

1 AN ACT concerning government.

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

4 Section 5. The State Records Act is amended by changing
5 Section 9 as follows:

6 (5 ILCS 160/9) (from Ch. 116, par. 43.12)

7 Sec. 9. The head of each agency shall establish, and
8 maintain an active, continuing program for the economical and
9 efficient management of the records of the agency.

10 Such program:

11 (1) shall provide for effective controls over the creation,
12 maintenance, and use of records in the conduct of current
13 business and shall ensure that agency electronic records, as
14 specified in Section 5-135 of the Electronic Commerce Security
15 Act, are retained in a trustworthy manner so that the records,
16 and the information contained in the records, are accessible
17 and usable for reference for the duration of the retention
18 period; all computer tape or disk maintenance and preservation
19 procedures must be fully applied and, if equipment or programs
20 providing access to the records are updated or replaced, the
21 existing data must remain accessible in the successor format
22 for the duration of the approved retention period;

23 (2) shall provide for cooperation with the Secretary in

1 appointing a records officer and in applying standards,
2 procedures, and techniques to improve the management of
3 records, promote the maintenance and security of records deemed
4 appropriate for preservation, and facilitate the segregation
5 and disposal of records of temporary value; and

6 (3) shall provide for compliance with the provisions of
7 this Act and the rules and regulations issued thereunder.

8 If an agency has delegated its authority to retain records
9 to another agency, then the delegate agency shall maintain, at
10 a minimum, the same record retention methodology and record
11 retention period as the original agency's program.

12 (Source: P.A. 92-866, eff. 1-3-03.)

13 Section 10. The Comptroller's Records Act is amended by
14 changing Section 7 as follows:

15 (15 ILCS 415/7) (from Ch. 15, par. 31)

16 Sec. 7. Certificate of destruction. Before the destruction
17 of any warrants or records pursuant to this Act, the State
18 Comptroller shall have prepared a certificate setting forth by
19 summary description the warrants or records and the manner,
20 time and place of their destruction. The certificate ~~shall be~~
21 ~~signed by at least 2 witnesses of such destruction and~~ shall be
22 kept in the permanent files of the Comptroller.

23 (Source: P.A. 78-592.)

1 Section 15. The State Finance Act is amended by changing
2 Sections 12 and 25 as follows:

3 (30 ILCS 105/12) (from Ch. 127, par. 148)

4 Sec. 12. Each voucher for traveling expenses shall indicate
5 the purpose of the travel as required by applicable travel
6 regulations, shall be itemized and shall be accompanied by all
7 receipts specified in the applicable travel regulations and by
8 a certificate, signed by the person incurring such expense,
9 certifying that the amount is correct and just; that the
10 detailed items charged for subsistence were actually paid; that
11 the expenses were occasioned by official business or
12 unavoidable delays requiring the stay of such person at hotels
13 for the time specified; that the journey was performed with all
14 practicable dispatch by the shortest route usually traveled in
15 the customary reasonable manner; and that such person has not
16 been furnished with transportation or money in lieu thereof;
17 for any part of the journey therein charged for.

18 Upon written approval by the office of the Comptroller, a
19 State agency may maintain the original travel voucher, the
20 receipts, and the proof of the traveler's signature on the
21 traveler's certification statement at the office of the State
22 agency. However, nothing in this Section shall be construed to
23 exempt a State agency from submitting a detailed travel voucher
24 as prescribed by the office of the Comptroller.

25 An information copy of each voucher covering a claim by a

1 person subject to the official travel regulations promulgated
2 under Section 12-2 for travel reimbursement involving an
3 exception to the general restrictions of such travel
4 regulations shall be filed with the applicable travel control
5 board which shall consider these vouchers, or a report thereof,
6 for approval. Amounts disbursed for travel reimbursement
7 claims which are disapproved by the applicable travel control
8 board shall be refunded by the traveler and deposited in the
9 fund or account from which payment was made.

10 (Source: P.A. 84-345.)

