                         | -                | 56               | 50                          |
| <b>Total assets</b>                           | <b>\$ 244</b>               | <b>\$ 145</b>    | <b>\$ 121</b>    | <b>\$ 268</b>               |
| <b>LIABILITIES</b>                            |                             |                  |                  |                             |
| Other liabilities                             | \$ 244                      | \$ 145           | \$ 121           | \$ 268                      |
| <b>Total liabilities</b>                      | <b>\$ 244</b>               | <b>\$ 145</b>    | <b>\$ 121</b>    | <b>\$ 268</b>               |
| <b>Total - All Agency Funds</b>               |                             |                  |                  |                             |
| <b>ASSETS</b>                                 |                             |                  |                  |                             |
| Cash equity with State Treasurer              | \$ 1,376                    | \$ 72,401        | \$ 72,033        | \$ 1,744                    |
| Cash and cash equivalents                     | 138                         | 172              | 87               | 223                         |
| Investments                                   | 106                         | -                | 56               | 50                          |
| <b>Total assets</b>                           | <b>\$ 1,620</b>             | <b>\$ 72,573</b> | <b>\$ 72,176</b> | <b>\$ 2,017</b>             |
| <b>LIABILITIES</b>                            |                             |                  |                  |                             |
| Accounts payable                              | \$ 27                       | \$ 25            | \$ -             | \$ 52                       |
| Intergovernmental Payables                    | -                           | 1                | -                | 1                           |
| Other liabilities                             | 1,593                       | 72,547           | 72,176           | 1,964                       |
| <b>Total liabilities</b>                      | <b>\$ 1,620</b>             | <b>\$ 72,573</b> | <b>\$ 72,176</b> | <b>\$ 2,017</b>             |

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

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

### **Report on the Financial Statements**

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the State of Illinois, Office of the Secretary of State, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the State of Illinois, Office of the Secretary of State’s basic financial statements, and have issued our report thereon dated April 28, 2021.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the State of Illinois, Office of the Secretary of State’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings as item 2020-002.

### **Internal Control Over Financial Reporting**

Management of the State of Illinois, Office of the Secretary of State is responsible for establishing and maintaining effective internal control over financial reporting (internal control).

In planning and performing our audit of the financial statements, we considered the State of Illinois, Office of the Secretary of State's internal control to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State of Illinois, Office of the Secretary of State's internal control. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Office of the Secretary of State's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings, we did identify certain deficiencies in internal control that we consider to be material weaknesses and a significant deficiency.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings as items 2020-001 and 2020-002 to be material weaknesses.

*A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying Schedule of Findings as item 2020-003 to be a significant deficiency.

### **Office's Responses to Findings**

The Office's responses to the findings identified in our audit are described in the accompanying Schedule of Findings. The Office's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

### **Purpose of this Report**

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

**SIGNED ORIGINAL ON FILE**

Springfield, Illinois  
April 28, 2021

STATE OF ILLINOIS  
OFFICE OF THE SECRETARY OF STATE  
FINANCIAL AUDIT  
For the Year Ended June 30, 2020

**SCHEDULE OF FINDINGS**

CURRENT FINDINGS – Government Auditing Standards

**2020-001. FINDING** (Weaknesses in determination of cash on hand and cash in transit amounts reported in the financial statements)

The Office of the Secretary of State (Office) used inaccurate queries to determine the adjustment to record cash on hand and cash in transit at fiscal year-end. The Office also excluded receipts deposited in the Illinois State Treasurer’s clearing accounts at the end of June 2020. Finally, the Office failed to record June 2020 adjustments made in August 2020 in its cash on hand and cash in transit balances.

During the testing over the cash on hand and the cash in transit balances reported in the General Revenue Fund (Fund 0001), Road Fund (Fund 0011), Capital Projects Fund (0694) and the State Construction Account Fund (0902), auditors noted the following errors in the calculation:

- The spreadsheet used to calculate total cash on hand and cash in transit for the General Revenue Fund and Road Fund improperly included July 2020 receipts from the queries used to determine June receipts not yet deposited into the Treasurer’s Clearing Accounts at June 30, 2020. Further, inaccurate receipt amounts were included in the query used. This error resulted in a \$4.9 million overstatement in the General Revenue Fund and a \$68.9 million overstatement in the Road Fund.
- The June deposits included in the cash on hand and cash in transit calculations that were held in the Illinois State Treasurer clearing accounts but not yet remitted to the Illinois Office of the Comptroller did not include deposits from June 29 and June 30, 2020. Further, one clearing account was not included for the General Revenue Fund. This error resulted in a \$7.4 million understatement in the General Revenue Fund and a \$39.9 million understatement in the Road Fund.
- The June 2020 adjustment recorded by the Office in August 2020 to registration fees recorded in the Capital Projects Fund was not included in the cash on hand and cash in transit balances. This error resulted in a \$4.4 million overstatement in the Capital Projects Fund and a corresponding understatement in the Road Fund.
- The June 2020 adjustment recorded by the Office in August 2020 to motor vehicle license fees recorded in the State Construction Account Fund was not included in the cash on hand and cash in transit balances, resulting in an overstatement of \$1.6 million in the State Construction Account Fund and a corresponding understatement in the Road Fund. This overstatement was offset by an understatement of \$1.2 million in the State Construction Account Fund due to errors in the spreadsheet used to calculate the revenue adjustments made after fiscal year-end from the estimated sales process.

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**2020-001. FINDING** (Weaknesses in determination of cash on hand and cash in transit amounts reported in the financial statements) (Continued)

- In addition to the items above, auditors noted other errors in the cash on hand and cash in transit spreadsheets that resulted in a \$140 thousand understatement in the General Revenue Fund and a \$8 thousand overstatement in the Road Fund.

Total misstatements noted for the fiscal year ending June 30, 2020 related to the above errors were as follows:

- Understatement of cash of \$2.6 million, overstatement of licenses and fee revenue of \$268 thousand and understatement of other tax revenue of \$2.8 million in the General Revenue Fund. The misstatement was considered material by the Office and an adjustment was made to the financial statements.
- Overstatement of cash of \$29.1 million, overstatement of licenses and fee revenue of \$24.7 million and understatement of amounts due from other funds of \$4.4 million in the Road Fund. The misstatement was considered material by the Office and an adjustment was made to the financial statements.
- Overstatement of licenses and fee revenue and understatement of amounts due to other funds of \$4.4 million in the Capitol Projects Fund. The misstatement was considered material by the Office and an adjustment was made to the financial statements.
- Overstatement of licenses and fee revenue and understatement of amounts due to other funds of \$400 thousand in the State Construction Account Fund and a corresponding understatement of licenses and fee revenue and amounts due from other funds in the Road Fund. The misstatement was not considered material by the Office and no adjustment was made to the financial statements.

This weakness was originally noted during the audit of the year ended June 30, 2018. In the subsequent audits, the Office has not successfully implemented the necessary corrective action to rectify this weakness.

In accordance with generally accepted accounting principles (GAAP), all assets, liabilities, revenues, and expenses should be accurately measured and recorded. Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, requires fund financial statements to be prepared using the current financial resources measurement focus and the modified accrual basis of accounting which revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to ensure State resources are used efficiently and effectively.

STATE OF ILLINOIS  
OFFICE OF THE SECRETARY OF STATE  
FINANCIAL AUDIT  
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**2020-001. FINDING** (Weaknesses in determination of cash on hand and cash in transit amounts reported in the financial statements) (Continued)

Office management indicated human error again resulted in the issues noted in addition to COVID-19 closures and co-dependency on other processes/divisions within the agency.

Failure to properly review and update calculations used for year-end adjustments could result in inaccurate reporting on the Office's financial statements. (Finding Code No. 2020-001, 2019-001, 2018-001, 2017-001, 2016-001)

**RECOMMENDATION**

We recommend the Office implement a process to review the calculation over the cash on hand and cash in transit process to determine that the calculation includes the correct fiscal year information and considers all in transit activity as of June 30<sup>th</sup>.

**OFFICE RESPONSE**

The Office agrees with the recommendation. The Office continues to work towards the implementation of a review process over the year-end cash on hand and cash in transit calculations.

STATE OF ILLINOIS  
OFFICE OF THE SECRETARY OF STATE  
FINANCIAL AUDIT  
For the Year Ended June 30, 2020

**2020-002. FINDING** (Inadequate Internal Controls Over Census Data)

The Office of the Secretary of State (Office) did not have adequate internal control over reporting its census data and 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.

