

1 AN ACT concerning local government.

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

4 Section 5. The Governmental Account Audit Act is amended  
5 by changing Sections 1, 3, and 6 as follows:

6 (50 ILCS 310/1) (from Ch. 85, par. 701)

7 Sec. 1. Definitions. As used in this Act, unless the  
8 context otherwise indicates:

9 "Governmental unit" or "unit" includes all municipal  
10 corporations in and political subdivisions of this State that  
11 appropriate more than \$5,000 for a fiscal year, with the  
12 amount to increase or decrease by the amount of the Consumer  
13 Price Index (CPI) as reported on January 1 of each year, except  
14 the following:

15 (1) School districts.

16 (2) Cities, villages, and incorporated towns subject  
17 to the Municipal Auditing Law, as contained in the  
18 Illinois Municipal Code, and cities that file a report  
19 with the Comptroller under Section 3.1-35-115 of the  
20 Illinois Municipal Code.

21 (3) Counties with a population of 1,000,000 or more.

22 (4) Counties subject to the County Auditing Law.

23 (5) Any other municipal corporations in or political

1 subdivisions of this State, the accounts of which are  
2 required by law to be audited by or under the direction of  
3 the Auditor General.

4 (6) (Blank).

5 (7) A drainage district, established under the  
6 Illinois Drainage Code (70 ILCS 605), that did not receive  
7 or expend any moneys during the immediately preceding  
8 fiscal year or obtains approval for assessments and  
9 expenditures through the circuit court.

10 (8) Public housing authorities that submit financial  
11 reports to the U.S. Department of Housing and Urban  
12 Development.

13 "Governing body" means the board or other body or officers  
14 having authority to levy taxes, make appropriations, authorize  
15 the expenditure of public funds or approve claims for any  
16 governmental unit.

17 "Comptroller" means the Comptroller of the State of  
18 Illinois.

19 "Consumer Price Index" means the Consumer Price Index for  
20 All Urban Consumers for all items published by the United  
21 States Department of Labor.

22 "Audit report" means the written report of the auditor and  
23 all appended statements and schedules relating to that report,  
24 presenting or recording the findings of an examination or  
25 audit of the financial transactions, affairs, or conditions of  
26 a governmental unit.

1 "Auditor" means a licensed certified public accountant, as  
2 that term is defined in Section 0.03 of the Illinois Public  
3 Accounting Act, or the substantial equivalent of a licensed  
4 CPA, as provided under Section 5.2 of the Illinois Public  
5 Accounting Act, who performs an audit of governmental unit  
6 financial statements and records and expresses an assurance or  
7 disclaims an opinion on the audited financial statements.

8 "Report" includes both audit reports and reports filed  
9 instead of an audit report by a governmental unit receiving  
10 revenue of less than \$1,400,000 ~~\$850,000~~ during any fiscal  
11 year to which the reports relate.

12 "Generally accepted accounting principles" means  
13 accounting principles generally accepted in the United States.

14 "Generally accepted auditing standards" means auditing  
15 standards generally accepted in the United States.

16 (Source: P.A. 100-837, eff. 8-13-18; 101-419, eff. 1-1-20.)

17 (50 ILCS 310/3) (from Ch. 85, par. 703)

18 Sec. 3. Beginning with fiscal year 2027, any ~~Any~~  
19 governmental unit receiving revenue of less than \$1,400,000  
20 for any ~~\$850,000 for any~~ fiscal year shall, in lieu of  
21 complying with the requirements of Section 2 for audits and  
22 audit reports, ~~beginning with fiscal year 2016,~~ either: (i)  
23 cause an audit of the accounts of the unit to be made once  
24 every 4 years and file with the Comptroller an annual  
25 financial report containing information required by the

1 Comptroller, or (ii) file with the Comptroller an annual  
2 financial report containing information required by the  
3 Comptroller, a copy of which has been provided to each member  
4 of that governmental unit's board of elected officials,  
5 presented either in person or by a live phone or web connection  
6 during a public meeting, and approved by a 3/5 majority vote.  
7 In addition, a governmental unit receiving revenue of less  
8 than \$1,400,000 ~~\$850,000~~ may file with the Comptroller any  
9 audit reports which may have been prepared under any other  
10 law. Beginning with fiscal year 2027, any ~~Any~~ governmental  
11 unit receiving revenue of \$1,400,000 ~~\$850,000~~ or more for any  
12 fiscal year shall, in addition to complying with the  
13 requirements of Section 2 for audits and audit reports, file  
14 with the Comptroller the annual financial report required by  
15 this Section. Such annual financial reports shall be on forms  
16 so designed by the Comptroller as not to require professional  
17 accounting services for its preparation. All reports to be  
18 filed with the Comptroller under this Section must be  
19 submitted electronically and the Comptroller must post the  
20 reports on the Internet no later than 45 days after they are  
21 received. If the governmental unit provides the Comptroller's  
22 Office with sufficient evidence that the report cannot be  
23 filed electronically, the Comptroller may waive this  
24 requirement. The Comptroller must also post a list of  
25 governmental units that are not in compliance with the  
26 reporting requirements set forth in this Section.