11 (30 ILCS 105/25) (from Ch. 127, par. 161)

12 Sec. 25. Fiscal year limitations.

13 (a) All appropriations shall be available for expenditure
14 for the fiscal year or for a lesser period if the Act making
15 that appropriation so specifies. A deficiency or emergency
16 appropriation shall be available for expenditure only through
17 June 30 of the year when the Act making that appropriation is
18 enacted unless that Act otherwise provides.

19 (b) Outstanding liabilities as of June 30, payable from
20 appropriations which have otherwise expired, may be paid out of
21 the expiring appropriations during the 2-month period ending at
22 the close of business on August 31. Any service involving
23 professional or artistic skills or any personal services by an
24 employee whose compensation is subject to income tax
25 withholding must be performed as of June 30 of the fiscal year

1 in order to be considered an "outstanding liability as of June
2 30" that is thereby eligible for payment out of the expiring
3 appropriation.

4 (b-1) However, payment of tuition reimbursement claims
5 under Section 14-7.03 or 18-3 of the School Code may be made by
6 the State Board of Education from its appropriations for those
7 respective purposes for any fiscal year, even though the claims
8 reimbursed by the payment may be claims attributable to a prior
9 fiscal year, and payments may be made at the direction of the
10 State Superintendent of Education from the fund from which the
11 appropriation is made without regard to any fiscal year
12 limitations, except as required by subsection (j) of this
13 Section. Beginning on June 30, 2021, payment of tuition
14 reimbursement claims under Section 14-7.03 or 18-3 of the
15 School Code as of June 30, payable from appropriations that
16 have otherwise expired, may be paid out of the expiring
17 appropriation during the 4-month period ending at the close of
18 business on October 31.

19 (b-2) All outstanding liabilities as of June 30, 2010,
20 payable from appropriations that would otherwise expire at the
21 conclusion of the lapse period for fiscal year 2010, and
22 interest penalties payable on those liabilities under the State
23 Prompt Payment Act, may be paid out of the expiring
24 appropriations until December 31, 2010, without regard to the
25 fiscal year in which the payment is made, as long as vouchers
26 for the liabilities are received by the Comptroller no later

1 than August 31, 2010.

2 (b-2.5) All outstanding liabilities as of June 30, 2011,
3 payable from appropriations that would otherwise expire at the
4 conclusion of the lapse period for fiscal year 2011, and
5 interest penalties payable on those liabilities under the State
6 Prompt Payment Act, may be paid out of the expiring
7 appropriations until December 31, 2011, without regard to the
8 fiscal year in which the payment is made, as long as vouchers
9 for the liabilities are received by the Comptroller no later
10 than August 31, 2011.

11 (b-2.6) For fiscal years 2012 and 2013, interest penalties
12 payable under the State Prompt Payment Act associated with a
13 voucher for which payment is issued after June 30 may be paid
14 out of the next fiscal year's appropriation. The future year
15 appropriation must be for the same purpose and from the same
16 fund as the original payment. An interest penalty voucher
17 submitted against a future year appropriation must be submitted
18 within 60 days after the issuance of the associated voucher,
19 and the Comptroller must issue the interest payment within 60
20 days after acceptance of the interest voucher.

21 (b-3) Medical payments may be made by the Department of
22 Veterans' Affairs from its appropriations for those purposes
23 for any fiscal year, without regard to the fact that the
24 medical services being compensated for by such payment may have
25 been rendered in a prior fiscal year, except as required by
26 subsection (j) of this Section. Beginning on June 30, 2021,

1 medical payments payable from appropriations that have
2 otherwise expired may be paid out of the expiring appropriation
3 during the 4-month period ending at the close of business on
4 October 31.

5 (b-4) Medical payments may be made by the Department of
6 Healthcare and Family Services and medical payments and child
7 care payments may be made by the Department of Human Services
8 (as successor to the Department of Public Aid) from
9 appropriations for those purposes for any fiscal year, without
10 regard to the fact that the medical or child care services
11 being compensated for by such payment may have been rendered in
12 a prior fiscal year; and payments may be made at the direction
13 of the Department of Healthcare and Family Services from the
14 Health Insurance Reserve Fund and the Local Government Health
15 Insurance Reserve Fund without regard to any fiscal year
16 limitations, except as required by subsection (j) of this
17 Section. Beginning on June 30, 2021, medical payments made by
18 the Department of Healthcare and Family Services, child care
19 payments made by the Department of Human Services, and payments
20 made at the discretion of the Department of Healthcare and
21 Family Services from the Health Insurance Reserve Fund and the
22 Local Government Health Insurance Reserve Fund payable from
23 appropriations that have otherwise expired may be paid out of
24 the expiring appropriation during the 4-month period ending at
25 the close of business on October 31.

