



Sen. Linda Holmes

**Filed: 2/28/2012**

09700SB3245sam002

LRB097 18348 PJG 66735 a

1 AMENDMENT TO SENATE BILL 3245

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 3245 by replacing  
3 everything after the enacting clause with the following:

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

1 and usable for reference for the duration of the retention  
2 period; all computer tape or disk maintenance and preservation  
3 procedures must be fully applied and, if equipment or programs  
4 providing access to the records are updated or replaced, the  
5 existing data must remain accessible in the successor format  
6 for the duration of the approved retention period;

7 (2) shall provide for cooperation with the Secretary in  
8 appointing a records officer and in applying standards,  
9 procedures, and techniques to improve the management of  
10 records, promote the maintenance and security of records deemed  
11 appropriate for preservation, and facilitate the segregation  
12 and disposal of records of temporary value; and

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

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

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

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

22 (15 ILCS 415/7) (from Ch. 15, par. 31)

23 Sec. 7. Certificate of destruction. Before the destruction  
24 of any warrants or records pursuant to this Act, the State

1 Comptroller shall have prepared a certificate setting forth by  
2 summary description the warrants or records and the manner,  
3 time and place of their destruction. The certificate ~~shall be~~  
4 ~~signed by at least 2 witnesses of such destruction and~~ shall be  
5 kept in the permanent files of the Comptroller.

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

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

9 (30 ILCS 105/12) (from Ch. 127, par. 148)

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

24 Upon written approval by the office of the Comptroller, a

1 State agency may maintain the original travel voucher, the  
2 receipts, and the proof of the traveler's signature on the  
3 traveler's certification statement at the office of the State  
4 agency. However, nothing in this Section shall be construed to  
5 exempt a State agency from submitting a detailed travel voucher  
6 as prescribed by the office of the Comptroller.

7 An information copy of each voucher covering a claim by a  
8 person subject to the official travel regulations promulgated  
9 under Section 12-2 for travel reimbursement involving an  
10 exception to the general restrictions of such travel  
11 regulations shall be filed with the applicable travel control  
12 board which shall consider these vouchers, or a report thereof,  
13 for approval. Amounts disbursed for travel reimbursement  
14 claims which are disapproved by the applicable travel control  
15 board shall be refunded by the traveler and deposited in the  
16 fund or account from which payment was made.

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

18 (30 ILCS 105/25) (from Ch. 127, par. 161)

19 Sec. 25. Fiscal year limitations.

20 (a) All appropriations shall be available for expenditure  
21 for the fiscal year or for a lesser period if the Act making  
22 that appropriation so specifies. A deficiency or emergency  
23 appropriation shall be available for expenditure only through  
24 June 30 of the year when the Act making that appropriation is  
25 enacted unless that Act otherwise provides.

1           (b) Outstanding liabilities as of June 30, payable from  
2           appropriations which have otherwise expired, may be paid out of  
3           the expiring appropriations during the 2-month period ending at  
4           the close of business on August 31. Any service involving  
5           professional or artistic skills or any personal services by an  
6           employee whose compensation is subject to income tax  
7           withholding must be performed as of June 30 of the fiscal year  
8           in order to be considered an "outstanding liability as of June  
9           30" that is thereby eligible for payment out of the expiring  
10          appropriation.

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

26          (b-2) All outstanding liabilities as of June 30, 2010,

1 payable from appropriations that would otherwise expire at the  
2 conclusion of the lapse period for fiscal year 2010, and  
3 interest penalties payable on those liabilities under the State  
4 Prompt Payment Act, may be paid out of the expiring  
5 appropriations until December 31, 2010, without regard to the  
6 fiscal year in which the payment is made, as long as vouchers  
7 for the liabilities are received by the Comptroller no later  
8 than August 31, 2010.

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

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

1 days after acceptance of the interest voucher.

