



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

SB2155

Introduced 7/14/2015, by Sen. Bill Cunningham

SYNOPSIS AS INTRODUCED:

30 ILCS 5/3-1

from Ch. 15, par. 303-1

110 ILCS 805/7-24

from Ch. 122, par. 107-24

Amends the Illinois State Auditing Act. Provides that the Auditor General shall annually conduct or cause to be conducted a financial and compliance audit of one-third of community colleges such that every community college is audited by the Auditor General every 3 years. Sets forth provisions concerning the filing, public inspection, and costs of the audit. Requires a community college to make available to the Auditor General its books and records and any other documentation necessary to conduct the audit as required. Provides that certain audits under the Public Community College Act shall not be prohibited in years a community college is not audited by the Auditor General. Amends the Public Community College Act. Makes a related change.

LRB099 12974 SXM 36979 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois State Auditing Act is amended by
5 changing Section 3-1 as follows:

6 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

7 Sec. 3-1. Jurisdiction of Auditor General. The Auditor
8 General has jurisdiction over all State agencies to make post
9 audits and investigations authorized by or under this Act or
10 the Constitution.

11 The Auditor General has jurisdiction over local government
12 agencies and private agencies only:

13 (a) to make such post audits authorized by or under
14 this Act as are necessary and incidental to a post audit of
15 a State agency or of a program administered by a State
16 agency involving public funds of the State, but this
17 jurisdiction does not include any authority to review local
18 governmental agencies in the obligation, receipt,
19 expenditure or use of public funds of the State that are
20 granted without limitation or condition imposed by law,
21 other than the general limitation that such funds be used
22 for public purposes;

23 (b) to make investigations authorized by or under this

1 Act or the Constitution; and

2 (c) to make audits of the records of local government
3 agencies to verify actual costs of state-mandated programs
4 when directed to do so by the Legislative Audit Commission
5 at the request of the State Board of Appeals under the
6 State Mandates Act.

7 In addition to the foregoing, the Auditor General may
8 conduct an audit of the Metropolitan Pier and Exposition
9 Authority, the Regional Transportation Authority, the Suburban
10 Bus Division, the Commuter Rail Division and the Chicago
11 Transit Authority and any other subsidized carrier when
12 authorized by the Legislative Audit Commission. Such audit may
13 be a financial, management or program audit, or any combination
14 thereof.

15 The audit shall determine whether they are operating in
16 accordance with all applicable laws and regulations. Subject to
17 the limitations of this Act, the Legislative Audit Commission
18 may by resolution specify additional determinations to be
19 included in the scope of the audit.

20 In addition to the foregoing, the Auditor General must also
21 conduct a financial audit of the Illinois Sports Facilities
22 Authority's expenditures of public funds in connection with the
23 reconstruction, renovation, remodeling, extension, or
24 improvement of all or substantially all of any existing
25 "facility", as that term is defined in the Illinois Sports
26 Facilities Authority Act.

1 The Auditor General may also conduct an audit, when
2 authorized by the Legislative Audit Commission, of any hospital
3 which receives 10% or more of its gross revenues from payments
4 from the State of Illinois, Department of Healthcare and Family
5 Services (formerly Department of Public Aid), Medical
6 Assistance Program.

7 The Auditor General is authorized to conduct financial and
8 compliance audits of the Illinois Distance Learning Foundation
9 and the Illinois Conservation Foundation.

10 As soon as practical after the effective date of this
11 amendatory Act of 1995, the Auditor General shall conduct a
12 compliance and management audit of the City of Chicago and any
13 other entity with regard to the operation of Chicago O'Hare
14 International Airport, Chicago Midway Airport and Merrill C.
15 Meigs Field. The audit shall include, but not be limited to, an
16 examination of revenues, expenses, and transfers of funds;
17 purchasing and contracting policies and practices; staffing
18 levels; and hiring practices and procedures. When completed,
19 the audit required by this paragraph shall be distributed in
20 accordance with Section 3-14.