26 (b-5) Medical payments may be made by the Department of

1 Human Services from its appropriations relating to substance
2 abuse treatment services for any fiscal year, without regard to
3 the fact that the medical services being compensated for by
4 such payment may have been rendered in a prior fiscal year,
5 provided the payments are made on a fee-for-service basis
6 consistent with requirements established for Medicaid
7 reimbursement by the Department of Healthcare and Family
8 Services, except as required by subsection (j) of this Section.
9 Beginning on June 30, 2021, medical payments made by the
10 Department of Human Services relating to substance abuse
11 treatment services payable from appropriations that have
12 otherwise expired may be paid out of the expiring appropriation
13 during the 4-month period ending at the close of business on
14 October 31.

15 (b-6) Additionally, payments may be made by the Department
16 of Human Services from its appropriations, or any other State
17 agency from its appropriations with the approval of the
18 Department of Human Services, from the Immigration Reform and
19 Control Fund for purposes authorized pursuant to the
20 Immigration Reform and Control Act of 1986, without regard to
21 any fiscal year limitations, except as required by subsection
22 (j) of this Section. Beginning on June 30, 2021, payments made
23 by the Department of Human Services from the Immigration Reform
24 and Control Fund for purposes authorized pursuant to the
25 Immigration Reform and Control Act of 1986 payable from
26 appropriations that have otherwise expired may be paid out of

1 the expiring appropriation during the 4-month period ending at
2 the close of business on October 31.

3 (b-7) Payments may be made in accordance with a plan
4 authorized by paragraph (11) or (12) of Section 405-105 of the
5 Department of Central Management Services Law from
6 appropriations for those payments without regard to fiscal year
7 limitations.

8 (c) Further, payments may be made by the Department of
9 Public Health, the Department of Human Services (acting as
10 successor to the Department of Public Health under the
11 Department of Human Services Act), and the Department of
12 Healthcare and Family Services from their respective
13 appropriations for grants for medical care to or on behalf of
14 persons suffering from chronic renal disease, persons
15 suffering from hemophilia, rape victims, and premature and
16 high-mortality risk infants and their mothers and for grants
17 for supplemental food supplies provided under the United States
18 Department of Agriculture Women, Infants and Children
19 Nutrition Program, for any fiscal year without regard to the
20 fact that the services being compensated for by such payment
21 may have been rendered in a prior fiscal year, except as
22 required by subsection (j) of this Section. Beginning on June
23 30, 2021, payments made by the Department of Public Health, the
24 Department of Human Services, and the Department of Healthcare
25 and Family Services from their respective appropriations for
26 grants for medical care to or on behalf of persons suffering

1 from chronic renal disease, persons suffering from hemophilia,
2 rape victims, and premature and high-mortality risk infants and
3 their mothers and for grants for supplemental food supplies
4 provided under the United States Department of Agriculture
5 Women, Infants and Children Nutrition Program payable from
6 appropriations that have otherwise expired may be paid out of
7 the expiring appropriations during the 4-month period ending at
8 the close of business on October 31.

9 (d) The Department of Public Health and the Department of
10 Human Services (acting as successor to the Department of Public
11 Health under the Department of Human Services Act) shall each
12 annually submit to the State Comptroller, Senate President,
13 Senate Minority Leader, Speaker of the House, House Minority
14 Leader, and the respective Chairmen and Minority Spokesmen of
15 the Appropriations Committees of the Senate and the House, on
16 or before December 31, a report of fiscal year funds used to
17 pay for services provided in any prior fiscal year. This report
18 shall document by program or service category those
19 expenditures from the most recently completed fiscal year used
20 to pay for services provided in prior fiscal years.

