

1 AN ACT concerning government audits.

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 and 4 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,  
14 except the following:

15 (1) School districts.

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

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

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

24 (5) Any other municipal corporations in or  
25 political subdivisions of this State, the accounts of  
26 which are required by law to be audited by or under the  
27 direction of the Auditor General.

28 (6) (Blank).

29 (7) A drainage district, established under the  
30 Illinois Drainage Code (70 ILCS 605), that did not  
31 receive or expend any moneys during the immediately

1 preceding fiscal year.

2 (8) Public housing authorities that submit  
3 financial reports to the U.S. Department of Housing and  
4 Urban Development.

5 "Governing body" means the board or other body or  
6 officers having authority to levy taxes, make appropriations,  
7 authorize the expenditure of public funds or approve claims  
8 for any governmental unit.

9 "Comptroller" means the Comptroller of the State of  
10 Illinois.

11 "Consumer Price Index" means the Consumer Price Index for  
12 All Urban Consumers for all items published by the United  
13 States Department of Labor.

14 "Licensed public accountant" means the holder of a valid  
15 certificate as a public accountant under the Illinois Public  
16 Accounting Act.

17 "Audit report" means the written report of the licensed  
18 public accountant and all appended statements and schedules  
19 relating to that report, presenting or recording the findings  
20 of an examination or audit of the financial transactions,  
21 affairs, or conditions of a governmental unit.

22 "Report" includes both audit reports and reports filed  
23 instead of an audit report by a governmental unit  
24 appropriating less than \$200,000 during any fiscal year to  
25 which the reports relate.

26 (Source: P.A. 90-104, eff. 7-11-97.)

27 (50 ILCS 310/4) (from Ch. 85, par. 704)

28 Sec. 4. Overdue report.

29 (a) If the required report for a governmental unit is  
30 not filed with the Comptroller in accordance with Section 2  
31 or Section 3, whichever is applicable, within 6 months after  
32 the close of the fiscal year of the governmental unit, the  
33 Comptroller shall notify the governing body of that unit in

1 writing that the report is due and may also grant a 60 day  
2 extension for the filing of the audit report. If the required  
3 report is not filed within the time specified in such written  
4 notice, the Comptroller shall cause an audit to be made by a  
5 licensed public accountant, and the governmental unit shall  
6 pay to the Comptroller actual compensation and expenses to  
7 reimburse him for the cost of preparing or completing such  
8 report.

9 (b) The Comptroller may decline to order an audit and  
10 the preparation of an audit report (i) if an initial  
11 examination of the books and records of the governmental unit  
12 indicates that the books and records of the governmental unit  
13 are inadequate or unavailable due to the passage of time or  
14 the occurrence of a natural disaster or (ii) if the  
15 Comptroller determines that the cost of an audit would impose  
16 an unreasonable financial burden on the governmental unit.

17 (Source: P.A. 90-104, eff. 7-11-97.)

18 Section 99. Effective date. This Act takes effect upon  
19 becoming law.