2 (b-3) Medical payments may be made by the Department of  
3 Veterans' Affairs from its appropriations for those purposes  
4 for any fiscal year, without regard to the fact that the  
5 medical services being compensated for by such payment may have  
6 been rendered in a prior fiscal year, except as required by  
7 subsection (j) of this Section. Beginning on June 30, 2021,  
8 medical payments payable from appropriations that have  
9 otherwise expired may be paid out of the expiring appropriation  
10 during the 4-month period ending at the close of business on  
11 October 31.

12 (b-4) Medical payments may be made by the Department of  
13 Healthcare and Family Services and medical payments and child  
14 care payments may be made by the Department of Human Services  
15 (as successor to the Department of Public Aid) from  
16 appropriations for those purposes for any fiscal year, without  
17 regard to the fact that the medical or child care services  
18 being compensated for by such payment may have been rendered in  
19 a prior fiscal year; and payments may be made at the direction  
20 of the Department of Healthcare and Family Services from the  
21 Health Insurance Reserve Fund and the Local Government Health  
22 Insurance Reserve Fund without regard to any fiscal year  
23 limitations, except as required by subsection (j) of this  
24 Section. Beginning on June 30, 2021, medical payments made by  
25 the Department of Healthcare and Family Services, child care  
26 payments made by the Department of Human Services, and payments

1 made at the discretion of the Department of Healthcare and  
2 Family Services from the Health Insurance Reserve Fund and the  
3 Local Government Health Insurance Reserve Fund payable from  
4 appropriations that have otherwise expired may be paid out of  
5 the expiring appropriation during the 4-month period ending at  
6 the close of business on October 31.

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

22 (b-6) Additionally, payments may be made by the Department  
23 of Human Services from its appropriations, or any other State  
24 agency from its appropriations with the approval of the  
25 Department of Human Services, from the Immigration Reform and  
26 Control Fund for purposes authorized pursuant to the



1 Immigration Reform and Control Act of 1986, without regard to  
2 any fiscal year limitations, except as required by subsection  
3 (j) of this Section. Beginning on June 30, 2021, payments made  
4 by the Department of Human Services from the Immigration Reform  
5 and Control Fund for purposes authorized pursuant to the  
6 Immigration Reform and Control Act of 1986 payable from  
7 appropriations that have otherwise expired may be paid out of  
8 the expiring appropriation during the 4-month period ending at  
9 the close of business on October 31.

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

15 (c) Further, payments may be made by the Department of  
16 Public Health, the Department of Human Services (acting as  
17 successor to the Department of Public Health under the  
18 Department of Human Services Act), and the Department of  
19 Healthcare and Family Services from their respective  
20 appropriations for grants for medical care to or on behalf of  
21 persons suffering from chronic renal disease, persons  
22 suffering from hemophilia, rape victims, and premature and  
23 high-mortality risk infants and their mothers and for grants  
24 for supplemental food supplies provided under the United States  
25 Department of Agriculture Women, Infants and Children  
26 Nutrition Program, for any fiscal year without regard to the

1 fact that the services being compensated for by such payment  
2 may have been rendered in a prior fiscal year, except as  
3 required by subsection (j) of this Section. Beginning on June  
4 30, 2021, payments made by the Department of Public Health, the  
5 Department of Human Services, and the Department of Healthcare  
6 and Family Services from their respective appropriations for  
7 grants for medical care to or on behalf of persons suffering  
8 from chronic renal disease, persons suffering from hemophilia,  
9 rape victims, and premature and high-mortality risk infants and  
10 their mothers and for grants for supplemental food supplies  
11 provided under the United States Department of Agriculture  
12 Women, Infants and Children Nutrition Program payable from  
13 appropriations that have otherwise expired may be paid out of  
14 the expiring appropriations during the 4-month period ending at  
15 the close of business on October 31.

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

1 to pay for services provided in prior fiscal years.