21 (e) The Department of Healthcare and Family Services, the
22 Department of Human Services (acting as successor to the
23 Department of Public Aid), and the Department of Human Services
24 making fee-for-service payments relating to substance abuse
25 treatment services provided during a previous fiscal year shall
26 each annually submit to the State Comptroller, Senate

1 President, Senate Minority Leader, Speaker of the House, House
2 Minority Leader, the respective Chairmen and Minority
3 Spokesmen of the Appropriations Committees of the Senate and
4 the House, on or before November 30, a report that shall
5 document by program or service category those expenditures from
6 the most recently completed fiscal year used to pay for (i)
7 services provided in prior fiscal years and (ii) services for
8 which claims were received in prior fiscal years.

9 (f) The Department of Human Services (as successor to the
10 Department of Public Aid) shall annually submit to the State
11 Comptroller, Senate President, Senate Minority Leader, Speaker
12 of the House, House Minority Leader, and the respective
13 Chairmen and Minority Spokesmen of the Appropriations
14 Committees of the Senate and the House, on or before December
15 31, a report of fiscal year funds used to pay for services
16 (other than medical care) provided in any prior fiscal year.
17 This report shall document by program or service category those
18 expenditures from the most recently completed fiscal year used
19 to pay for services provided in prior fiscal years.

20 (g) In addition, each annual report required to be
21 submitted by the Department of Healthcare and Family Services
22 under subsection (e) shall include the following information
23 with respect to the State's Medicaid program:

24 (1) Explanations of the exact causes of the variance
25 between the previous year's estimated and actual
26 liabilities.

1 (2) Factors affecting the Department of Healthcare and
2 Family Services' liabilities, including but not limited to
3 numbers of aid recipients, levels of medical service
4 utilization by aid recipients, and inflation in the cost of
5 medical services.

6 (3) The results of the Department's efforts to combat
7 fraud and abuse.

8 (h) As provided in Section 4 of the General Assembly
9 Compensation Act, any utility bill for service provided to a
10 General Assembly member's district office for a period
11 including portions of 2 consecutive fiscal years may be paid
12 from funds appropriated for such expenditure in either fiscal
13 year.

14 (i) An agency which administers a fund classified by the
15 Comptroller as an internal service fund may issue rules for:

16 (1) billing user agencies in advance for payments or
17 authorized inter-fund transfers based on estimated charges
18 for goods or services;

19 (2) issuing credits, refunding through inter-fund
20 transfers, or reducing future inter-fund transfers during
21 the subsequent fiscal year for all user agency payments or
22 authorized inter-fund transfers received during the prior
23 fiscal year which were in excess of the final amounts owed
24 by the user agency for that period; and

25 (3) issuing catch-up billings to user agencies during
26 the subsequent fiscal year for amounts remaining due when

1 payments or authorized inter-fund transfers received from
2 the user agency during the prior fiscal year were less than
3 the total amount owed for that period.

4 User agencies are authorized to reimburse internal service
5 funds for catch-up billings by vouchers drawn against their
6 respective appropriations for the fiscal year in which the
7 catch-up billing was issued or by increasing an authorized
8 inter-fund transfer during the current fiscal year. For the
9 purposes of this Act, "inter-fund transfers" means transfers
10 without the use of the voucher-warrant process, as authorized
11 by Section 9.01 of the State Comptroller Act.

12 (i-1) Beginning on July 1, 2021, all outstanding
13 liabilities, not payable during the 4-month lapse period as
14 described in subsections (b-1), (b-3), (b-4), (b-5), (b-6), and
15 (c) of this Section, that are made from appropriations for that
16 purpose for any fiscal year, without regard to the fact that
17 the services being compensated for by those payments may have
18 been rendered in a prior fiscal year, are limited to only those
19 claims that have been incurred but for which a proper bill or
20 invoice as defined by the State Prompt Payment Act has not been
21 received by September 30th following the end of the fiscal year
22 in which the service was rendered.