Census data is demographic data (date of birth, gender, years of service, etc.) of the active, inactive, or retired members of a pension or OPEB plan. The accumulation of inactive or retired members' census data occurs before the current accumulation period of census data used in the plan's actuarial valuation (which eventually flows into each employer's financial statements), meaning the plan is solely responsible for establishing internal controls over these records and transmitting this data to the plan's actuary. In contrast, responsibility for active members' census data during the current accumulation period is split among the plan and each member's current employer(s). Initially, employers must accurately transmit census data elements of their employees to the plan. Then, the plan must record and retain these records for active employees and then transmit this census data to the plan's actuary.

We noted the Office's employees are members of both the State Employees' Retirement System of Illinois (SERS) for their pensions and the State Employees Group Insurance Program sponsored by the State of Illinois, Department of Central Management Services (CMS) for their OPEB. In addition, we noted these plans have characteristics of different types of pension and OPEB plans, including single employer plans and cost-sharing multiple-employer plans.

During testing, we noted the following:

- 1) The Office had not performed an initial complete reconciliation of its census data recorded by SERS and CMS to its internal records to establish a base year of complete and accurate census data.
- 2) After establishing a base year, the Office had not developed a process to annually obtain from SERS and CMS the incremental changes recorded by SERS and CMS in their census data records and reconcile these changes back to the Office's internal supporting records.
- 3) One of 80 (1%) employees tested did not contribute the proper contribution rate to SERS during Fiscal Year 2019, the census data accumulation year for SERS' actuarial valuation used to prepare the Office's Fiscal Year 2020 financial statements. We noted the employee was only contributing 4% of their total compensation under the regular retirement formula for employees with Social Security, as opposed to 8% of their total compensation under the regular retirement formula for employees without Social Security. We worked with SERS' actuary to project the impact of this error on SERS' valuation and determined it did not materially impact the Office's financial statements.

STATE OF ILLINOIS  
OFFICE OF THE SECRETARY OF STATE  
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**2020-002. FINDING** (Inadequate Internal Controls Over Census Data) (Continued)

For employers where their employees participate in plans with multiple-employer and cost-sharing features, the American Institute of Certified Public Accountants' *Audit and Accounting Guide: State and Local Governments* (AAG-SLG) (§ 13.177 for pensions and § 14.184 for OPEB) notes the determination of net pension/OPEB liability, pension/OPEB expense, and the associated deferred inflows and deferred outflows of resources depends on employer-provided census data reported to the plan being complete and accurate along with the accumulation and maintenance of this data by the plan being complete and accurate. To help mitigate against the risk of a plan's actuary using incomplete or inaccurate census data within similar agent multiple-employer plans, the AAG-SLG (§ 13.181 (A-27) for pensions and § 14.141 for OPEB) recommends an employer annually reconcile its active members' census data to a report from the plan of census data submitted to the plan's actuary, by comparing the current year's census data file to both the prior year's census data file and its underlying records for changes occurring during the current year.

Further, the Illinois Pension Code (40 ILCS 5/14-133(a)) requires contributions of each employee's total compensation of 4% and 8% to SERS for regular retirement formula members covered by Social Security and regular retirement formula members not covered by Social Security, respectively.

Finally, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Office establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds applicable to operations are properly recorded and accounted for to permit the preparation of reliable financial and statistical reports.

Office officials indicated the exceptions were the result of oversight and a data entry error.

Failure to ensure census data reported to SERS was complete and accurate could have resulted in a material misstatement of the Office's financial statements and reduced the overall accuracy of SERS-related pension liabilities, deferred inflows and outflows of resources, and expense recorded by the State and its agencies. In addition, failure to reconcile active members' census data reported to and held by SERS and CMS to the Office's records could result in each plan's actuary relying on incomplete or inaccurate census data in the calculation of the Office's pension and OPEB balances, which may result in a misstatement of these amounts. (Finding Code No. 2020-002)

**RECOMMENDATION**

We recommend the Office implement controls to ensure employee contributions to SERS are complete, accurate, and in accordance with the Illinois Pension Code.

STATE OF ILLINOIS  
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**2020-002. FINDING** (Inadequate Internal Controls Over Census Data) (Continued)

Further, we recommend the Office work with SERS and CMS 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 the plan's actuary. After completing an initial full reconciliation, the Office 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.