2 (e) The Department of Healthcare and Family Services, the  
3 Department of Human Services (acting as successor to the  
4 Department of Public Aid), and the Department of Human Services  
5 making fee-for-service payments relating to substance abuse  
6 treatment services provided during a previous fiscal year shall  
7 each annually submit to the State Comptroller, Senate  
8 President, Senate Minority Leader, Speaker of the House, House  
9 Minority Leader, the respective Chairmen and Minority  
10 Spokesmen of the Appropriations Committees of the Senate and  
11 the House, on or before November 30, a report that shall  
12 document by program or service category those expenditures from  
13 the most recently completed fiscal year used to pay for (i)  
14 services provided in prior fiscal years and (ii) services for  
15 which claims were received in prior fiscal years.

16 (f) The Department of Human Services (as successor to the  
17 Department of Public Aid) shall annually submit to the State  
18 Comptroller, Senate President, Senate Minority Leader, Speaker  
19 of the House, House Minority Leader, and the respective  
20 Chairmen and Minority Spokesmen of the Appropriations  
21 Committees of the Senate and the House, on or before December  
22 31, a report of fiscal year funds used to pay for services  
23 (other than medical care) provided in any prior fiscal year.  
24 This report shall document by program or service category those  
25 expenditures from the most recently completed fiscal year used  
26 to pay for services provided in prior fiscal years.

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

5 (1) Explanations of the exact causes of the variance  
6 between the previous year's estimated and actual  
7 liabilities.

8 (2) Factors affecting the Department of Healthcare and  
9 Family Services' liabilities, including but not limited to  
10 numbers of aid recipients, levels of medical service  
11 utilization by aid recipients, and inflation in the cost of  
12 medical services.

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

15 (h) As provided in Section 4 of the General Assembly  
16 Compensation Act, any utility bill for service provided to a  
17 General Assembly member's district office for a period  
18 including portions of 2 consecutive fiscal years may be paid  
19 from funds appropriated for such expenditure in either fiscal  
20 year.

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

23 (1) billing user agencies in advance for payments or  
24 authorized inter-fund transfers based on estimated charges  
25 for goods or services;

26 (2) issuing credits, refunding through inter-fund

1 transfers, or reducing future inter-fund transfers during  
2 the subsequent fiscal year for all user agency payments or  
3 authorized inter-fund transfers received during the prior  
4 fiscal year which were in excess of the final amounts owed  
5 by the user agency for that period; and

6 (3) issuing catch-up billings to user agencies during  
7 the subsequent fiscal year for amounts remaining due when  
8 payments or authorized inter-fund transfers received from  
9 the user agency during the prior fiscal year were less than  
10 the total amount owed for that period.

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

19 (i-1) Beginning on July 1, 2021, all outstanding  
20 liabilities, not payable during the 4-month lapse period as  
21 described in subsections (b-1), (b-3), (b-4), (b-5), (b-6), and  
22 (c) of this Section, that are made from appropriations for that  
23 purpose for any fiscal year, without regard to the fact that  
24 the services being compensated for by those payments may have  
25 been rendered in a prior fiscal year, are limited to only those  
26 claims that have been incurred but for which a proper bill or

1 invoice as defined by the State Prompt Payment Act has not been  
2 received by September 30th following the end of the fiscal year  
3 in which the service was rendered.

4 (j) Notwithstanding any other provision of this Act, the  
5 aggregate amount of payments to be made without regard for  
6 fiscal year limitations as contained in subsections (b-1),  
7 (b-3), (b-4), (b-5), (b-6), and (c) of this Section, and  
8 determined by using Generally Accepted Accounting Principles,  
9 shall not exceed the following amounts:

10 (1) \$6,000,000,000 for outstanding liabilities related  
11 to fiscal year 2012;

12 (2) \$5,300,000,000 for outstanding liabilities related  
13 to fiscal year 2013;

14 (3) \$4,600,000,000 for outstanding liabilities related  
15 to fiscal year 2014;

16 (4) \$4,000,000,000 for outstanding liabilities related  
17 to fiscal year 2015;