23 (j) Notwithstanding any other provision of this Act, the
24 aggregate amount of payments to be made without regard for
25 fiscal year limitations as contained in subsections (b-1),
26 (b-3), (b-4), (b-5), (b-6), and (c) of this Section, and

1 determined by using Generally Accepted Accounting Principles,
2 shall not exceed the following amounts:

3 (1) \$6,000,000,000 for outstanding liabilities related
4 to fiscal year 2012;

5 (2) \$5,300,000,000 for outstanding liabilities related
6 to fiscal year 2013;

7 (3) \$4,600,000,000 for outstanding liabilities related
8 to fiscal year 2014;

9 (4) \$4,000,000,000 for outstanding liabilities related
10 to fiscal year 2015;

11 (5) \$3,300,000,000 for outstanding liabilities related
12 to fiscal year 2016;

13 (6) \$2,600,000,000 for outstanding liabilities related
14 to fiscal year 2017;

15 (7) \$2,000,000,000 for outstanding liabilities related
16 to fiscal year 2018;

17 (8) \$1,300,000,000 for outstanding liabilities related
18 to fiscal year 2019;

19 (9) \$600,000,000 for outstanding liabilities related
20 to fiscal year 2020; and

21 (10) \$0 for outstanding liabilities related to fiscal
22 year 2021 and fiscal years thereafter.

23 (k) The Comptroller must issue payments against
24 outstanding liabilities that were received prior to the lapse
25 period deadlines set forth in this Section as soon thereafter
26 as practical, but no payment may be issued after the 4 months

1 following the lapse period deadline without the signed
2 authorization of the Comptroller and the Governor.

3 (Source: P.A. 96-928, eff. 6-15-10; 96-958, eff. 7-1-10;
4 96-1501, eff. 1-25-11; 97-75, eff. 6-30-11; 97-333, eff.
5 8-12-11.)

6 Section 20. The Illinois Procurement Code is amended by
7 changing Section 20-80 as follows:

8 (30 ILCS 500/20-80)

9 Sec. 20-80. Contract files.

10 (a) Written determinations. All written determinations
11 required under this Article shall be placed in the contract
12 file maintained by the chief procurement officer.

13 (b) Filing with Comptroller. Whenever a grant, defined
14 pursuant to accounting standards established by the
15 Comptroller, or a contract liability, except for: (1) contracts
16 paid from personal services, or (2) contracts between the State
17 and its employees to defer compensation in accordance with
18 Article 24 of the Illinois Pension Code, exceeding \$20,000
19 ~~\$10,000~~ is incurred by any State agency, a copy of the
20 contract, purchase order, grant, or lease shall be filed with
21 the Comptroller within 30 ~~15~~ days thereafter. Beginning January
22 1, 2013, the Comptroller may require the documents filed with
23 the Comptroller under this subsection by any State agency that
24 files more than 300 documents under this subsection per fiscal

1 year to be filed electronically. To "file electronically" means
2 to scan into a Portable Document Format (.pdf) or any other
3 electronic format that the Comptroller may prescribe and send
4 to either the Comptroller or a data storage system with an
5 identity protection policy managed by the Comptroller. For each
6 State contract for goods, supplies, or services awarded on or
7 after July 1, 2010, the contracting agency shall provide the
8 applicable rate and unit of measurement of the goods, supplies,
9 or services on the contract obligation document as required by
10 the Comptroller. If the contract obligation document that is
11 submitted to the Comptroller contains the rate and unit of
12 measurement of the goods, supplies, or services, the
13 Comptroller shall provide that information on his or her
14 official website. Any cancellation or modification to any such
15 contract liability shall be filed with the Comptroller within
16 30 ~~15~~ days of its execution.

17 (c) Late filing affidavit. When a contract, purchase order,
18 grant, or lease required to be filed by this Section has not
19 been filed within 30 days of execution, the Comptroller shall
20 refuse to issue a warrant for payment thereunder until the
21 agency files with the Comptroller the contract, purchase order,
22 grant, or lease and an affidavit, signed by the chief executive
23 officer of the agency or his or her designee, setting forth an
24 explanation of why the contract liability was not filed within
25 30 days of execution. A copy of this affidavit shall be filed
26 with the Auditor General.