1 Any financial report under this Section shall include the  
2 name of the purchasing agent who oversees all competitively  
3 bid contracts. If there is no purchasing agent, the name of the  
4 person responsible for oversight of all competitively bid  
5 contracts shall be listed.

6 (Source: P.A. 97-890, eff. 8-2-12; 97-1142, eff. 12-28-12;  
7 98-1019, eff. 7-1-15.)

8 (50 ILCS 310/6) (from Ch. 85, par. 706)

9 Sec. 6. When the audit is completed the auditor making  
10 such audit shall make and sign at least 3 copies of the report  
11 of the audit and immediately file them with the governmental  
12 unit audited. Beginning with fiscal year 2027, governmental  
13 ~~Governmental~~ units receiving revenue of \$1,400,000 ~~\$850,000~~ or  
14 more for any fiscal year shall immediately make one copy of the  
15 audit report and one copy of the financial report required by  
16 Section 3 of this Act a part of its public record. Governmental  
17 units receiving revenue of less than \$1,400,000 ~~\$850,000~~ shall  
18 immediately make one copy of the audit report, or one copy of  
19 the report authorized by Section 3 of this Act to be filed  
20 instead of the audit report, a part of its public record. These  
21 copies shall be open to public inspection. In addition, the  
22 governmental unit shall file one copy of the report with the  
23 Comptroller and with the county clerk of the county in which  
24 the principal office of the governmental unit is located. A  
25 governmental unit may, in filing its audit report with the

1 Comptroller, transmit with such report any comment or  
2 explanation that it wishes to make concerning the report.

3 (Source: P.A. 101-419, eff. 1-1-20.)

4 Section 10. The Township Code is amended by changing  
5 Section 80-20 as follows:

6 (60 ILCS 1/80-20)

7 Sec. 80-20. Independent audit of accounts.

8 (a) All accounts audited under this Article (and those  
9 rejected, if any) shall be delivered with the certificate of  
10 the trustees (or a majority of them) to the township clerk, who  
11 shall keep them on file for the inspection of any of the  
12 inhabitants of the township. They shall also be produced by  
13 the township clerk at the next annual meeting and shall be read  
14 at the meeting by the clerk.

15 (b) In townships that receive revenue of more than  
16 \$1,400,000 for any fiscal year, with the amount to increase or  
17 decrease by a percentage equal to the Consumer Price Index-U  
18 as reported on January 1 of each year ~~\$850,000 or more during~~  
19 ~~any fiscal year, exclusive of road funds,~~ the township board  
20 shall have the accounts and all records of the township  
21 thoroughly audited by a certified public accountant within 6  
22 months after the close of each fiscal year. The board shall  
23 have a copy of the accountant's report and recommendations  
24 filed with the township clerk and another copy filed with the

1 county clerk for public inspection.

2 (c) In townships that receive revenue of less than  
3 \$1,400,000 for any fiscal year, with the amount to increase or  
4 decrease by a percentage equal to the Consumer Price Index-U  
5 as reported on January 1 of each year ~~\$850,000 during any~~  
6 ~~fiscal year, exclusive of road funds,~~ the township board shall  
7 have the accounts and all records of the township audited and  
8 inspected by an independent auditing committee composed of 3  
9 township electors chosen by the board. The audit shall be  
10 completed within 6 months after the close of each fiscal year.  
11 A copy of the auditing committee's report and recommendations  
12 shall be filed with the township clerk and another copy shall  
13 be filed with the county clerk for public inspection. The  
14 auditing committee shall not contain any member of the  
15 township board or any person related to a trustee. Members of  
16 the auditing committee shall be proficient in accounting  
17 principles and practices and shall be compensated at a rate  
18 determined by the township board but not to exceed \$50 per day.  
19 In addition to the other audit requirements imposed by law, in  
20 townships subject to this subsection, the township board shall  
21 have the accounts and all records of the township thoroughly  
22 audited by a certified public accountant within 6 months after  
23 (i) the end of each term of office of the township supervisor  
24 and (ii) a vacancy occurs in the office of township  
25 supervisor. A copy of the accountant's report and  
26 recommendations shall be filed with the township clerk and

1 another copy shall be filed with the county clerk for public  
2 inspection.

3 As used in this Section, "Consumer Price Index-U" means  
4 the index published by the Bureau of Labor Statistics of the  
5 United States Department of Labor that measures the average  
6 change in prices of goods and services purchased by all urban  
7 consumers, United States city average, all items, 1982-84 =  
8 100.

9 (Source: P.A. 92-582, eff. 7-1-02.)

10 Section 99. Effective date. This Act takes effect upon  
11 becoming law.