**OFFICE RESPONSE**

The Office accepts this recommendation. The Office was unaware of the reconciliation requirement of our census data. After subsequent discussion with the Office of the Comptroller, it is our understanding the State Employees Retirement Systems agency is working on a reconciliation process. Once this reconciliation process is presented to our Office, we will establish a reconciliation process, accordingly. In addition, the one error found on the employee contribution rate has been corrected and adjusted retroactively.

STATE OF ILLINOIS  
OFFICE OF THE SECRETARY OF STATE  
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**2020-003. FINDING** (Failure to adjust license and fee revenues)

The Office of the Secretary of State (Office) failed to adjust license and fee revenues that were originally funded using unadjusted weekly fee imposition reports on a monthly basis throughout fiscal year 2020. The Office also lacked internal control processes to identify this error.

Typically, license and fee receipts are remitted to the Illinois Office of the Comptroller based on unadjusted weekly fee imposition reports. The internally generated, unadjusted weekly fee imposition reports include monies collected approximately four weeks prior. On a monthly basis, the Office's Sales Analysis Division performs an analysis of receipts received by each class code, which indicate the receipt type, in order to determine if adjustments are necessary. Error reports are used to assist in the analysis, which indicate if a certain class code does not properly divide (i.e. a \$5 fee with 10 sold should equal \$50 in total revenue). If a fee class code does not properly divide, additional analysis of the transaction is performed, and any adjustments identified are made manually on a monthly basis after the sales analysis process is completed. A monthly, adjusted fee imposition report is generated and compared to the weekly unadjusted fee imposition report totals to determine adjustments to the funds for which the receipts were originally allocated. These adjustments are then sent to the Illinois Office of the Comptroller.

During fiscal year 2020, various circumstances caused delays in the monthly analysis. Due to these delays, the Office's Accounting Revenue – Reporting and Funds Management Division made the determination that no adjustments to the unadjusted weekly fee imposition reports would be made. However, although there were delays, corrections were still being made in fiscal year 2020 that should have been adjusted on a monthly basis through the process noted above. The failure to make these adjustments on a monthly basis was not identified by any other individuals at the Office and was not communicated to the Office's Budget and Fiscal Management Department during GAAP package preparation until the auditors identified the error.

After the auditors identified the failure to complete the monthly adjustment process throughout fiscal year 2020, the Office compiled a summary of the unrecorded adjustments. Adjustments between funds totaled \$2.3 million and adjustments to receipt sources within the same fund totaled \$18.6 million. The Office's GAAP packages were adjusted to record all adjustments between funds that exceeded \$1 thousand. The misstatements for the Office's accrual-only GAAP packages were not considered material by the Illinois Office of the Comptroller and, therefore, were not accounted for in the other State agency GAAP packages.

STATE OF ILLINOIS  
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**2020-003. FINDING** (Failure to adjust license and fee revenues) (Continued)

In accordance with generally accepted accounting principles (GAAP), all assets, liabilities, revenues, and expenses should be accurately measured and recorded. Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, requires fund financial statements to be prepared using the current financial resources measurement focus and the modified accrual basis of accounting which requires revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to ensure State’s resources are used efficiently and effectively.

Office management indicated that various circumstances caused delays in the Sales Analysis process during fiscal year 2020. According to Office management, these circumstances included fee changes due to new legislation, personnel changes and the COVID-19 pandemic stay at home order, which closed the Secretary of State Offices for approximately three and a half months.

The Office’s internal controls and lack of review over the monthly adjustment process failed to identify that the adjustments were not being made, which resulted in a failure to communicate these adjustments until the auditors identified them after fiscal year-end.

Failure to develop proper internal controls and perform documented reviews over significant financial transaction processes and adjustments could result in material misstatement of the Office’s, and the State’s, financial statements. (Finding Code No. 2020-003)

**RECOMMENDATION**

We recommend the Office implement a process to review the monthly license and fee revenue adjustments to ensure that all adjustments are made on a timely basis. Formal internal control procedures should be developed and monthly reviews should be documented to ensure revenues are properly adjusted throughout the fiscal year and properly reported at fiscal year-end.

**OFFICE RESPONSE**

The Office agrees with the recommendation. The Office plans to implement and document a monthly review process over the license and fee revenue adjustments.

STATE OF ILLINOIS  
OFFICE OF THE SECRETARY OF STATE  
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**PRIOR YEAR FINDINGS NOT REPEATED**

None