21 The Auditor General shall conduct a financial and
22 compliance and program audit of distributions from the
23 Municipal Economic Development Fund during the immediately
24 preceding calendar year pursuant to Section 8-403.1 of the
25 Public Utilities Act at no cost to the city, village, or
26 incorporated town that received the distributions.

1 The Auditor General must conduct an audit of the Health
2 Facilities and Services Review Board pursuant to Section 19.5
3 of the Illinois Health Facilities Planning Act.

4 The Auditor General of the State of Illinois shall annually
5 conduct or cause to be conducted a financial and compliance
6 audit of the books and records of any county water commission
7 organized pursuant to the Water Commission Act of 1985 and
8 shall file a copy of the report of that audit with the Governor
9 and the Legislative Audit Commission. The filed audit shall be
10 open to the public for inspection. The cost of the audit shall
11 be charged to the county water commission in accordance with
12 Section 6z-27 of the State Finance Act. The county water
13 commission shall make available to the Auditor General its
14 books and records and any other documentation, whether in the
15 possession of its trustees or other parties, necessary to
16 conduct the audit required. These audit requirements apply only
17 through July 1, 2007.

18 The Auditor General must conduct audits of the Rend Lake
19 Conservancy District as provided in Section 25.5 of the River
20 Conservancy Districts Act.

21 The Auditor General must conduct financial audits of the
22 Southeastern Illinois Economic Development Authority as
23 provided in Section 70 of the Southeastern Illinois Economic
24 Development Authority Act.

25 The Auditor General shall conduct a compliance audit in
26 accordance with subsections (d) and (f) of Section 30 of the

1 Innovation Development and Economy Act.

2 The Auditor General shall annually conduct or cause to be
3 conducted a financial and compliance audit of one-third of
4 community colleges as defined in subsection (c) of Section 1-2
5 of the Public Community College Act such that every community
6 college is audited by the Auditor General every 3 years. The
7 Auditor General shall enter into an intergovernmental
8 agreement under the Intergovernmental Cooperation Act with
9 each of the community colleges in order to complete such
10 audits. The Auditor General shall file a copy of the report of
11 that audit with the Governor and the Legislative Audit
12 Commission. The filed audit shall be open to the public for
13 inspection. Any costs associated with the audit shall be the
14 responsibility of the community college to the extent that the
15 community college is billed by the Auditor General in
16 accordance with Section 6z-27 of the State Finance Act. The
17 community college shall make available to the Auditor General
18 its books and records and any other documentation, whether in
19 the possession of its trustees or other parties, necessary to
20 conduct the audit as required under this Section. The
21 provisions of this Section shall not prohibit audits under
22 Section 7-24 of the Public Community College Act in years a
23 community college is not audited by the Auditor General under
24 this Section.

25 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09;
26 96-939, eff. 6-24-10.)

1 Section 10. The Public Community College Act is amended by
2 changing Section 7-24 as follows:

3 (110 ILCS 805/7-24) (from Ch. 122, par. 107-24)

4 Sec. 7-24. The board shall yearly, except in the years a
5 community college is audited by the Auditor General under
6 Section 3-1 of the Illinois State Auditing Act, and may as
7 often as necessary, appoint certified public accountants to
8 examine the business methods and audit the accounts of the
9 board, and to submit a report of that examination and audit,
10 together with any of their recommendations as to changes in
11 business methods of the board or any of its departments,
12 officers or employees. That report shall be made to the mayor,
13 the city council, and the board and be filed in the records of
14 the board. The board shall prepare, publish and transmit to the
15 mayor and the city council an annual report including in detail
16 all receipts and expenditures, specifying the source of the
17 receipts and the objects of the expenditures. The board shall
18 enter into an intergovernmental agreement under the
19 Intergovernmental Cooperation Act with the Auditor General in
20 order to complete any audits required under Section 3-1 of the
21 Illinois State Auditing Act.

22 (Source: P.A. 83-343.)