1 (d) Timely execution of contracts. No voucher shall be
2 submitted to the Comptroller for a warrant to be drawn for the
3 payment of money from the State treasury or from other funds
4 held by the State Treasurer on account of any contract unless
5 the contract is reduced to writing before the services are
6 performed and filed with the Comptroller. Vendors shall not be
7 paid for any goods that were received or services that were
8 rendered before the contract was reduced to writing and signed
9 by all necessary parties. A chief procurement officer may
10 request an exception to this subsection by submitting a written
11 statement to the Comptroller and Treasurer setting forth the
12 circumstances and reasons why the contract could not be reduced
13 to writing before the supplies were received or services were
14 performed. A waiver of this subsection must be approved by the
15 Comptroller and Treasurer. This Section shall not apply to
16 emergency purchases if notice of the emergency purchase is
17 filed with the Procurement Policy Board and published in the
18 Bulletin as required by this Code.

19 (e) Method of source selection. When a contract is filed
20 with the Comptroller under this Section, the Comptroller's file
21 shall identify the method of source selection used in obtaining
22 the contract.

23 (Source: P.A. 96-794, eff. 1-1-10; 96-795, eff. 7-1-10 (see
24 Section 5 of P.A. 96-793 for the effective date of changes made
25 by P.A. 96-795); 96-1000, eff. 7-2-10.)

1 Section 25. The Governmental Account Audit Act is amended
2 by changing Section 2 as follows:

3 (50 ILCS 310/2) (from Ch. 85, par. 702)

4 Sec. 2. Except as otherwise provided in Section 3, the
5 governing body of each governmental unit shall cause an audit
6 of the accounts of the unit to be made by a licensed public
7 accountant. Such audit shall be made annually and shall cover
8 the immediately preceding fiscal year of the governmental unit.
9 The audit shall include all the accounts and funds of the
10 governmental unit, including the accounts of any officer of the
11 governmental unit who receives fees or handles funds of the
12 unit or who spends money of the unit. The audit shall begin as
13 soon as possible after the close of the last fiscal year to
14 which it pertains, and shall be completed and the audit report
15 filed with the Comptroller within 6 months after the close of
16 such fiscal year unless an extension of time is granted by the
17 Comptroller in writing. An audit report which fails to meet the
18 requirements of this Act shall be rejected by the Comptroller
19 and returned to the governing body of the governmental unit for
20 corrective action. The licensed public accountant making the
21 audit shall submit not less than 3 copies of the audit report
22 to the governing body of the governmental unit being audited.

23 Any financial report under this Section shall include the
24 name of the purchasing agent who oversees all competitively bid
25 contracts. If there is no purchasing agent, the name of the

1 person responsible for oversight of all competitively bid
2 contracts shall be listed.

3 (Source: P.A. 85-1000.)

4 Section 30. The Counties Code is amended by changing
5 Section 6-31003 as follows:

6 (55 ILCS 5/6-31003) (from Ch. 34, par. 6-31003)

7 Sec. 6-31003. Annual audits and reports. In counties having
8 a population of over 10,000 but less than 500,000, the county
9 board of each county shall cause an audit of all of the funds
10 and accounts of the county to be made annually by an accountant
11 or accountants chosen by the county board or by an accountant
12 or accountants retained by the Comptroller, as hereinafter
13 provided. In addition, each county having a population of less
14 than 500,000 shall file with the Comptroller a financial report
15 containing information required by the Comptroller. Such
16 financial report shall be on a form so designed by the
17 Comptroller as not to require professional accounting services
18 for its preparation.

19 Any financial report under this Section shall include the
20 name of the purchasing agent who oversees all competitively bid
21 contracts. If there is no purchasing agent, the name of the
22 person responsible for oversight of all competitively bid
23 contracts shall be listed.