18 (5) \$3,300,000,000 for outstanding liabilities related  
19 to fiscal year 2016;

20 (6) \$2,600,000,000 for outstanding liabilities related  
21 to fiscal year 2017;

22 (7) \$2,000,000,000 for outstanding liabilities related  
23 to fiscal year 2018;

24 (8) \$1,300,000,000 for outstanding liabilities related  
25 to fiscal year 2019;

26 (9) \$600,000,000 for outstanding liabilities related

1 to fiscal year 2020; and

2 (10) \$0 for outstanding liabilities related to fiscal  
3 year 2021 and fiscal years thereafter.

4 (k) The Comptroller must issue payments against  
5 outstanding liabilities that were received prior to the lapse  
6 period deadlines set forth in this Section as soon thereafter  
7 as practical, but no payment may be issued after the 4 months  
8 following the lapse period deadline without the signed  
9 authorization of the Comptroller and the Governor.

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

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

15 (30 ILCS 500/20-80)

16 Sec. 20-80. Contract files.

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

20 (b) Filing with Comptroller. Whenever a grant, defined  
21 pursuant to accounting standards established by the  
22 Comptroller, or a contract liability, except for: (1) contracts  
23 paid from personal services, or (2) contracts between the State  
24 and its employees to defer compensation in accordance with

1 Article 24 of the Illinois Pension Code, exceeding \$20,000  
2 ~~\$10,000~~ is incurred by any State agency, a copy of the  
3 contract, purchase order, grant, or lease shall be filed with  
4 the Comptroller within 30 ~~15~~ days thereafter. Beginning January  
5 1, 2013, the Comptroller may require that grants and contracts  
6 that must be filed with the Comptroller under this Section  
7 shall be filed electronically. For each State contract for  
8 goods, supplies, or services awarded on or after July 1, 2010,  
9 the contracting agency shall provide the applicable rate and  
10 unit of measurement of the goods, supplies, or services on the  
11 contract obligation document as required by the Comptroller. If  
12 the contract obligation document that is submitted to the  
13 Comptroller contains the rate and unit of measurement of the  
14 goods, supplies, or services, the Comptroller shall provide  
15 that information on his or her official website. Any  
16 cancellation or modification to any such contract liability  
17 shall be filed with the Comptroller within 30 ~~15~~ days of its  
18 execution.

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



1 30 days of execution. A copy of this affidavit shall be filed  
2 with the Auditor General.

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

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

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

1 by P.A. 96-795); 96-1000, eff. 7-2-10.)

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

4 (50 ILCS 310/2) (from Ch. 85, par. 702)

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

24 Any financial report under this Section shall include the

1 name of the purchasing agent who oversees all competitively bid  
2 contracts. If there is no purchasing agent, the name of the  
3 person responsible for oversight of all competitively bid  
4 contracts shall be listed.

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

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

8 (55 ILCS 5/6-31003) (from Ch. 34, par. 6-31003)

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

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

1 contracts shall be listed.

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

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

1 filed with the county clerk of the county so audited.

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

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

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

6 Sec. 8-8-3. Audit requirements.

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

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

1 utilities may cause audits of the accounts of municipalities to  
2 be made more often than herein provided, by an accountant or  
3 accountants. The audit report of such audit when filed with the  
4 Comptroller together with an audit report covering the  
5 remainder of the period for which an audit is required to be  
6 filed hereunder shall satisfy the requirements of this section.

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

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

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

1 fourth fiscal year thereafter or until the municipality has a  
2 population of 200 or more, has bonded debt in excess of  
3 \$50,000, or no longer owns or operates a public utility.  
4 Nothing in this subsection shall be construed as limiting the  
5 municipality's duty to file an annual financial report with the  
6 Comptroller or to comply with the filing requirements  
7 concerning the county clerk.

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

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

14 Section 99. Effective date. This Act takes effect upon  
15 becoming law."