24 The audit shall commence as soon as possible after the

1 close of each fiscal year and shall be completed within 6
2 months after the close of such fiscal year, unless an extension
3 of time is granted by the Comptroller in writing. Such
4 extension of time shall not exceed 60 days. When the accountant
5 or accountants have completed the audit a full report thereof
6 shall be made and not less than 2 copies of each audit report
7 shall be submitted to the county board. Each audit report shall
8 be signed by the accountant making the audit and shall include
9 only financial information, findings and conclusions that are
10 adequately supported by evidence in the auditor's working
11 papers to demonstrate or prove, when called upon, the basis for
12 the matters reported and their correctness and reasonableness.
13 In connection with this, each county board shall retain the
14 right of inspection of the auditor's working papers and shall
15 make them available to the Comptroller, or his designee, upon
16 request.

17 Within 60 days of receipt of an audit report, each county
18 board shall file one copy of each audit report and each
19 financial report with the Comptroller and any comment or
20 explanation that the county board may desire to make concerning
21 such audit report may be attached thereto. An audit report
22 which fails to meet the requirements of this Division shall be
23 rejected by the Comptroller and returned to the county board
24 for corrective action. One copy of each such report shall be
25 filed with the county clerk of the county so audited.

26 (Source: P.A. 86-962.)

1 Section 35. The Illinois Municipal Code is amended by
2 changing Section 8-8-3 as follows:

3 (65 ILCS 5/8-8-3) (from Ch. 24, par. 8-8-3)

4 Sec. 8-8-3. Audit requirements.

5 (a) The corporate authorities of each municipality coming
6 under the provisions of this Division 8 shall cause an audit of
7 the funds and accounts of the municipality to be made by an
8 accountant or accountants employed by such municipality or by
9 an accountant or accountants retained by the Comptroller, as
10 hereinafter provided.

11 (b) The accounts and funds of each municipality having a
12 population of 800 or more or having a bonded debt or owning or
13 operating any type of public utility shall be audited annually.
14 The audit herein required shall include all of the accounts and
15 funds of the municipality. Such audit shall be begun as soon as
16 possible after the close of the fiscal year, and shall be
17 completed and the report submitted within 6 months after the
18 close of such fiscal year, unless an extension of time shall be
19 granted by the Comptroller in writing. The accountant or
20 accountants making the audit shall submit not less than 2
21 copies of the audit report to the corporate authorities of the
22 municipality being audited. Municipalities not operating
23 utilities may cause audits of the accounts of municipalities to
24 be made more often than herein provided, by an accountant or

1 accountants. The audit report of such audit when filed with the
2 Comptroller together with an audit report covering the
3 remainder of the period for which an audit is required to be
4 filed hereunder shall satisfy the requirements of this section.

5 (c) Municipalities of less than 800 population which do not
6 own or operate public utilities and do not have bonded debt,
7 shall file annually with the Comptroller a financial report
8 containing information required by the Comptroller. Such
9 annual financial report shall be on forms devised by the
10 Comptroller in such manner as to not require professional
11 accounting services for its preparation.

12 (d) In addition to any audit report required, all
13 municipalities, except municipalities of less than 800
14 population which do not own or operate public utilities and do
15 not have bonded debt, shall file annually with the Comptroller
16 a supplemental report on forms devised and approved by the
17 Comptroller.

18 (e) Notwithstanding any provision of law to the contrary,
19 if a municipality (i) has a population of less than 200, (ii)
20 has bonded debt in the amount of \$50,000 or less, and (iii)
21 owns or operates a public utility, then the municipality shall
22 cause an audit of the funds and accounts of the municipality to
23 be made by an accountant employed by the municipality or
24 retained by the Comptroller for fiscal year 2011 and every
25 fourth fiscal year thereafter or until the municipality has a
26 population of 200 or more, has bonded debt in excess of

1 \$50,000, or no longer owns or operates a public utility.
2 Nothing in this subsection shall be construed as limiting the
3 municipality's duty to file an annual financial report with the
4 Comptroller or to comply with the filing requirements
5 concerning the county clerk.

6 (f) Any financial report under this Section shall include
7 the name of the purchasing agent who oversees all competitively
8 bid contracts. If there is no purchasing agent, the name of the
9 person responsible for oversight of all competitively bid
10 contracts shall be listed.

11 (Source: P.A. 96-1309, eff. 7-27-10.)

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.